

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

Meeting Minutes  
Tuesday, May 1, 2024

**Opening:**

The Finance Subcommittee webinar was called to order at 10:00 A.M. on May 1, 2024, by Subcommittee Chair Bob Felts, Jr.

**Subcommittee Members Present:**

Bob Felts, Jr.*	James McFarlane*	Kurt Metheny*
Mark McBroom*		

**Subcommittee Members Absent:**

Jared Plumlee

**CDFA Staff and Guests:**

Carl Baum*	Victoria Hornbaker*	Jennifer Willems*
Kiana Dao*	Kahleen Loo*	Keith Watkins*
TraciMae Ducusin*	Alisha Rios*	Nilan Watmore*
David Gutierrez*	Jason Wu*	

\*Participated via webinar

**Opening Comments**

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

**Review 2023-24 Budget and Expenditures**

Jason presented the Citrus Pest and Disease Prevention Division (CPDPD) Fiscal Year (FY) 2023-24 approved budget and expenditures. December 2023, January 2024, February 2024, and March 2024 closed in FI\$Cal. December 2023 closed with \$2,691,645 in expenditures and the December year-to-date (YTD) expenditures were revised from the last Finance Subcommittee meeting to include the General Fund. January 2024 closed with \$2,515,312 in expenditures, February 2024 closed with \$3,537,483 in expenditures, and March 2024 closed with \$4,043,714 in expenditures. The FY 2023-24 YTD total is \$26,153,571 with a remaining balance of \$15,346,430. Bob noted that ACP statewide regulatory increased by \$500,344 in expenditures from January 2024 to February 2024. Victoria Hornbaker explained the increase is due to invoices received for regulatory agreements. Bob Felts mentioned on the March 2024 month display that central survey had increased by \$487,950 from February 2024. Jennifer Willems confirmed the central survey increase was due to invoices coming in late from counties. James McFarlane noted that according to the March 2024 monthly expenditure display, statewide survey and HLB southern survey are likely to exceed their approved budget by June 2024, and asked if field staff work reflects the expenses for these activities. Victoria stated that invoices reflected in statewide survey may have

been intended for fruit fly activities; staff will research expenditures for this activity. Regarding southern survey, delimitation survey work was underbudgeted for FY 2023-24. When addressing the proposed budget for FY 2024-25, staff have requested to increase southern survey to better reflect actual costs.

Jason presented a funding source summary for emergency funding (E-Fund) for Huanglong Bing Ventura (HLB-Ventura) and the federally funded Citrus Yellow Vein Clearing Virus Los Angeles (CYVCV-LA). The YTD expenditures for HLB-Ventura are \$246,508 with a remaining balance of \$1,380,727. CYVCV-LA YTD expenditures are \$46,404 with a remaining balance of \$203,596. Jason explained the additional funding sources do not affect the Agricultural Fund. Bob asked if the E-Fund would cease if all funding was not expended. Carl Baum stated that the funds do cease, but CPDPD will be requesting an extension to move any unexpended E-Funds into the new fiscal year.

### **Review 2023-24 Revenue**

Jason presented the FY 2023-24 revenue. CPDPD received \$5,340,161 in revenue from the last Finance Subcommittee meeting in January 2024, increasing the year-to-date total of revenue received to \$7,186,741. This converts to a year-to-date total of approximately 79,852,677 cartons.

### **Review 2023-24 Clean Citrus Nursery Stock Program Summary**

Jason presented the FY 2023-24 Clean Citrus Nursery Stock Program summary. The approved fund balance is \$255,036. CPDPD recorded \$23,702 in revenue, \$56,409 in expenditures, and \$28,870 in reimbursements bringing the net fund balance to \$251,199.

### **Review 2024-25 Proposed Budget**

Victoria presented the proposed budget for FY2024-25. The proposed budget total is \$41,577,100 and will be further discussed and voted on at the upcoming Full Committee meeting on May 8, 2024. Bob opened the floor for other committee members to comment on the proposed budget presented. Victoria stated that CPDPD staff were mindful in preparing the budget. Kurt Metheny asked why HLB activities increased compared to last year, Victoria explained that there was an increase in the budget for central and southern treatment and survey. The increases are due to HLB finds in Ventura County, and an increase in surveying for HLB and other pests statewide.

### **2024-25 Crop Projection and Assessment Rate**

Jason presented the FY 2024-25 crop estimate projection and assessment rate. The Finance Subcommittee agreed the crop projection and assessment rate could not be determined at this time and that the Finance Subcommittee would revisit the discussion at a later date.

### **Fund Condition Statement**

Victoria presented the Fund Condition Statement (FCS). Victoria stated the FCS presented is based on estimates provided by the Budget Office (BO). Carl Baum explained the details of the FCS, for FY 2022-23 the numbers presented are final.

Numbers for FY2023-24 are estimates and will change due to the fiscal year not closing until June 30, 2024. CPDPD will not have the final numbers until the department closes out the fiscal year and Financial Services (FSB) reconciles the fund. Carl further explained CPDPD's costs to maintain the Division are outweighing assessments coming into the Division and reimbursements from Federal Funds, which is resulting in a low carry-in for the next FY. Numbers presented for FY 2024-25 are estimates based on information provided by FSB and the BO. For FY 2024-25 the BO is estimating maximum allowable costs of \$24,929,408 for the Agricultural Fund and Pro Rata in the amount of \$1,308,280. The FCS shows that the Agriculture Fund will be in a deficit by the end of FY 2024-25.

Keith Watkins noted the assessment rate of nine cents (\$0.09) may not change the result of the FCS, and the determining factors are the expenditures needed for the Division's operations. Victoria mentioned that staff are evaluating activities performed by the Division. Victoria stated the potential to discontinue winter trapping activities for certain counties that pose a smaller risk and do not need to be monitored as frequently by staff which will reduce costs. The Finance Subcommittee asked how much funding for CPDPD is provided by the state, Victoria answered that the state provides an ongoing appropriation from the General Fund of \$5,000,000, and that the Division is unable to request any additional General Funds due to the status of the state budget.

#### **Other Business**

No other business was discussed.

The meeting was adjourned at 10:49 A.M. The next Finance Subcommittee meeting will be held on July 9, 2024, at 9:00 A.M.