

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
ANIMAL HEALTH AND FOOD SAFETY SERVICES (AHFSS)
MEAT, POULTRY AND EGG SAFETY BRANCH (MPES)
SHELL EGG ADVISORY COMMITTEE (SEAC)
BUDGET COUNTY CONTRACTS SUBCOMMITTEE
MEETING MINUTES
MARCH 18, 2022**

California Department of Food and Agriculture
1220 N Street
Sacramento, CA 95814

Item
No.

CALL TO ORDER

Frank Hilliker, Chair, called the SEAC meeting to order at 2:08p.m. and a quorum was established.

(1) ROLL CALL

Roll call was taken by Mr. Michael Abbott, Egg Quality Manager, Egg Safety and Quality Management (ESQM).

COMMITTEE MEMBERS PRESENT:

Frank Hilliker, Chair
Glenn Hickman
David Will, Chino Valley

CDFA:

Tuan Nguyen
Michael Abbott
Rachel Andrade
Penny Arana

INTERESTED PARTIES:

None

(2) COUNTY CONTRACTS DISCUSSION

Michael Abbott presented a chart showing that the Fiscal Year (FY) 21/22 budget was relatively unchanged in comparison to the FY 20/21 budget. We are showing an increase in the personnel charges that were caused by the furlough and salary reductions in FY 20/21.

Further, he stated that Egg Safety and Quality Management (ESQM) is still under on the personnel budget line item, due to the program not fully being staffed.

The Certified Farmers Market contract agreement has ended and consequently will not be renewed. It is currently still on the budget due to potential expenditures and to balance

out the previous year's budgets. It will be recorded as a zero-budget line item during this time.

He continued by explaining that the program is currently drawing down the reserve funds and by the end of the FY 21/22, the "Combined Cash Reserve Balance" is estimated to be \$6,484,410. The Combined Cash Reserve Balance will continue to decrease every fiscal year, with a projected \$5,203,971 at the end of the FY 22/23 and a projected \$3,923,532 at the end of FY 23/24.

Glenn Hickman inquired about the Travel Budget and if it should be reduced based on the High-Path Avian Influenza (HPAI) spreading throughout the country and the impact it will have on travel. Michael Abbott replied that it is not known how long the outbreak will continue and that he would like to keep the Travel Budget as is. If reduced, the program could end up spending more on that budget line item, than what is allowed if travel continues or resumes later in the year.

David Will inquired about how the program was doing regarding the actual expenditures, compared to our projected expenditures. Michael Abbott responded that it is unlikely that the program will hit the projected amount for budgeted/forecasted expenditures.

Glenn Hickman inquired if there had been any updated information on the status and cost analysis regarding County participation in inspections, versus CDFA inspections. Michael Abbott replied that while he had been reaching out, there was little response by the counties. However, he is keeping that portion of the budget open in the event of a county requesting participation. Additionally, he has been in contact with the United States Department of Agriculture (USDA) and revisiting these types of inspections that counties may want to provide. USDA stated that the counties can conduct Shell Egg Surveillance with State oversight, which will also increase their contract potential.

Michael continued the budget discussion, further summarizing the projected budget and reserve funds for FY22/23. The estimated total funds available for expenditures at the start of the FY 22/23 will be \$10,086,437. The projected budget for FY 22/23 will be \$5,322,512. This will leave the Cash Reserve at an estimated \$5,203,971 as of June 30, 2023.

Lastly Michael reviewed the projected Personnel Budget for FY 22/23. He discussed current and proposed staffing needs and explained that there will be a general salary increase (GSI) based on current negotiated Bargaining Unit Contracts. He further explained that the Bargaining Unit agreement for Senior Environmental Scientists and Environmental Scientist has not been negotiated yet and that the salaries for these classifications may increase.

Motion #1: Glenn Hickman motioned to present the budget to the Shell Egg Advisory Committee at the next meeting. David Will seconded the motion. The motion passed unanimously with no abstentions.

(3) **PUBLIC COMMENTS**
No public comments were made

(4) **ADJOURN**
Motion #2: David Will motioned for the meeting to be adjourned. Glenn Hickman seconded the motion. The motion passed unanimously without any abstentions.

The meeting was adjourned at 2:43 p.m.

Respectfully submitted:

Logan Bartley