

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

Meeting Minutes
Tuesday, November 6, 2018

Opening:

The Finance Subcommittee webinar was called to order at 10:00 a.m. on November 6, 2018 by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

Bob Felts, Jr.*
James McFarlane*

Dr. Etienne Rabe*

Dave Tomlinson*

Subcommittee Members Absent:

Craig Armstrong

Aaron Dillon

CDFA Staff and Guests:

Jill Barnier*
Peter Betschart*

Mark Buan*
Victoria Hornbaker*

Sara Khalid*
Raymond Leclerc*

* Participated via webinar

Opening Comments:

Finance Subcommittee Chairman, Bob Felts, Jr., welcomed the Subcommittee, guests and staff participating in the webinar.

Expenditure Tracking Update

Victoria Hornbaker reviewed the main expenditure categories, including personnel, travel, equipment, supplies, contractual and indirect. Ray Leclerc discussed a new coding system that will capture the expenditures by activity and location. The codes will be used to track expenditures for personnel services and contracts, as well as supplies and equipment. Ray asked the Subcommittee if the 48 codes that he developed provided the level of detail that they would like to see. Ray noted that the coding would give the appropriate level of detail to allow for planning and projecting. The Subcommittee members felt that it was a good start and would improve accuracy. Ray noted that he would give an update at the next meeting.

Review 2017/2018 Revenues

Victoria reviewed the projected revenues for 17/18 of \$16,471,000 which was based on the projected crop of 183,000,000 cartons. She noted that the actual revenues to date are \$14,803,172. There are two months left in the fiscal year, but those two months will not make up the difference. The Subcommittee agreed that the revenues will be short at least \$1,000,000 if not more.

Review 2017/2018 Budget and Expenditures

Victoria presented an updated budget with actual expenditure for July through September. She noted that the \$2,680,741. She noted that the numbers are not final, and that this number will likely increase before they are finalized. She also mentioned that there are over \$7,000,000 in encumbrances for contract and other items of expense that may become actual expenditures. Victoria explained the difficulty that Becky Moore and her staff had in developing the expenditures for each budget line, due to the difficulty with the new state accounting system. She noted how appreciative she was of all the work they put into the expenditures. Ray explained that the budget as presented with the 21 budget line items would be a roll up for the more detailed codes that he is developing.

Etienne reviewed the Citrus Research Board (CRB) budget documents that he provided for a discussion point. Victoria noted that the balance sheet that he provided was similar to the CDFA Fund Condition Statement (FCS). She noted that the CRB statement of financial position is similar to the budget she prepares for her other programs as well. Victoria showed an FCS and a budget for another program as an example. The Subcommittee agreed that the FCS would be useful. Victoria noted that she would prepare an FCS for the Committee meeting.

Review 2018/2019 Budget and Expenditures

There were no updates for the 2018/2019 expenditures. Victoria reviewed the projected funding sources, \$12,500,000 in general funds, \$18,000,000 in assessments and \$12,000,000 to \$14,000,000 in CHRP.

2019/2020 Dedicated Resources and Projected Budget Update

Ray Leclerc provided an update on the progress that has been made on moving forward with securing dedicated resources for the Citrus Program. He noted that the projected staffing and budget are consistent with the direction received from the CPDPC at the September meeting. The projections have been routed to the control agencies. He noted that he should know by December if CDFA has buy in from the control agencies and the Governor's office, and once support for dedicated resources has been confirmed, CDFA can move ahead with filling some key positions. The Program anticipates receiving approval for dedicated resources in July 2019.

The meeting was adjourned at 11:01 a.m.