



County of Santa Cruz

OFFICE OF THE COUNTY COUNSEL

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November 27, 2000

Agenda: December 5, 2000

Board of Supervisors
County of Santa Cruz
701 Ocean Street, Room 500
Santa Cruz, California 95060

Re: Mobilehome Commission Trust Fund

Dear Members of the Board:

This is to respond to your Board's directive to County Counsel to report back on matters related to the administration of the County's Mobilehome Park Rent Adjustment Ordinance. Specifically, your Board requested an accounting of the funds available for transfer to the Mobilehome Commission's trust fund and information regarding the status of the trust fund.

The County's Mobilehome Park Rent Adjustment Ordinance (County Code Chapter 13.32) provides that an annual space fee be imposed upon each mobilehome park owner. The fee pays for the administration of the ordinance, staffing for the Mobilehome Commission, and funding for the administrative hearing process. The ordinance requires each mobilehome park owner to pay the annual fee for all spaces that are rented by the residents thereof; the fee is not imposed for spaces occupied by residents that own a share of the park. The Ordinance sets forth guidelines for the park owners to obtain the space fee from the residents of each mobilehome space charged. The annual space fee was last increased effective July 1, 1993 to \$14 per space (Resolution No. 4 18-93).

Prior to July 1, 1994, the District Attorneys' Office handled administration of the County's Mobilehome Park Ordinance. Beginning FY 1994-95, the County Counsel's Office assumed responsibility for the administration of the Mobilehome Park Ordinance. County Counsel's Office has previously provided your Board with reports on the administration of the Ordinance through FY 1997-98. These reports have indicated that although annual revenues remain fairly constant, the expenditures incurred for the administration of the ordinance vary somewhat from year to year based upon the number of administrative hearings and the amount of staff and attorney time required. This results in a fund balance at year end which is available to help cover potential increases in costs in the following year.

The Auditor-Controller has recently completed its review of receipts and disbursements for three fiscal years ending June 30, 2000. Exhibit A is a summary of the three years revenues, expenditures, and fund balance available as of June 30, 2000. As shown in Exhibit A, expenditures exceeded revenues for two of the three fiscal years. For FY 99-00 administrative expenses included \$18,564.98 for County Counsel administration, including supplies, \$100 for room rental, \$4,324.45 for hearing officers, and \$5,767.30 for Senior Citizens' Legal Services.¹ Administrative expenditures were greatly reduced for FY 99-00 due to fewer challenges to the ordinance. The resulting fund balance of \$27,379.20 is the amount the Auditor-Controller will transfer from the general fund to the trust fund to cover the variation in annual expense related to the administration of the ordinance.

The Auditor-Controller has established a trust fund for the mobilehome revenues which will provide for the annual fund balance to remain in the trust fund. County Counsel began making deposits into the trust fund as of July 1, 2000, and will continue to do so upon receipt, County Counsel is tracking all of the expenditures related to the administration of the Mobilehome Park Ordinance and will be submitting documentation on a regular basis to the Auditor-Controller to obtain reimbursements from the trust fund.

IT IS THEREFORE RECOMMENDED that your Board accept County Counsel's report on the status and operation of the Mobilehome Commission trust fund.

Very truly yours,

SAMUEL TORRES, JR., COUNTY COUNSEL

By 
TAMYRA RICE
Assistant County Counsel

RECOMMENDED:


SUSAN A. MAURIELLO
County Administrative Officer

Attachments
cc: Mobilehome Commission
Auditor-Controller

¹ Pursuant to a contract with County, Senior Citizens Legal Services provides legal assistance and representation of senior citizens who are mobilehome park residents residing within the unincorporated area of the County. The annual contract amount is \$7,000.

EXHIBIT A

MOBILE HOME COMMISSION
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
THREE FISCAL YEARS ENDED JUNE 30, 2000
(UNAUDITED)

Beginning balance, July 1, 1997		\$ 35348.00
Fiscal year 1997/98:		
Space fee revenue	\$ 34,455.00	
Administrative expenditures	<u>(43,254.00)</u>	
Increase/(Decrease)	(8,799.00)	
Balance, June 30, 1998		26,549.00
Fiscal year 1998/99:		
Space fee revenue	33,979.00	
Administrative expenditures	<u>(38,213.00)</u>	
Increase/(Decrease)	(4,234.00)	
Balance, June 30, 1999		22,315.00
Fiscal year 1999/00:		
Space fee revenue	33,821.20	
Administrative expenditures	<u>(28,757.00)</u>	
Increase/(Decrease)	5,064.20	
Ending balance, June 30, 2000		\$ <u>27,379.20</u>