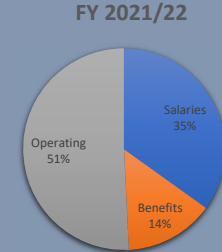
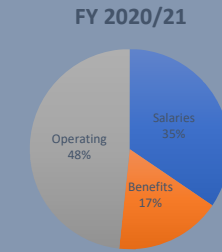
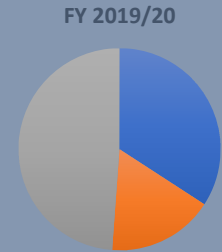


EGG SAFETY AND QUALITY MANAGEMENT BUDGET OVERVIEW

	Approved 2019/20 Budget	Actual 2019/20 Expenditures	Approved 2020/21 Budget	Proposed 2021/22 Budget
Personnel Years				
Total Positions	28.09	28.09	29.14	29.81
Personnel Costs				
Salary and Wages	1,499,157	1,266,091	1,572,496	1,536,684
Benefits	854,520	834,013	896,323	722,242
Temp Salary	225,975	243,389	238,007	232,185
Temp Benefits	3,726		3,726	3,726
Total Personnel Expenses¹	2,583,378	2,343,493	2,710,552	2,494,837
Operating Expense				
General Expense	51,775	90,096	50,000	50,000
Printing	3,500	3,840	4,004	4,000
Communications	26,000	3,512	27,185	27,185
Postage	8,100	3,816	7,800	7,800
Travel	225,000	75,522	150,000	150,000
Out of State Travel (OOS)	100,000	19,648	100,000	100,000
Training	5,350	5,610	5,350	5,600
Facilities Operations	35,542	47,990	46,000	50,000
Attorney General's Office/Consult	58,000	3,101	58,000	58,000
Border Stations	302,000	143,833	359,377	359,377
Information Technology ²	100,000	49,140	61,760	20,684
Vehicle Operations ³	110,000	213,198	192,870	192,870
County Contracts	496,558	619,554	545,977	545,977
UC Davis (Poultry Specialist Program)	69,808	69,808	72,000	72,000
CDFA Audit Unit (2 CDFA Staff Auditors) ⁴	210,582	92,305	234,859	227,080
Certified Farmers Market Inspections ⁶	18,100	6,697	18,100	18,100
Total Operating Expenses	1,820,315	1,447,670	1,933,282	1,888,673
Distributed Expense				
Departmental Indirect	210,372	256,156	487,470	309,657
CDFA Information Technology	86,988	110,194	0	112,178
Division Indirect	90,624	256,156	0	125,925
Indirect Chg Recovery	-34,887	-3,463	-9,983	-3,463
Section 224C Recovery		-149,057	-149,057	-135,077
Pension Payment (Senate Bill 84) ⁵	62,772	62,772	62,772	62,772
State Pro-rata and Central Admin	230,311	230,311	213,913	208,033
Total Distributed Expenses	646,180	763,069	605,115	680,025
Program Expenses				
Personnel	2,583,378	2,343,493	2,710,552	2,494,837
Operating & Distributed	2,466,495	2,210,739	2,538,397	2,568,698
FY Adjustments ⁷				
Total Program Expenses	5,049,873	4,554,232	5,248,949	5,063,535



¹Personal Services doesn't include General Salary Increases as previously planned. As part of the Governor's budget reduction plan the GSI will be deferred until July 1, 2022.

²Information Technology includes specific to program expenses that include the ESQM database.

³Vehicle Operations projected budget includes costs of DGS Rentals, fuel, maintenance, and insurance.

⁴CDFA's Audit unit is reimbursed for actual time spent performing audits for ESQM and expenses are redirected to the program on a quarterly basis.

⁵SB 84 is a supplemental pension payment from an account Surplus Money Investment Fund (SMIF), which needs to be paid back over the eight years. The intent of this supplemental payment is to reduce future unfunded pension costs that will eventually have to be funded statewide.

⁶The Direct Marketing Program will inspect 100 certified egg producers at certified markets.

⁷FY Adjustments include expenditures and cash adjustments that need to be redirected. These are expenses that are reconciled at the end of the year.

