

**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)
SHELL EGG ADVISORY COMMITTEE BUDGET SUB-COMMITTEE
MEETING MINUTES
March 28, 2018**

California Department of Food and Agriculture
2800 Gateway Oaks Drive, Room 173
Sacramento, CA 95833

Item
No.

(1) **CALL TO ORDER**

Mr. Glenn Hickman, Chair called the SEAC Budget Sub-Committee meeting to order at 9:02 a.m.

(2) **ROLL CALL**

Mr. Tony Herrera, Egg Quality Manager, Egg Safety and Quality Management (ESQM) took roll call.

Committee Members Present:

Glenn Hickman, Chair
David Will
Michael Gemperle (By phone)
Tony Herrera

CDFA:

Tony Herrera
Rachel Andrade
Penny Arana
Irene Sanchez

Interested Parties Present:

Bonnie Wheeler, San Diego County Agricultural Commissioner's Office

(3) **BUDGET DISCUSSION**

Mr. Herrera provided an overview of changes to the SEAC Budget Sub-Committee as requested regarding the Small Producer Workshop budget:

- Initial Course Materials and Supplies
- Local Workshops
 - Staff Time
 - Travel Costs
 - Student Material
- Travel Workshops
 - Staff Time
 - Travel Cost
 - Student Material
- Small Producer Workshop Costs for Fiscal Year (FY) 2018/19

Mrs. Andrade stated all costs are included in the overall budget summary. If cost are broken down, it may cause confusion. A separate spreadsheet was provided to show the projected cost for the entire year, which included the budget summary to streamline costs.

Mr. Herrera stated workshop registration should be free, if any fees are charged, the fees should be minimal to cover cost.

Mrs. Andrade provided an overview of the personnel cost for FY 2018/19:

- Classification
 - Monthly/annual salary
 - Monthly/annual benefits
 - Total salary/benefits
 - Estimated Personnel Expense
- Fractional/Temporary Help Classification
 - Estimated Temporary Services

Mr. Herrera provided an overview of the Fund Condition balanced budget plan for FY 2017 through 2023:

- Beginning operating fund balance
 - Ag Trust fund balance
 - Program revenues
- Total Resources
- Expenditures

Mr. Herrera stated the budget is well maintained at a mill assessment rate of \$0.10 for the next few years, but suggested that after FY 2020/21 SEAC may want to increase the mill assessment rate to maintain a balanced budget.

Mrs. Arana provided an overview of the recalculation of the county contracts with more accurate figures based on current contracted counties.

She provided an overview of various formulas for 100 egg samples:

- Current CRBI contract for 100 egg samples
 - New wholesale/production contract formulas – 85%
 - New retail contract formulas – 15%

- FY 2018/19 CRBI contract formulas for 100 egg samples at 18.75%
 - New wholesale/production contract formulas – 75%
 - New retail contract formulas – 25%
- FY 2018/19 CRBI contract formulas for 100 egg samples at 13.75%
 - New wholesale/production contract formulas – 75%
 - New retail contract formulas – 25%
- FY 2018/19 CRBI contract formulas for 100 egg samples at 15.75%
 - New wholesale/production contract formulas – 75%
 - New retail contract formulas – 25%

Mr. Herrera stated he plans to add two (2) Environmental Scientist and four (4) Fruit and Vegetable Quality Control Personnel. There are different salary ranges because the expertise and technical knowledge is heavier on the Shell Egg Safety and Food and Drug Administration (FDA) inspections compared to the regular grade and quality inspection work.

Mr. Hickman suggested when presenting the proposed budget to SEAC to state the need for the positions being added due to the extra workload of the county contracts that were dropped.

Mr. Herrera asked Mr. Hickman if he would present the proposed budget to SEAC in May 2018.

Mr. Will asked for a brief description of Senate Bill (SB) 84 Pension Payment.

Mrs. Andrade explained that for the pension payments will be made in increments over the next eight (8) years.

Mr. Herrera stated that the Chair of the SEAC Budget Sub-Committee would like the committee members to agree with the discussion or suggest any adjustments needed in the numbers and displays.

PUBLIC COMMENTS

Ms. Bonnie Wheeler, San Diego County Agricultural Commissioner's Office asked if there were any changes on the county contracts. Ms. Wheeler stated San Diego County is still interested in performing the county inspections.

Mr. Herrera asked Ms. Wheeler to submit a cost analysis on behalf of San Diego County outlining the cost of county inspections. Mr. Herrera stated Food and Agricultural Code (FAC) Section 2282 outlines the county's funding responsibilities for joint enforcement programs.

(4) ADJOURN

Mr. Hickman asked for a motion to adjourn the meeting.

Motion #1: Mr. Will made a motion to adjourn the meeting. Mr. Gemperle seconded. Mr. Herrera agreed. The motion passed unanimously.

The meeting adjourned at 10:08am.

Respectfully submitted:

Irene Sanchez