

**CALIFORNIA CITRUS PEST AND DISEASE PREVENTION DIVISION
FINANCE SUBCOMMITTEE MEETING**

Meeting Minutes
Tuesday, March 1, 2022

Opening:

The Finance Subcommittee webinar was called to order at 9:00 A.M. on March 1, 2022 by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

Bob Felts, Jr.*	Dave Tomlinson*	Keith Watkins*
James McFarlane*	Jared Plumlee*	

Subcommittee Absent:

John Gless, Sr.

CDFA Staff and Guests:

Carl Baum*	Anmol Joshi*	Claudia Vazquez*
Alisha Garcia*	Jana Miscevic*	Jennifer Willems*
David Gutierrez*	Mark McBroom*	Jason Wu*
Victoria Hornbaker*	Keith Okasaki*	Paul Figueroa*
Laura Irons*	ThuyVy Truong*	

*Participated via webinar

Opening Comments

Finance Subcommittee Chairman, Bob Felts, Jr., welcomed Subcommittee members, guests and staff participating via webinar.

Review 2020-21 Budget and Expenditures

Alisha Garcia presented the Fiscal Year (FY) 2020-21 expenditures. FY 2020-21 expenditures totaled \$29,926,990. Expenditures have not changed since the last Finance Subcommittee meeting. Alisha noted that post audits have been recently uploaded but will not reflect change until they have been reconciled. She also noted that activities involving Sweet Orange Scab were incorrectly charged to the Administration budget. These charges will be removed from the Administration budget and the resulting reduction in FY 2020-21 expenditures will be seen at the next Finance Subcommittee meeting.

Review 2020-21 Revenue

Alisha presented the FY 2020-21 revenue. For FY 2020-21, the Citrus Pest and Disease Prevention Division (CPDPD) received \$15,547,655 in total revenue. Revenue has not changed since the last Finance Subcommittee meeting. Revenue received converts to approximately 194,345,687 cartons.

Review 2021-22 Budget and Expenditures

Alisha presented the FY 2021-22 expenditures. January 2022 closed in the Financial Information System of California (FI\$Cal) and all totals are current through January 2022. January 2022 closed with \$3,258,736 in expenditures. Expenditures have increased by \$3,258,736 from the February 1, 2022 meeting, bringing the year-to-date total to \$11,969,652. Prior FY year-to-date expenditures totaled \$7,935,503. The large variance is due to the actualization of invoices being processed much quicker and earlier than prior years. Carl Baum added that this is the first year CPDPD is its own independent program and prior year numbers are from when CPDPD had shared costs with another program. After this inaugural year, CPDPD will be able to compare more accurate numbers from prior year data. James McFarlane inquired about the lower expenditures for certain budgets compared to last year. Victoria Hornbaker answered that the presented numbers reflect the activities that were done and there has been less activity in the Northern and Central District compared to the prior year. There is also a timing issue with work that is currently being done and when it is reflected on FI\$Cal.

Review 2021-22 Revenue

Alisha presented the FY 2021-22 revenue. For February 2022, CPDPD received \$2,259,940 in revenue bringing the year-to-date revenue total to \$3,901,530. Keith Watkins mentioned that the beginning of the season is never short but towards the end is where the difference will be seen. The Subcommittee members agreed that production of most varieties will likely be lower this year. Lemons are the only crop that could hit the target. Jared Plumlee agreed with Keith that this year cartons are likely to be in the 170 million range compared to the projected 184 million. Bob Felts, Jr. added that CPDPD has a healthy reserve so there is no need to worry in case the numbers are down this year.

Fiscal Year 2022-23 Proposed Budget

Victoria presented the FY 2022-23 proposed budget, starting on July 1, 2022. The total proposed budget amounts to \$44,362,316. Increase in personnel category is due to staff salary increases. Increase in operating expenses and equipment (OE&E) category is due to vehicle and travel expenses for Statewide HLB Risk Survey. Increase in contracts category is due to work CPDPD does with the counties and their salary increases. The Indirect category is budgeted lower than last year which is why the administration budget shows a reduction as well. Bob requested the FY 2021-22 proposed budget be sent to subcommittee members to compare and review. Subcommittee members will review the FY 2022-23 Proposed Budget and discuss at the next Finance Subcommittee meeting.

Other Business

Bob inquired about the process of transitioning to the new FY. Victoria explained that the current FY was originally budgeted for October 1, 2021 through September 30, 2022. It will now end on June 30, 2022 and will not be a full budget year in terms of fiscal displays. The new FY will begin July 1, 2022 and there will be a new display to reflect the FY 22-23 budget. Since most processes are done on the state FY, including the fund condition statement (FCS), there will be no impact to those processes. Staff will be updating the FCS to present to the Subcommittee.

The meeting was adjourned at 9:41 A.M. The next Finance Subcommittee meeting will be held on April 5, 2022 at 9:00 A.M.