

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

Meeting Minutes
Tuesday December 12, 2017

Opening:

The Finance Subcommittee conference call was called to order at 10:00a.m. on December 12, 2017 by Subcommittee Chair James McFarlane.

Subcommittee Members Present:

James McFarlane* Dave Tomlinson*

CDFA Staff and Guests:

Jason Chan* Sara Khalid* Paul Martinez*
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.

2016/2017 Budget Review

Assessment Budget

The program collected \$400,267 in revenues in the month of October for a total received of \$16,695,422 and a remaining balance to go of \$584,578 of the revised revenue projection. The Subcommittee discussed the shortfall in revenues and decided to reduce the original projection from 4 to 6 percent for a new projected revenue of \$16,920,000 which would leave a new balance to go of \$224,578. The Subcommittee felt the new projection was more in line with what would actually be expected. The budget was increased by \$1,135,250 to cover HLB response activities for a new total budget of \$27,030,532. There has been \$846,197 in expenditures in the month of August for a year to date of \$17,492,011. The new budget balance is \$9,538,521 and the projected ending balance for the 2016/2017 fiscal year is \$8,118,378.

CHRP Budget

To date, the program has received \$12,144,701 in funds from the CHRP agreement. In the month of October the program expended \$927,183 for a total of \$10,607,365 in expenditures year to date and leaving a remaining budget balance of \$1,537,336.

Other Budgets

The program received a TASC grant has a zero balance and has been completely billed. There was \$3,214 expenditures in October on the Citrus Commodity Survey and there is a balance available of \$157,858. There was \$2,990 in expenditures on the HLB MAC budget for a total

year to date of \$31,518, leaving a budget balance of \$243,482 which will be moved to the new Federal Fiscal Year.

Spending Authority

Since July 1, 2016 program has spent \$19,232,007, which is 75 percent of the new budget authority of \$25,662,293.

Variance Analysis

The Assessment Revenue is down 22.07 percent for the month of October and is down 6.75 percent for the year. Expenditure variance for October is down 63.12 percent for the month and that the overall expenditure variance year to date is lagging behind as well at -35.29 percent.

2017/2018 Budget Review

The Citrus Pest and Disease Prevention Committee set the 2017/2018 program budget at the October 13, 2017 Committee meeting. The assessment budget was set at \$16,470,000, based on the projected revenue at the 0.09 cent per carton at 183,000,000 cartons. The CHRP budget has been projected at \$14,144,701. There is a one-time general budget of \$10,000,000 and a Citrus Commodity Survey grant of \$470,000 for a total approved budget of \$41,084,701. There was only \$100, 899 in expenditures to date and no revenues for the 2017/2018 fiscal year.

Jason presented some additional revised fiscal displays for the 2017/2018 budgets. The group discussed the ability for staff to drill down if needed and Jason responded that it will be available if requested. The Subcommittee was very appreciative of the work that Jason and Paul had put in on revising the fiscal displays and asked him to finalize them for the January 3, 2018 meeting.

The meeting was adjourned at 10:59a.m.