

MEMORANDUM OF LAW

DATE: December 16, 1991  
TO: Elaine S. Townsend, Special Assessments, Treasurer  
FROM: City Attorney  
SUBJECT: Calculation of Administrative Costs in Assessment Districts

In your memo of November 22, 1991 you asked several questions about certain provisions of the Streets and Highways Code as they relate to calculating the amounts that are to be collected for administrative costs in assessment districts.

Rather than answer each of the questions individually, it is possible to answer all of them with one response. As it relates to administrative expenditures, Section 10204(f) sets forth the disclosure requirements for the contents of the report to the legislative body (the report). For ongoing assessment district collections Sections 8682(b) and 8682.1 set forth the criteria for what administrative expenses can be collected and how they are to be calculated.

Neither section contradicts the other. When the Resolution of Intention is prepared under a 1913 Act proceeding, the report to the legislative body must contain the maximum proposed annual assessment costs for administration. (Section 10204(f)) When calculating how much will be charged for administration after the bonds are issued, Sections 8682(b) and 8682.1 are used to calculate the maximum rate.

Section 10204(f) only operates as a restriction on Sections 8682(b) and 8682.1 if the report was more restrictive than the law allowed. If that were the case, the limits in the report would govern.

If you have any questions, please give me a call.

JOHN W. WITT, City Attorney

By

John K. Riess

Deputy City Attorney

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