EGG SAFETY AND QUALITY MANAGEMENT BUDGET OVERVIEW

Fund Condition

Balanced Budget Plan			
	2020-21	2021-22	2022-23
Beginning Operating Fund Balance¹	\$ 6,097,247	\$ 4,876,042	\$ 3,840,251
Ag Trust Fund Balance	\$ 449,232	\$ 457,978	\$ 457,978
Program Revenues	\$ 3,832,832	\$ 3,832,832	\$ 3,832,832
Other Program Revenues ²	\$ 194,912	\$ 194,912	\$ 194,912
Total Resources	\$ 10,574,223	\$ 9,361,764	\$ 8,325,973
Projected Expenditures	\$ 5,248,949	\$ 5,063,535	\$ 5,063,535
Estimated Reserve Balance	\$ 5,325,274	\$ 4,298,229	\$ 3,262,438

CDFA policy and FAC 233A requires a combined 35% Cash Reserve of program expenditures. Based on FY 21/22 proposed budget of \$5,063,535 the cash reserve should be \$1,772,237. In order to have a balanced budget the program should evaluate the mill fee and/or budget.

¹Beginning Operating Reserve does not include Ag Trust Fund Balance.

²Other Program Revenues include Miscellaneous Fee, Penalty Fees, Interest Income, USDA and FDA Reimbursements for cooperative agreements.

EGG SAFETY AND QUALITY MANAGEMENT BUDGET OVERVIEW

Projected Revenue for Fiscal Year 2020/21

¹Beginning Operating Fund Balance (Estimated), July 1, 2021	\$ 4,876,042
	¹ Total Projected Fiscal Year 2021/22
Estimated Fiscal Year Revenue²	
Projected (cases & units)	36,838,324
In-State Mill Fee Assessments	\$ 1,166,267
Out-of-State Mill Fee Assessments	\$ 1,834,333
Egg Product Assessments	\$ 683,232
Annual Registration	\$ 149,000
Miscellaneous Fees	\$ 3,138
Penalties and Late Charges	\$ 36,656
Interest Income ⁴	\$ 36,599
USDA Reimbursements ⁵	\$ 92,877
FDA Inspection Reimbursement ⁵	\$ 25,642
Estimated Fiscal Year Revenue	\$ 4,027,744
Total Funds Available for Expenditure	\$ 8,903,786
Projected FY 2021/22 Budget	\$ (5,063,535)
Operating Fund Balance, June 30, 2022 (Estimated)	\$ 3,840,251
Ag Trust Fund Reserve	\$ 457,978
Cash Reserve, June 30, 2022 (Estimated)	\$ 4,298,229

Assessment ratio is estimated to be 30% in-state, 48% out-of-state, 18% Egg Products and 4% Annual Registration. Projected Assesments are based on estimated assesments to be collected in Fiscal Year 21/22.

¹ Beginning Operating Fund Balance is estimated.

³ CDFA policy and FAC 233A requires a combined 35% Cash Reserve of program expenditures. Based on projected FY 21/22 budget of \$5,063,535 the cash reserve should be \$1,772,237. The estimated cash reserve of \$4,298,229 meets these requirements however CDFA suggests reevaluating the mill fee to balance the budget.

⁴ Generates from Ag fund at end of the Fiscal Year, this is an estimation based on trend amounts from prior years.

⁵ Estimated recovery for from Federal Agreements.

233 (a) The trust fund consists of moneys transferred by the director from the Department of Food and Agriculture Fund, including all income therefrom. The amount of funds, excluding interest earned thereon, contained in the trust fund shall be determined by the director, and shall be the same percentage for all agricultural programs, but shall not exceed 10 percent of the annual operating budgets of each agricultural program. Funds in excess of 10 percent of the annual operating budgets of each agricultural program that are in the trust fund, or such other lesser percentage as the director may determine, may be returned to the Department of Food and Agriculture Fund.

