

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

Meeting Minutes
Tuesday, August 4, 2020

Opening:

The Finance Subcommittee webinar was called to order at 10:00 A M on August 4, 2020 by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

Bob Felts, Jr.* Dr. Etienne Rabe* Dave Tomlinson*

Subcommittee Members Absent:

Craig Armstrong James McFarlane

CDFA Staff and Guests:

Fidan Aghayarova*	David Gutierrez*	Preetika Pratap*
Carl Baum*	Amelia Hicks*	Kelly Salinas*
Karina Chu*	Victoria Hornbaker*	Michael Soltero*
Ryan Fong*	Anmol Joshi*	Claudia Vasquez*
Alisha Garcia*	Zachary McCormack*	Jennifer Willems*

*Participated via webinar

Opening Comments

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

Review 2019-2020 Budget

Ryan Fong presented the expenditure report for fiscal year (FY) 2019-2020. For June 2020 expenditures reported at \$1,070,278. The total expenditures for FY 2019-2020 are \$17,062,738 with a remaining balance of \$23,424,407. Ryan explained the expenditure total and remaining balance will change once Citrus Pest and Disease Prevention Division (CPDPD) receives contract invoices from Southern Treatment and other County contracts. On the manual tracking budget display Ryan added FY 2018-2019 expenditures to the variance line as requested by the subcommittee. Expenditures for May 2020 reported a 36.27 percent variance between FY 2018-2019 and FY 2019-2020, and a 5.93 percent variance between expenditures on the manual tracking and expenditures closed in the Financial Information System for California (FI\$Cal). Ryan presented the budget projections for the remainder of the federal fiscal year from October 1, 2019 to September 30, 2020. CPDPD projects a total of \$31,103,591 in expenditures. Following the budget projections, Ryan presented the Balance Sheet and Fund Condition Statement (FCS) based on the manual tracking information. The Balance Sheet displayed a remaining balance of \$8,146,178 in Citrus Health Response Program (CHRP) funds and \$38,441,384 in AB 281 funds. In reviewing the balance sheet, the subcommittee asked why a fund shift of \$5,000,000 occurred in May-2020. Ryan explained the fund shift moved funds from the Assembly Bill (AB) 281 fund to the General fund to expend the General Fund.

Review 2019-2020 Revenue

Alisha presented the FY 2019-2020 financial report for revenue. CPDPD received \$1,256,987.04 in July 2020 revenue, making the current yearly total \$16,306,454.45. The subcommittee determined that the revenue reports are reporting close to FY 2018-2019 and will accomplish the goal in meeting the remaining estimated projected revenue of \$1,063,545.55 by the end of the FY.

Review 2020-2021 Budget

Victoria presented the CPDPD FY 2020-2021 budget draft. This initial budget was \$55,000,000 and combined budget submissions from all District Managers. It included full contract amounts for tree removal, treatment, trapping, the California Agriculture Support Services contract, Citrus Research Board and outreach. Victoria and Carl Baum reduced the budget from \$55,000,000 to \$44,000,000 by examining past FY actuals and reducing contract amounts based on previous years trend analysis to accommodate the needs of the Division. The subcommittee asked if the budget could be reduced to \$40,000,000. Victoria explained the budget now includes indirect costs assessed on total personnel services. These indirect costs consist of the Executive Office, the Budget Office, and the Administrative Services Division. Bob Felts mentioned CPDPD does not spend the entire yearly budget based on prior year budgets, and CPDPD does not possess enough personnel to accomplish contract demands. Dr. Etienne Rabe stated a \$35,000,000 budget would adequately meet CPDPD needs and asked that a \$35,000,000 budget be drafted for the subcommittee to consider. Victoria suggested scheduling a mid-August subcommittee meeting to review the FY 2020-2021 proposed budget in anticipation of the September Committee meeting on September 16, 2020.

The meeting was adjourned at 10:44 A.M. The next Finance Subcommittee meeting will be held on September 1, 2020 at 10:00 A.M.