

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

Meeting Minutes
Wednesday September 11, 2017

Opening:

The Finance Subcommittee conference call was called to order at 10:00a.m. on September 11, 2017 by Subcommittee Chair James McFarlane.

Subcommittee Members Present:

Bob Felts, Jr.*

James McFarlane*

Dave Tomlinson*

CDFA Staff and Guests:

Jason Chan*

Paul Martinez*

Carla Thomas*

Victoria Hornbaker*

Leandro Ramos*

Bob Wynn*

Sara Khalid*

Debby Tanouye*

*** Participated via webinar**

Opening Comments:

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

Public Comment:

There were no public comments.

2016/2017 Budget Review

Assessment Budget

The program collected \$730,514 in revenues in the month of July for a total received of \$15,389,180 and a remaining balance to go of \$2,610,820. The program has received 81 percent of the projected revenue year to date, but is tracking to be 4 percent under the original projection. The Subcommittee members supported a 4 percent reduction in the budget projection to better align the revenues with the existing trend. There has been \$1,552,621 in expenditures in the month of July for a year to date of \$14,145,185. The new budget balance is \$11,750,097 and the projected ending balance for the 2016/2017 fiscal year is \$8,763,104.

Jason presented new budgets for the increased HLB response areas, these include an additional \$129,616 for Statewide Risk Survey, \$254,926 for Los Angeles County area treatments, \$469,633 for Orange County area treatments and \$281,075 for Riverside County area treatments. This would be a total increase of \$1,135,250.

CHRP Budget

The program has received an additional \$6,529,640 in funds from the CHRP agreement, which brings the total CHRP budget to \$12,144,701. In the month of July the program expended

\$1,141,365 for a total of \$7,956,375 in expenditures year to date. The new budget balance is \$4,188,325 and the projected ending balance for the 2016/2017 fiscal year is 0.

Other Budgets

There was an additional \$470,000 received for the Citrus Commodity Survey budget. There was \$26,619 in expenditures in July for a budget balance of \$164,296 The HLB MAC budget is unchanged, with a budget balance of \$249,069.

Spending Authority

Since July 1, 2016 program has spent \$18,910,472, which is 74 percent of the new budget authority of \$25,662,293.

Variance Analysis

The Assessment Revenue is down 35 percent for the month of July and is down 4 percent over the projection for the year. The expenditure variance for July is down 49 percent and that the overall expenditure variance year to date is lagging behind as well at -27 percent.

2017/2018 Budget Projections

The program prepared 3 budget scenarios based on the budget item rankings conducted during the September 7, 2017 Science Subcommittee Meeting. The first scenario reduces the screening lab budget by \$180,000 and the Central Valley Delimitation Survey costs by \$432,123. The expenditure projections for this scenario are \$18,141,212 in assessment funds, \$10,000,000 in general funds, \$14,144,701 for CHRP and \$470,000 for Citrus Commodity. Scenario number two includes reductions in area wide buffer treatments and includes expenditure projections of \$16,691,250 in assessment funds, \$10,000,000 in general funds and \$14,144,701 for CHRP. The final scenario includes additional reductions in buffer treatments and delimitation survey. The expenditure projections for this scenario are \$15,578,130 in assessment funds, \$10,000,000 in general funds and \$14,144,701 for CHRP.

The meeting was adjourned at 11:18p.m.