



# MEMORANDUM

<b>DATE</b>	October 15, 2021
<b>TO</b>	Veterinary Medical Board (Board)
<b>FROM</b>	Timothy Rodda, Administration/Licensing Manager
<b>SUBJECT</b>	<b>Agenda Item 18.A. Administration Report</b>

**Staff Update**

On August 25, 2021, the Board’s receptionist Kellie Harris accepted a promotion with the California Department of Corrections and Rehabilitation. Board management has made a conditional offer to an applicant and hopes to have it filled by the end of the month. The Board’s cashier remains on extended leave since July 2020, and staff from the Administration and Licensing Units continue to cover this essential position.

Staff is pursuing a Legislative Budget Change Proposal (BCP) to authorize additional budget allocation for a two-year limited-term associate government program analyst position. This position will assist the Board’s current Policy Analyst with implementing Assembly Bill (AB) 1282 (Bloom, 2021) provisions.

**Budget Projection Reports and Fund Condition**

Attached is the Budget Report Fiscal Year (FY) 2020-21 Expenditure Projection based on FY 2020-2021 Actuals. In total, the Board reverted 21.9% of its budget (\$1,396,586) to the Board Fund, which was roughly 30% higher than [previously anticipated](#) during the July 2021 Board meeting. The savings continued due to staff vacancies, reduced cost of travel and examination development, decreased Attorney General costs, and other cost savings measures.

As indicated in the chart below, the Board brought in slightly more revenue than projected last fiscal year. The revenue built into the Governor’s budget is based on staff analysis of workload and revenue data from prior fiscal years and projections aligning with data trends. At the end of each fiscal year, staff compares what was projected to what was brought in to see if adjustments need to be made for the next year.

**Revenue Report**  
 FY 2020-2021  
 Fiscal Month 13

Fiscal Code	Budget	YTD
<b>Delinquent Fees</b>	<b>\$36,000</b>	<b>\$56,175</b>
<b>Other Regulatory Fees</b>	<b>\$51,000</b>	<b>\$65,349</b>
<b>Other Regulatory License and Permits</b>	<b>\$1,760,000</b>	<b>\$1,826,063</b>
<b>Other Revenue</b>	<b>\$56,000</b>	<b>\$35,477</b>
<b>Renewal Fees</b>	<b>\$5,615,000</b>	<b>\$5,624,250</b>
<b>Revenue</b>	<b>\$7,518,000</b>	<b>\$7,607,314</b>

The attached Analysis of Board Fund Condition projects to have 8.5 months in reserve for FY 2021-22. This means the Board can continue to operate for 8.5 months without collecting additional revenue. As anticipated, the fund is projected to start decreasing beginning FY 2022-23 as expenditures continue to naturally increase and revenue stays the same.

A representative from the DCA Budget Office will present the budget documents to the Board during the October 21-22, 2021 meeting.

Training Videos (Strategic Plan Objective 2.1)

Board staff continue to work with the DCA Office of Public Affairs to develop instructional videos for applicants. These videos will demonstrate the process of how to submit an initial application in BreEZe to reduce confusion on how to apply and what documentation is required to submit when applying. In addition to the videos created for initial veterinarian applicants which can be found [here](#) and [here](#), staff have created videos for veterinarian reciprocity applicants ([here](#)) and registered veterinary technician applicants ([here](#)). Future videos being developed are for premises applicants, veterinary assistant-controlled substances permit applicants, and university veterinarian applicants. Once additional videos have been finalized, they will be posted to the Board's website.

Diversion Program

The next Diversion Evaluation Committee (DEC) meeting was held on October 18, 2021. There is currently one participant in the program. The DEC meets every January/February, June, and October. The Diversion program will be renamed to the Wellness Evaluation Committee upon implementation of AB 1535.

Attachments:

