

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

Meeting Minutes
Tuesday, August 1, 2023

Opening:

The Finance Subcommittee webinar was called to order at 2:00 P.M. on August 1, 2023, by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

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

Subcommittee Members Absent:

Jared Plumlee*	John Gless, Sr.*
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CDFA Staff and Guests:

David Gutierrez*	Alex Muniz*	Michael Soltero*
Victoria Hornbaker*	David Morgan*	ThuyVy Truong*
Anmol Joshi*	Mia Neunzig*	Jennifer Willems*
Mark McBroom*	Keith Okasaki*	Jason Wu*

*Participated via webinar

Opening Comments

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

2022-23 Budget and Expenditures

Jason Wu presented the Citrus Pest and Disease Prevention Division (CPDPD) Fiscal Year (FY) 2022-23 approved budget and expenditures. May 2023 and June 2023 have closed in the Financial Information System for California (FI\$Cal). May 2023 closed with \$3,077,720 in expenditures, and June 2023 closed with \$3,090,518 in expenditures. The FY 2022-23 year-to-date total is \$36,239,404 with a remaining balance of \$8,210,350. In May 2023, \$949,571 was disencumbered bringing the year-to-date encumbrance total to \$9,807,635. In June 2023, \$689,751 was disencumbered bringing the year-to-date encumbrance total to \$9,117,884. Keith Watkins asked if there are any expected changes to the year-to-date total. Jason answered that although there is \$9 million in encumbrances, it is unlikely that a significant amount will be charged to the year-to-date total. This also does not reflect any changes in encumbrances after June 2023. Bob noted that majority of the May and June expenditures are due to Southern Treatment activities. Victoria confirmed that there have been many HLB detections in the Southern District.

Review 2022-23 Revenue

Jason presented the FY 2022-23 revenue. From the previous meeting, CPDPD received \$9,512,518 in revenue bringing the year-to-date total of revenue received to \$11,690,133. This converts to a year-to-date total of approximately 167,001,900 cartons.

Review Fiscal Year 2023/2024 Budget Proposal

Victoria presented the FY 2023-24 proposed budget, starting on July 1, 2023. The total proposed budget amounts to \$43,675,272. Majority of the reductions revolve around reducing supplies, staff, and positions. Additional reductions can be made to the Grove Trapping, Outreach, and Data Analysis budgets. The Clean Citrus Program is 100% reimbursable through its fees. CPDPD received \$325,000 for Citrus Yellow Vein Clearing Virus.

Keith Watkins asked why the proposed budget seems inflated compared to actual expenditures in prior years. Victoria explained that the large difference is due to budgeting for potential ACP/HLB detections. There must be an agreement in place for CPDPD to perform any ACP/HLB activities. Since there is no way to predict when and where a detection will be found, CPDPD must enter into these agreements beforehand so that treatment can be provided at any given time.

Victoria mentioned that she had reached out to the budget office to look at the Indirect charge rate increase and is still waiting for a response. One factor was the overhead from the former Cannabis Division that was reallocated to all CDFA divisions.

Other Business

Review FY23-24 NASS Crop Estimate

Jason presented the FY23-24 NASS July Citrus Forecast, which projects 180,400,000 cartons for the season. The assessment rate will be discussed at the full committee meeting on August 9.

The meeting was adjourned at 2:36 P.M. The next Finance Subcommittee meeting will be held on October 10, 2023, at 9:00 A.M.