

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

Meeting Minutes
Tuesday, July 2, 2019

Opening:

The Finance Subcommittee webinar was called to order at 10:00 A.M. on July 2, 2019 by Subcommittee Chair Bob Felts, Jr.

Subcommittee Members Present:

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

Subcommittee Members Absent:

Craig Armstrong

CDFR Staff and Guests:

Ryan Fong	Jim Gorden*	Craig Hanes
Victoria Hornbaker	Sara Khalid*	Holly Deniston-Sheets*

* Participated via webinar

Opening Comments

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

Expenditure Tracking Update

Ryan Fong stated that since July 1, 2019, the new expenditure tracking system has been in place. Once expenditures start coming in, they will be placed into the appropriate buckets on the Budget Display. Victoria Hornbaker noted that only October 2018 through December 2018 have been closed out by Financial Services. She noted that although expenditures seem low in comparison to prior years, the remaining months have not yet been closed out. Ryan noted that some Citrus Research Board (CRB) charges were incorrectly coded to the Statewide Administration line on the Budget Display and have now been reallocated to the correct lines. Victoria stated that with the new coding system, some CRB charges will be rolled into Statewide Diagnostics and the rest of the charges will be rolled into a separate CRB line. The codes have already been rolled out to field staff to use starting July 1, 2019. She noted that tracking expenditures should be easier because each code is linked to one of the lines on the Budget Display.

Review 2018/2019 Budget and Funding Sources

Ryan stated that the total expenditures through June 2019 are \$12,040,276. In June 2019, there was \$148,532 in expenditures. He noted that although these numbers are low, January 2019 through June 2019 have not yet been closed out. The program can expect more expenditures to show up until the months are closed out. The subcommittee asked about comparing vendors with

CRB to ensure there is no lost income. Ryan stated that he will work with CRB to compare vendor payment lists.

Review 2018/2019 Revenues

Ryan stated that in June 2019, the program received \$1,862,783.11 in assessment revenue. The total revenue through June 2019 is \$15,365,141.07. The program is \$2,634,858.93 short of the total projected revenue. Bob Felts Jr. noted that the program has secured another \$2,900,000 in Citrus Health Response Program (CHRP) funds and will need to determine how to spend it this year.

Review Dedicated Resources

Victoria stated that Governor Newsom signed the proposed budget which includes the dedicated resources for the Citrus Division. The program has an additional ongoing \$2,500,000 in general fund and received the requested 61 positions. She noted that Craig Hanes has been working on getting duty statements together in order to start the hiring process. She stated that it will take a while to get everything in place, but administrative staff should hopefully be in place within the next month to month and a half. The program will be leasing long-term rental vehicles instead of purchasing the vehicles because it is more cost effective in terms of depreciation and maintenance costs. She noted that staff are looking at asking for some additional dedicated resources next year to bring in a unit of enforcement staff under the Citrus Division. She stated that staff are looking for a new office space because there is not sufficient room for all of the new positions where staff are currently located at Gateway Oaks. As of Fiscal Year 2019/2020, the general fund money received will be \$5,000,000, however, the \$2,900,000 in CHRP funds can be used to offset the decrease in general funds.

The meeting was adjourned at 10:42 A.M. The next Finance Subcommittee meeting will be held on August 13, 2019 at 10:00 A.M.