

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

Meeting Minutes
Tuesday, October 17, 2023

Opening:

The Finance Subcommittee webinar was called to order at 9:00 A.M. on October 17, 2023, by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

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

Subcommittee Members Absent:

Jared Plumlee* John Gless, Sr.* Dave Tomlinson*

CDFA Staff and Guests:

Carl Baum*	Jasmine Lopez*	Michael Soltero*
Paul Figueroa*	Alex Muniz*	ThuyVy Truong*
David Gutierrez*	David Morgan*	Jennifer Willems*
Victoria Hornbaker*	Mia Neunzig*	Jason Wu*
Laura Irons*	Keith Okasaki*	Sandra Zwaal*
Anmol Joshi*	Cressida Silvers*	

*Participated via webinar

Opening Comments

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

Review 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. There are no changes to the FY 2022-23 expenditures. June 2023 closed in the Financial Information System for California (FI\$Cal) 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.

CPDPD is expecting personnel charge redirects from the Pest Detection/Emergency Projects (PDEP) Branch for FY 2022-23 due to the PDEP employees who receive calls about Citrus pests from the Pest Hotline. Although CPDPD is expecting these redirects, the total amount is not significant.

Review 2022-23 Revenue

Jason presented the FY 2022-23 revenue. From the previous meeting, CPDPD received \$1,015,806 in revenue increasing the year-to-date total of revenue received to \$12,705,939. This converts to a year-to-date total of approximately 181,513,414 cartons.

Review 2023-24 Budget and Expenditures

Jason presented the CPDPD FY 2023-24 approved budget and expenditures. Some budget lines from the prior FY have been removed and added into other budget lines. July 2023 and August 2023 have closed in Fi\$Cal. July 2023 closed with \$1,453,244 in expenditures, and August 2023 closed with \$2,401,530 in expenditures. The FY 2023-24 year-to-date total is \$3,854,773 with a remaining balance of \$37,643,976. Bob asked about the new Budget Line 17 and what costs are involved with it. Carl Baum answered that Budget Line 17 is primarily for indirect costs but will catch other costs that CPDPD will redirect out. James McFarlane asked about border activities and where they fall in the new budget. Jason answered that border survey activities have been included in the Huanglongbing (HLB) Southern Survey budget (Line 8) and border treatment activities have been included in the HLB Southern Treatment budget (Line 11). Bob asked if the indirect expenditures will be consistent throughout the FY. Carl answered that the personnel indirect cost will be consistent but the indirect costs from contracts and grants can be erratic due to timeliness of invoice billing from the counties and other contractors. In addition, the Department of General Services charges their indirect costs quarterly, which means there will be an influx of expenditures every three months.

Review 2023-24 Clean Citrus Program Summary

Jason presented the FY 2023-24 Clean Citrus Nursery Program summary. The approved fund balance is \$255,036. CPDPD recorded \$7,883 in revenue, \$1,250 in expenditures, and \$10,014 in reimbursements. Carl explained how the revenue comes from registered nurseries via application, collection, and structure fees. Expenditures include CPDPD staff time, supplies, and costs that CPDPD pays to the lab to test nursery trees. Lab testing costs are billed to the registered nurseries, resulting in reimbursements to the fund.

Fund Condition Statement

Carl presented the Fund Condition Statement (FCS) that was received from the Budget Office that reflects the status of the fund on July 1, 2023. After the close of FY 2021-22, there is \$1.1 million in credits that will be realized in the current FY. For FY 2022-23, CPDPD recently submitted a redirect to move \$2.8 million from the Agriculture Fund (AF) to the Federal Fund (FF). This will also apply credits to the current FY. For FY 2023-24, revenue and expenditures are estimated based on current and prior information. Moving forward, the estimated unapplied reimbursements will be lower than in the past to reflect county grants that will directly hit the FF and are never paid out of the AF. In addition, over the past two agreement cycles, the lab has been using its non-AF funding sources to pay for costs that are eligible to be moved to the FF for reimbursement. As these costs are unlikely to get credited to the AF, they will no longer be included in the estimated unapplied reimbursements.

Carl will work with Bob to develop a tracking sheet for revenue and expenditures broken down by funding source.

Other Business

The meeting scheduled for November 7, 2023 has been cancelled.

The meeting was adjourned at 9:27 A.M. The next Finance Subcommittee meeting will be held on January 9, 2024 at 9:00 A.M.