CALIFRONIA CITRUS PEST AND DISEASE PREVENTION PROGRAM FINANCE SUBCOMMITTEE MEETING

Meeting Minutes Tuesday, April 12, 2016

Opening:

The Finance Subcommittee conference call was called to order at 9:00 a.m. on April 12, 2016, by Subcommittee Chair James McFarlane.

Subcommittee Members Present:

Bob Felts, Jr.* James McFarlane*

CDFA Staff and Guests:

Jason Chan* Paul Martinez* Dave Tomlinson*

Victoria Hornbaker*

* Participated via webinar

Opening Comments:

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

Public Comment:

There were no public comments.

2015/2016 Budget Review

CPDPC Budget

The program collected \$1,991,749 in February for a new total of \$5,642,387 for current year which represents about 35 percent of the total projected revenue. The program will present a revised crop estimate; based on the February NASS report which if adopted will increase the projected revenues by \$1,422,000. There has been \$1,487,623 in expenditures through January, leaving a budget balance of \$13,332,746. The projected ending balance for the 2015/2016 fiscal year is \$10,943,794, which represents a decrease of \$202,634 from the projected ending balance from the last Finance Subcommittee meeting. This amount includes the budget amount that was moved to cover the Cal Poly Greenhouse construction. The actual expenses coming in for the Central Valley survey and treatment are above the original projections and the Subcommittee needs to look into it.

CHRP Budgets

The total expected budget from CHRP \$10,844,701, the program has received the first CHRP funding instalment of \$2,136,406. There was \$946,776 in expenditures in February, making the total expended year to date \$2,449,232. The new balance to go is \$8,395,469. The CDFA lab is seeking an increase in their budget from of \$211,672 from \$1,515,767 to \$1,727,439 for additional salaries and equipment to increase HLB testing capacity.

Other Budgets

To date it is unknown if the program will receive a TASC Grant or a Citrus Commodity Survey Grant. There was \$12,499 in expenditures on the HLB MAC budget year to date, with a remaining balance of \$43,866.

Variance Analysis

There was a miscommunication involving our accounting department. Some of the expenditures that should have posted during February were delayed until March. Therefore variance for February for the month and YTD will be skewed. The month variance will still be skewed for March, but the YTD variance will 'catch up. The program was 11.88 percent down for the monthly projection and down 9.09 percent on the year to date projections.

Spending Authority

A spending authority tracking sheet has been developed to track expenditures from services and work for the State fiscal year July 1, 2015 through June 30, 2016. The authority is set at \$15,624,418 with \$8,416,677 spent so far in the State fiscal year, which is 54 percent of the programs budget authority. The program has reached the 50 percent trigger to begin planning to make changes to stay within the approved spending authority.

- Start charging survey costs from Assessment Budget to the CHRP Budget.
- If not enough, start moving existing survey expenditures from Assessment Budget to the CHRP Budget.
- If not enough, start scaling back on program activities.
- If not enough, ask to borrow authority from the Budget Office.

The meeting was adjourned at 11:00 a.m.