

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

Meeting Minutes
Wednesday July 5, 2017

Opening:

The Finance Subcommittee conference call was called to order at 2:03 p.m. on July 5, 2017 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* Leandro Ramos* Bob Wynn*

*** Participated via webinar**

Opening Comments:

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

Public Comment:

There were no public comments.

2016/2017 Budget Review

Assessment Budget

The program collected \$2,711,510 in revenues in the month of May for a total received of \$13,145,327 and a remaining balance to go of \$4,854,673. The program has received 73 percent of the projected revenue year to date. There has been \$2,106,334 in expenditures through in the month of May for a year to date of \$10,885,354. The new budget balance is \$15,009,928 and the projected ending balance for the 2016/2017 fiscal year is \$5,312,674. The Citrus Research Board Operations Grant was reduced by \$974,000 and an additional budget was created for the Orange County HLB response in the amount of \$715,344., which represents a net decrease in the overall budget of \$258,656. There was a one-time transfer in from the Sec 224C Recovery (Unclaimed Gas Tax) in the amount of \$220,120. Additionally, staff mentioned the one-time \$10M General Fund augmentation to the program, the money must be used or encumbered this fiscal year and must be liquidated within 2 additional years.

CHRP Budget

To date, the program has received \$9,760,231 in funds from the CHRP agreement. In the month of May the program expended \$810,640 for a total of \$5,609,953 in expenditures year to date and leaving a remaining budget balance of \$4,150,278. The program was notified late in June that the CHRP allocation was increased by \$2,384,470 for a new budget amount of \$12,144,701 (+), this new budget amount will show up in the budget displays once the new agreement is

executed. There was a reduction of \$40,000 in the Outreach Contract Sub-budget and an increase in the Survey Sub-budget of \$40,000 for a net zero adjustment to the overall CHRP Budget.

Other Budgets

The TASC grant has a zero balance and has been completely billed. There was \$119,960 in expenditures in May on the Citrus Commodity Survey budget, leaving a budget balance of \$17,270. It was noted that the program will receive an additional \$470,000 for Citrus Commodity Survey for the new fiscal year and it will show on the schedule once the agreement is finalized. There was \$3,237 in expenditures on the HLB MAC budget, leaving a budget balance of \$243,575.

Spending Authority

Since July 1, 2016 program has spent \$16,002,266, which is 62 percent of the new budget authority of \$25,662,293,

Variance Analysis

Jason explained that the Assessment Revenue is up 21 percent for the month of May and is up 1.37 percent over the projection for the year. He noted that the expenditure variance for May is - 5 percent and that the overall expenditure variance year to date is lagging behind as well. -

Preparation for 2017/2018 Budget Projections

The group discussed the time line for preparing the 2017/2018 budget. It was noted that the Operations and Outreach Subcommittees will be meeting on August 9th, so it was decided to postpone the August 8th Finance Subcommittee meeting until either August 15th or the 22nd.

The meeting was adjourned at 3:04p.m.