

County of Santa Clara
Board of Supervisors
Supervisorial District Four
Supervisor Ken Yeager

Inventory Item
#9



BOS4-FGOC-060209-03

Prepared by: John Mills
Chief of Staff

DATE: June 2, 2009

TO: Supervisor Ken Yeager, Chairperson
Supervisor Dave Cortese, Vice Chair
Finance & Government Operations Committee

FROM: *Ken Yeager*
Ken Yeager
Supervisor, District 4

SUBJECT: Reallocation of Law Enforcement Vehicle Purchase Reserve to the State Budget Reserve

RECOMMENDED ACTION

Reallocate the \$800,000 in one-time funds in the Law Enforcement Vehicle Purchase Reserve in the County Executive's FY 2010 Recommended Budget to the State Budget Reserve.

FISCAL IMPLICATIONS

The State Budget Reserve, currently funded at \$18,896,723 in the County Executive's FY 2010 Recommended Budget, would be augmented to \$19,696,723 if this recommendation is adopted. The one-time funding of \$800,000 for the Law Enforcement Vehicle Purchase Reserve in the County Executive's FY 2010 Recommended Budget would be liquidated.

REASONS FOR RECOMMENDATION

The Board of Supervisors Management Audit Division recently released an audit of the county vehicle fleet. This audit raises several questions with regard to policies and procedures surrounding vehicle fleet management and the assignment of take-home vehicles to various county personnel, including law enforcement personnel. Some of these audit recommendations are not scheduled to be heard by the Board's Finance and Government Operations Committee until its August meeting.

Furthermore, the State Budget Reserve recommendation was made prior to the release of the May Revision of the Governor's Recommended Budget. Potential impacts to the County of the Governor's recommendations far exceed the \$18,896,723 currently recommended for this reserve.

Given the unresolved questions raised by the fleet audit, rather than assuming additional vehicle purchases for FY 2010, the \$800,000 in one-time funds in the Law Enforcement Vehicle Purchase Reserve should be transferred to the State Budget Reserve to provide the County with additional resources to address anticipated state budget impacts.