

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

Meeting Minutes
Tuesday, May 3, 2016

Opening:

The Finance Subcommittee conference call was called to order at 10:03 a.m. on May 3, 2016, by Subcommittee Chair James McFarlane.

Subcommittee Members Present:

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

CDFA Staff and Guests:

Jason Chan* Paul Martinez* Debby Tanouye*
Victoria Hornbaker*

*** Participated via webinar**

Opening Comments:

Chairman, James McFarlane, welcomed the Subcommittee and staff participating in the webinar.

Public Comment:

There were no public comments.

2015/2016 Budget Review

CPDPC Budget

The program collected \$2,883,498 in March for a new total of \$8,525,885 for current year which represents about 53% of the total projected revenue. There has been \$2,116,773 in expenditures through in the month of March, for a total year to date of \$7,427,659 leaving a budget balance of \$11,821,002. The budget was increased by \$150,000 for the emergency outreach activities and \$455,674 for the University of Arizona HLB Diagnostics, for a new total budget of \$19,248,662. The projected ending balance for the 2015/2016 fiscal year is \$10,338,765, which represents a decrease of \$605,674 from the projected ending balance from the last Finance Subcommittee meeting. The actual expenses coming in for the Central Valley survey and treatment are above the original projections and the Subcommittee will seek guidance from the full Committee on offsetting the overage with the balance of the Urban Treatment budget at the end of the year.

CHRP Budgets

The total expected budget from CHRP \$10,844,701, the program has received \$4,634,771 in CHRP funding through March 2016. There was \$1,027,055 in expenditures in March, making the total expended year to date \$3,476,287. The new balance to go is \$7,368,414. The CDFA lab is seeking an increase in their budget from of \$211,672 from \$1,515,767 to \$1,727,439 for additional salaries and equipment to increase HLB testing capacity, Jason will be talking to them to see if they can achieve this increase through alternate methods.

Other Budgets

To date it is unknown if the program will receive a TASC Grant or a Citrus Commodity Survey Grant. There was \$13,424 in expenditures on the HLB MAC budget year to date, with a remaining balance of \$43,123.

Variance Analysis

The variance for March is 3.6 percent over projected expenditures and 26.6 percent over projected expenditures year to date. The program has expended 38 percent of the allowable budget. The revenues are up 46 percent for the month of March and are up 18.8 percent year to date.

The program discussed restructuring some Schedule Displays, for instance creating one display for all HLB treatment response activities, including tree removal and/or ACP treatment in HLB areas, we would like to have a standalone budget to encompass, Hacienda Heights, San Gabriel, La Puente (not yet budgeted) and any new HLB treatment responses. Jason will make these changes and noted that it might skew the variance analysis for a month or two.

There was some additional talk about consolidating other Schedule Displays to align with the proposed quarantine regions, but this was table for consideration at a later date to coincide with the 2016/2017 budget preparation.

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 \$10,217,689 spent so far in the State fiscal year, which is 65 percent of the programs budget authority. The program will move approximately \$1.5 million in contract expenditures from the CPDPC budget to the CHRP budget. This will free up about 10 percent of the spending authority. The program will continue to monitor the expenditures and move applicable expenses to CHRP to make sure the authority isn't overspent.

The meeting was adjourned at 10:47 a.m.