

Memorandum

Date: May 28, 2004

To: The Honorable Joe Centeno, Chair,
and Members of the Board of Supervisors

From: Michael F. Brown, County Administrator

Subject: Gardner Ranch Investigation/Contingency
Fund Transfer

CC: Stephen Shane Stark, County Counsel
Roger Heroux, Director of Public Health
Ken Masuda, Director of Budget and Research



At 4:00 p.m. Friday, May 28, 2004, I was informed that a late additional agenda item was submitted to the Clerk's office which recommends that the Board of Supervisors immediately authorize a transfer from its Contingency account to the Public Health Department in the amount of \$171,000 for the purposes of conducting certain proposed operations with respect to the Gardner Ranch investigation and maintenance of the horses.

This amount is purportedly to cover the period from June 1, 2004 through August 31, 2004.

No one has discussed this matter with this office, provided no opportunity to look at alternative financing or phased financing for this operation. Moreover, the amount being transferred purportedly covers a period after June 30, 2004, the end of the current fiscal year. It is requested that before authorizing such a transfer, the Health Department be directed to prepare information and if necessary a budget for beyond August 31, 2004, so that this may be considered in its full long range context and impact on the Proposed 2004-05 Budget. It is further requested that the County Counsel's office and the Health Department be directed to confer with this office early and often with respect to such proposals for transfer of large amounts.

Accordingly, it is recommended that the Board of Supervisors authorize no transfer from the Contingency account at this time. Should the Public Health Department need to expend large sums for this project over the next few weeks it should charge them to the appropriate account set up for this purpose and allow this office and the Board to consider and design an appropriate cash flow mechanism to cover these extraordinary and unbudgeted costs.

Thank you for your consideration.