

**CALIFORNIA CITRUS PEST AND DISEASE PREVENTION PROGRAM
SUBCOMMITTEE MEETING**

Meeting Minutes
Thursday, October 30, 2013

Opening:

The meeting of the Finance Subcommittee was called to order at 1:30 p.m. on October 30, 2013 in Fresno, California by Subcommittee Chair James McFarlane.

CPDPC Members Present:

Jim Bates Bob Felts, Jr. James McFarlane

CPDPC Members Absent:

None

CDFAs Staff:

Jason Chan* Victoria Hornbaker
Cong Chan* Debby Tanouye*

Guests:

None

*** Participated via telephone**

Opening Comments:

Chairman, James McFarlane, welcomed the Committee and staff participating in person and online.

Public Comment:

There were no public comments.

Financial Review 2012/2013

The Subcommittee reviewed the 2012/2013 budget documents, including the Funding Sources Report, budgets for the AB 281 Assessment Fund; Federal Citrus Health Response Program (CHRP) Fund; the TASC Grant; State Contributions and the Citrus Commodity Survey. The 2012/2013 CPDPP fiscal year has not closed due to invoice and expenditure lag time; it should be closed out by the end of December.

Funding Sources

Staff went over the Fund Condition Statement, discussing several proposed changes, including removing the fiscal year 2015-2016 as it may cause confusion about forecasted reserves. The E-fund schedule E was removed as the program does not currently have any E-funds; if the program receives E-fund funding in the future, the schedule will be added back onto the report. Staff presented two examples of how to amend the funding sources document to improve clarity. Currently, the fund balance does not take into consideration any projected year to go revenue and is derived from the total year to date resources, subtracted by actual year to date and year to go. It did not seem much of an issue during the Sept. 26 meeting because we were near the end of the fiscal year where the actual revenues represented was close to the total revenues we expect at the closing of the fiscal year. If we maintain the current format, when we give our first 13/14 update during the Nov. 13 full committee meeting, they will see that there's a large negative fund balance as year to date revenues (representing 1 month) will be almost zero while expenditures.

The Finance Subcommittee recommended using the Fund Condition Statement as an internal document subcommittee document, rather than passing it out to the CPDPC.

Assessment Budget

Several changes were made to the CDFA Funds, Schedule was increased by \$1,000,000 of general fund received as a transfer in. \$527,573 of that money will be used for unfunded 2012/2013 Central Valley CHRP activities and the balance of the \$1,000,000 will be used for 13/14. The Assessment budget will be increased by \$527,573. The Outreach year to date was reverted back to 907,200 (original) per 9/26 motion. Projected ending balance increased due to an increase in CRB budget and decrease in CRB year to go.

CHRP Budget

Three different branches charge expenses to the CHRP agreement, pest exclusion, pest detection and emergency projects, and the laboratory. Supporting budget displays were provided for each branch to support the overall budget. There is a remaining projected negative balance of \$1,053,000 which will be absorbed by the CDFA PDEP branch.

Financial Review 2013/2014

Expenditures for the 2013/2014 fiscal year have not been added to the budgets yet as Fiscal month 1 will not close until mid-November.

Assessment Budget

The Committee made a motion at the October 9th meeting to fund the purchase of two laptops for use on CPDPC webinars. This change added \$3,500 under the Administration column and increase the 13/14 assessment budget to 12,040,258.

CHRP Budget

The original 2013/2014 CHRP budget that was submitted on September 26, 2013 was approximately \$11.5 million, but the anticipated CHRP funding is \$9.6 million. CDFA has revised the CHRP budget to bring it in line with the \$9.6 million funding level. The

Subcommittee wanted the full Committee to review the revised CHRP budget, as the revisions have operational implications.

OTHER BUSINESS

Nothing to report.

The meeting was adjourned at 2:30 p.m. The next meeting will be set at a later date.