

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

Meeting Minutes
Wednesday, February 17, 2016

Opening:

The regular meeting of the Finance Subcommittee was called to order at 9:30 a.m. on February 17, 2016 in Sacramento, California by Subcommittee Chair James McFarlane.

Committee Members Present:

James McFarlane*

CDFA Staff:

Jason Chan*

Debby Tanouye*

Scosha Wright*

Paul Martinez*

*** Participated via webinar**

Opening Comments:

Chairman, James McFarlane, welcomed the Subcommittee and staff participating in the webinar and called the meeting to order at 9:30 a.m.

2014/2015 Budget Review

CPDPC Budget

The program collected \$3,169 in December for a new total of \$14,396,416 for the 2014/2015 fiscal year which represents about 99 percent of the total projected revenue. There has been \$90,118 in expenditures since the last Subcommittee meeting, making the total expenditures year to date \$14,510,513. The new budget balance is \$2,643,682. The projected ending balance is \$13,595,481.

CHRP Budgets

The total executed budget from CHRP per the original agreement and the augmentation is \$10,844,701. There was \$194,090 in expenditures since the last Subcommittee meeting, making the new total expenditures \$9,744,589. The CHRP budget is over by \$119,730, but the program would like to transfer \$99,577 back from unexpended CHRP augmentation to the assessment budget for Winter Trapping. The final numbers will be discussed in by the next finance meeting.

Other Budgets

The HLB MAC budget has a budget balance of \$55,370 and the NIFA budget has a balance of \$84,194.

2014/2015 Fiscal Year Variance Analysis

Currently there is a negative 15 percent year to date variance and the program is approximately 85 percent spent. The revenues are 1 percent less than projected, but 7 percent over last year.

2015/2016 Budget Review

CPDPC Budget

The program collected \$1,559,020 in revenue for a new total of \$2,178,198 for current year which represents about 14 percent of the total projected revenue. There has been \$1,279,220 in expenditures through December, leaving a budget balance of \$15,344,594. The projected ending balance for the 2015/2016 fiscal year is \$11,937,824, which represents an increase of \$2,224,628. This amount is being carried over from the 2014/2015 fiscal year. The budgets that were approved at the January 13, 2016 CPDPC meeting for San Mateo, Stanislaus, Kern and Santa Barbara Counties not show up on the budget display until next month.

CHRP Budgets

The total expected budget from CHRP \$10,844,701, the program has received the first CHRP funding instalment of \$2,136,406. There was \$599,183 in expenditures in December, making the total expended year to date \$847,012. The new balance to go is \$9,997,689.

Other Budgets

To date it is unknown if the program will receive a TASC Grant or a Citrus Commodity Survey Grant. There was \$5,321 in expenditures on the HLB MAC budget in December and the year to date expenditures on this budget is \$5,443.

Variance Analysis

The program is at a negative 16 percent in expenditure, but for the month of December the program is only negative 1 percent, which is pretty good for the projections. Staff is going to take a look at the revenue projections, because the revenues are a positive 30 percent, which is high.

Spending Authority

A spending authority tracking sheet has been developed to track expenditures from services and work for the State fiscal year July 1, 2015 through June 30, 2016. The authority is set at \$15,624,418 with \$5,297,499 spent so far in the State fiscal year, which is 34 percent of the programs budget authority. The balance in remaining authority is \$10,326,919 This would account for 34 percent of the programs authority. The Finance Subcommittee will begin planning once the authority is 50 percent spent and to take action with the Committee once the authority is 75 percent spent.

Other Items

James reported on the information that he had gathered on alternate ways to assess industry fro program activities. He spoke with Roger Smith regarding the idea of assessing based on pieces of nursery stock, but Roger indicated that it would be hard to use numbers of nursery stock, as a portion, as high as 25 percent of nursery stock is put back into the nursery and not sold. He also talked to Rick Dunn to see if an assessment could be gathered based on planted acreage, but Rick noted that it would be hard to assess on planted acreage, as a percentage of planted acreage is not commercially harvested. Rick also noted that there is a potential discrepancy between the mapped citrus acreage and the actual citrus acreage.