



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
SHIPPING POINT INSPECTION ADVISORY COMMITTEE (SPI)
May 22, 2024 Meeting Minutes
Lighthouse Lodge & Cottages
1150 Lighthouse Avenue, Pacific Grove, CA 93950**

MEMBERS PRESENT

Christine Ivory – Chair
Louis Pandol
Patrick Smith
Trent Voss

INTERESTED PARTIES

James R. Leggett – United States
Department of Agriculture (USDA)

CDFA

Marcee Yount
Sarah Cardoni
Kristi Garcia
Julie Lee
Theresa Stewart
Mitch Randhawa
Kevin Batchelor

MEMBERS ABSENT

None

ITEM 1: CALL TO ORDER

The meeting was called to order at 10:00 a.m. by Chair Christine Ivory.

ITEM 2: INTRODUCTIONS/ROLL CALL

Roll was called by Kristi Garcia, and a quorum was established.

ITEM 3: PUBLIC COMMENTS

There were no public comments.

ITEM 4: REVIEW OF MEETING MINUTES

i. April 5, 2023

Chair Ivory requested a motion to approve the April 5, 2023 Meeting Minutes as submitted.

A revision to Item 6: Louis Pandol moved to increase the base inspection fee hourly rate from \$46 to \$50 to begin July 1, 2023, or by the closest corresponding percentage rate on a per unit basis. An increase of \$46 to \$56 was incorrectly listed.

MOTION: Louis Pandol moved to approve the April 5, 2023 Meeting Minutes as amended. Chair Ivory seconded the motion. The motion passed unanimously, with no abstentions.

ii. December 21, 2023

Chair Ivory requested a motion to approve the December 21, 2023 Meeting Minutes as submitted.

A revision to Item 4: An estimated 25 percent of table grapes that were still on the vine were lost due to Hurricane Hilary. An estimated 75 percent was incorrectly listed.

MOTION: Trent Voss moved to approve the December 21, 2023 Meeting Minutes as amended. Louis Pandol seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 5: COMMITTEE VACANCY AND TERMS REPORT

Garcia provided the Vacancy and Terms Report. Current vacancies included: five members who are a shipper of fruit and vegetables using the inspection certification services of CDFA; one public member; and nine alternate members. Garcia also provided the names of members who will be eligible for reappointment as of December 31, 2024.

ITEM 6: REVIEW OF PROPOSED FY 2024/25 BUDGET

Kevin Batchelor presented the Proposed Fiscal Year (FY) 2024/25 Budget. Proposed expenditures include: \$3,170,536 for Personal Services; \$16,648,507 for Operating Expenses and Equipment; \$2,350,344 for Total Departmental; and a \$275,000 Gas Tax credit, for a Total Program Budget of \$21,894,387.

Batchelor noted an increase in Total Personal Services in FY2024/25 compared to FY 2023/24 and stated this increase was due to cost-of-living adjustments and postponing filling several vacant positions due to an anticipated reduction in revenue in FY 2023/24. A decrease to Operating Expenses and Equipment was due in large part to a reduction in the program's contract with the Cooperative Agricultural Support Services Authority (CASS). This decrease was made by the program due to budget constraints, with CASS in the process of reviewing the contract. Batchelor also discussed an increase in the Information Technology Supplies Expense line item, which was attributed to state workers returning to the office.

i. Fund Condition Update

Batchelor presented the Fund Condition update. As of February 2024, the SPI Program's beginning fund balance was \$20,390,092; total revenue was \$16,955,403; available cash was \$37,345,495; total expenditures were \$14,054,929; cash adjustments were \$686,768; with an ending operating reserve balance of \$22,603,798.

ii. Fee Schedule Revision

Batchelor discussed the Fee Schedule and stated that a fee adjustment was currently not recommended.

MOTION: Chair Christine Ivory moved to approve the Proposed FY 2024/25 Budget as presented. Trent Voss Seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 7: PROGRAM UPDATES

Theresa Stewart began the program updates by presenting the FY 2022/23 commodity reports for cherries and kiwis: 2,114 inspection certificates were issued for cherries – an increase of 437 compared to FY 2021/22; and 959 inspection certificates were issued for kiwis – a decrease of 206 compared to FY 2021/22.

Mitch Randhawa continued with the FY 2022/23 commodity reports for almonds, incoming almonds, and table grapes: 25,690 inspection certificates were issued for almonds – an increase of 2,761 compared to FY 2021/22; 7,147 inspection certificates were issued for incoming almonds – a decrease of 8,418 compared to FY 2021/22; and 6,724 inspection certificates were issued for table grapes – a decrease of 2,055 compared to FY 2021/22. Randhawa noted that the decrease in inspection certificates for incoming almonds was mainly due to a high amount of the commodity being inedible, and the decrease in inspection certificates for table grapes was due to mainly due to Hurricane Hilary.

ITEM 8: NEXT MEETING/AGENDA ITEMS

The next meeting will be held in the fall. The agenda will include an update on the program's budget and the election of officers.

ITEM 9: ADJOURNMENT

The meeting was adjourned at 11:28 a.m. by Chair Ivory.

Respectfully submitted by:

Kevin Batchelor, Program Supervisor
Inspection and Compliance Branch
Inspection Services