

**CALIFORNIA CITRUS PEST AND DISEASE PREVENTION PROGRAM
SUBCOMMITTEE MEETING**

Meeting Minutes
Thursday, December 19, 2013

Opening:

The meeting of the Finance Subcommittee was called to order at 10:00 a.m. on December 19, 2013 in Fresno, California by Subcommittee Chair James McFarlane.

CPDPC Members Present:

Jim Bates Bob Felts, Jr. James McFarlane

CPDPC Members Absent:

None

CDFA Staff:

Jason Chan* Victoria Hornbaker* Debby Tanouye*
Cong Chan* Paul Martinez*

Guests:

Nancy Holland*

*** Participated via telephone**

Opening Comments:

Chairman, James McFarlane, welcomed the Subcommittee and staff participating in person and online.

Public Comment:

There were no public comments.

Financial Review 2012/2013

The Subcommittee reviewed the 2012/2013 budget documents, including the Funding Sources Report, budgets for the AB 281 Assessment Fund; Federal Citrus Health Response Program (CHRP) Fund; the TASC Grant; State Contributions and the Citrus Commodity Survey. The 2012/2013 CPDPP fiscal year has not closed due to invoice and expenditure lag time.

Jason Chan explained that there are several outstanding issues with the 2012/2013 fiscal year, one issue is the CASS contract has not been properly billed, but he noted that CASS has been contacted and final invoices have been requested. In addition, several final billings will not be received until January, including rental car charges, travel and fuel expenses.

Jason also explained that the final CRB Operations grant was over billed in the amount of \$6,559. The CRB final invoice for Operations is \$6,559 over the cumulative billings that CDFFA has received and this issue will need to be resolved with CRB.

For the CRB Outreach grant which was extended through November 30, 2013, \$239,358 will be disencumbered from 2012/2013 fiscal year and \$152,455 will be moved to the 2013/2014 fiscal year to cover expenditures incurred in October and November. This will leave a net disencumbrance of \$86,903 from the Outreach grant.

Financial Review 2013/2014

One month of expenditures has been added to the 2013/2014 fiscal year budgets. The timing of the meeting is an issue and Jason suggested that the Subcommittee meet the last week of the month to allow for the CDFFA budget system to reflect a closed month prior to the meeting. The Subcommittee agreed that this would be preferable and subsequent finance subcommittee meetings will be fourth Wednesday of the month from 9:00 a.m. to 10:30 a.m.

Assessment Budget

Jason reviewed the AB 281 budget, reporting that \$335,129 in expenditures had been billed in the month of October. He explained that the total budget amount increased from the original amount of \$12,040,258 to \$12,391,684 due to moving \$50,000 from Fiscal year 2012/2013 for the Imperial County Contract and \$301,426 for the Cal Poly Pomona Biocontrol green house construction. The movement of the funds was due to late execution of both contracts.

James pointed out that the Revenues line on schedule A represents the original budget, not the projected revenues. Jason and Cong Chen indicated that they would make the appropriate corrections.

CHRP Budget

The CHRP budget reported \$362,077 in expenditures in October.

OTHER BUSINESS

Jason, Cong and Jim Bates discussed the variance analysis template the Jim provided to Jason and Cong. Jason and Cong took the template and adjusted it to their system. As it was presented, the variance analysis will summarize the level 2 sheets for the AB 281 budget. This will allow for a monthly comparison between projected and actual expenditures. There was a lengthy discussion of the manpower that would be required for CDFFA to move toward an accrual system as the CDFFA budget tracking system operated on a cash basis. Jim recommended continuing with the cash basis for the variance analysis for the time being.

The meeting was adjourned at 12:00 p.m. The next meeting will be set at a later date.