EGG SAFETY AND QUALITY MANAGEMENT PERSONEL BUDGET OVERVIEW
Personnel Costs for FY 2021/22

Classification ¹	PY	BU	GSI Percent Increase ⁴	¹ Monthly Salary	Annual Salary	Monthly Benefits ²		Annual Benefits	Total Salary & Benefits
						(47%)			
Environmental Program Manager I (33.3%)	0.333	M10		\$ 3,967	\$ 47,599	\$ 1,864	\$ 22,372	\$ 69,971	
Senior Environmental Scientist (Supervisory)	1	S10		\$ 10,395	\$ 124,740	\$ 4,886	\$ 58,628	\$ 183,368	
Ag Program Supervisor II	2	S01		\$ 14,038	\$ 168,456	\$ 6,598	\$ 79,174	\$ 247,630	
Ag Program Supervisor I	2	S01		\$ 12,776	\$ 153,312	\$ 6,005	\$ 72,057	\$ 225,369	
Supervising Special Investigator II (33.3%)	0.333	S07		\$ 2,826	\$ 33,910	\$ 1,328	\$ 15,938	\$ 49,848	
Special Investigator	1	R07		\$ 6,746	\$ 80,952	\$ 3,171	\$ 38,047	\$ 118,999	
Environmental Scientist	6	R10		\$ 33,648	\$ 403,776	\$ 15,815	\$ 189,775	\$ 593,551	
FVQC Inspector	5	R01		\$ 20,695	\$ 248,340	\$ 9,727	\$ 116,720	\$ 365,060	
Staff Services Manager I (33.3%)	0.333	S01		\$ 2,286	\$ 27,437	\$ 1,075	\$ 12,895	\$ 40,332	
Associate Governmental Program Analyst	1.333	R01		\$ 7,729	\$ 92,745	\$ 3,633	\$ 43,590	\$ 136,335	
Research Data Analyst	0.333	R01		\$ 1,542	\$ 18,509	\$ 725	\$ 8,699	\$ 27,209	
Staff Services Analyst	1	R01		\$ 4,329	\$ 51,948	\$ 2,035	\$ 24,416	\$ 76,364	
Office Technician	2	R04		\$ 7,080	\$ 84,960	\$ 3,328	\$ 39,931	\$ 124,891	
Estimated Personnel Expense (22 PY)	22.665				\$ 1,536,684		\$ 722,242	\$ 2,258,926	

Fractional/ Temp Help						Total Salary & Benefits
Classification	PY	BU	Personal Services	Benefits		
Agriculture Technician III (72%) 1 Staff	0.72	R01	\$ 27,045	\$ 420	\$ 27,465	
Agriculture Technician II (72%) 7 Staff	5.04	R01	\$ 179,865	\$ 2,940	\$ 182,805	
Office Technician Retired Annuitant (72%)	0.72	E	\$ 25,275	\$ 366	\$ 25,641	
Estimated Temp Services (6.48 PY)	6.48		\$ 232,185	\$ 3,726	\$ 235,911	

Auditors			¹ Monthly Salary	Annual Salary	Monthly Benefits		Annual Benefits	Total Salary & Benefits
Classification					(47%)			
Staff Management Auditor		S01	\$ 7,409	\$ 88,908	\$ 3,482	\$ 41,787	\$ 130,695	
General Auditor II		R01	\$ 5,464	\$ 65,568	\$ 2,568	\$ 30,817	\$ 96,385	
Estimated Personnel Expense				\$ 154,476		\$ 72,604	\$ 227,080	

¹Based on Mid Salary Range

²Benefits are based on programs current average

³Percentage of a full time position

⁴ As part of the Governor's budget reduction plan the eneral Salary Increase (GSI) will be deferred until July 1, 2022.

EGG SAFETY AND QUALITY MANAGEMENT BUDGET OVERVIEW

Fee Changes

Projected (cases & units)	Unit of Assessment	0.10 Mill Fee	0.11 Mill Fee	0.12 Mill Fee
In-State Mill Fee Assessments	6,832,323	\$ 1,166,267	\$ 1,282,894	\$ 1,399,521
Out-of-State Mill Fee Assessments	11,662,672	\$ 1,834,333	\$ 2,017,766	\$ 2,201,199
Egg Product Assessments	18,343,329	\$ 683,232	\$ 751,556	\$ 819,879
Annual Registration (\$50 Initial fee)	2,980	\$ 149,000	\$ 149,000	\$ 149,000
Total Program Fee Revenue		\$ 3,832,832	\$ 4,201,216	\$ 4,569,599