1. Budget Report FY 2020-21 Expenditure Projection FM 13
2. Analysis of Board Fund Condition, FY 2021-22

**VETERINARY MEDICAL BOARD - 0777  
BUDGET REPORT  
FY 2020-21 EXPENDITURE PROJECTION  
FM 13**

Based on FY 2020-21 Actuals

OBJECT DESCRIPTION	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21				
	ACTUAL	ACTUAL	ACTUAL	CY	CURRENT YEAR		PROJECTIONS	UNENCUMBERED
	EXPENDITURES (FM 13)	EXPENDITURES (FM 13)	EXPENDITURES (FM 13)	REVISED BUDGET	EXPENDITURES Actuals	PERCENT SPENT	TO YEAR END	BALANCE
<b>PERSONNEL SERVICES</b>								
Salary & Wages (Staff)	993,155	1,096,811	1,139,713	1,673,000	1,385,743	83%	1,385,743	287,257
Statutory Exempt (EO)	101,102	96,744	100,128	82,000	95,383	116%	95,383	(13,383)
Temp Help	35,258	59,132	11,789	33,000	26,907	82%	26,907	6,093
Board Member Per Diem	10,000	7,600	5,500	14,000	6,100	44%	6,100	7,900
Committee Members (DEC)	3,400	3,700	3,200	11,000	1,800	16%	1,800	9,200
Overtime	14,081	0	1,296	0	22,906	N/A	22,906	(22,906)
Staff Benefits	669,257	704,660	788,191	1,133,000	917,744	81%	917,744	215,256
<b>TOTALS, PERSONNEL SVC</b>	<b>1,826,253</b>	<b>1,968,647</b>	<b>2,049,817</b>	<b>2,946,000</b>	<b>2,456,583</b>	<b>83%</b>	<b>2,456,583</b>	<b>489,417</b>
<b>OPERATING EXPENSE AND EQUIPMENT</b>								
General Expense	22,550	20,570	9,148	62,000	6,812	11%	6,812	55,188
Fingerprint Reports	784	5,427	40,524	6,000	38,819	647%	38,819	(32,819)
Printing	32,663	34,509	39,913	41,000	52,048	127%	52,048	(11,048)
Communication	1,963	2,078	1,860	34,000	1,653	5%	1,653	32,347
Postage	15,228	8,754	0	34,000	1,278	4%	1,278	32,722
Insurance	43	7,419	53	0	400	N/A	400	(400)
Travel In State	41,274	20,728	31,238	211,000	328	0%	328	210,672
Training	0	4,835	15,140	26,000	4,035	16%	4,035	21,965
Facilities Operations	126,510	122,816	141,545	174,000	148,447	85%	148,447	25,553
C & P Services - Interdept.	84	90	96	0	146	N/A	146	(146)
C & P Services - External	99,016	108,680	120,033	147,000	158,858	108%	158,858	(11,858)
C/P Svcs-External Expert Examiners	179,713	170,671	83,226	31,000	32,123	104%	32,123	(1,123)
<b>DEPARTMENTAL SERVICES (PRO RATA):</b>								
Interagency Services	78,949	106,991	48,964	50,000	18,590	37%	18,590	31,410
Department Pro Rata	863,000	870,000	865,000	991,000	947,055	96%	947,055	43,945
Division of Investigation	471,998	499,847	406,003	304,000	267,177	88%	267,177	36,823
<b>INTERAGENCY SERVICES:</b>								0
Consolidated Data Center	7,366	2	9,302	34,000	17,424	51%	17,424	16,576
Information Technology	4,198	672	273	5,000	2,646	53%	2,646	2,354
<b>ENFORCEMENT:</b>								0
Attorney General	837,755	705,366	723,315	932,000	673,156	72%	673,156	258,844
Office Admin. Hearings	123,110	227,750	220,100	134,000	256,542	191%	256,542	(122,542)
Court Reporters	38,620	31,594	34,966	0	26,496	N/A	26,496	(26,496)
Evidence/Witness Fees	122,667	144,355	78,649	163,000	79,991	49%	79,991	83,009
Equipment	6,897	663	49,966	80,000	27,370	34%	27,370	52,630
Other Items of Expense				3,000	1,255	42%	1,255	1,745
<b>TOTALS, OE&amp;E</b>	<b>3,074,388</b>	<b>3,093,995</b>	<b>2,919,314</b>	<b>3,462,000</b>	<b>2,762,649</b>	<b>80%</b>	<b>2,762,649</b>	<b>699,351</b>
<b>TOTAL EXPENSE</b>	<b>4,900,641</b>	<b>5,062,642</b>	<b>4,969,131</b>	<b>6,408,000</b>	<b>5,219,232</b>	<b>81%</b>	<b>5,219,232</b>	<b>1,188,768</b>
Sched. Reimb. - Fingerprints	(4,225)	(3,055)	(15,288)	(11,000)	(33,761)		(33,761)	22,761
Sched. Reimb. - Other	0	0	0	(15,000)	0		0	(15,000)
Unsched. Reimb. - Other	(215,789)	(194,368)	(300,284)	0	(200,057)		(200,057)	200,057
<b>NET APPROPRIATION</b>	<b>4,680,627</b>	<b>4,865,219</b>	<b>4,653,559</b>	<b>6,382,000</b>	<b>4,985,414</b>	<b>78%</b>	<b>4,985,414</b>	<b>1,396,586</b>
<b>SURPLUS/(DEFICIT):</b>								<b>21.9%</b>

**0777- Veterinary Medical Board  
(Dollars in Thousands) 2021-22 Budget Act  
with 2020-21 Actuals**

	<b>PY 2020-21</b>	<b>CY 2021-22</b>	<b>BY 2022-23</b>	<b>BY + 1 2023-24</b>
<b>BEGINNING BALANCE</b>	\$2,946	\$5,227	\$5,280	\$5,401
Prior Year Adjustment	\$0	\$0	\$0	\$0
Adjusted Beginning Balance	\$2,946	\$5,227	\$5,280	\$5,401
<b>REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>				
Revenues				
4121200 - Delinquent fees	\$56	\$36	\$36	\$36
4127400 - Renewal fees	\$5,624	\$5,615	\$5,615	\$5,615
4129200 - Other regulatory fees	\$65	\$50	\$50	\$50
4129400 - Other regulatory licenses and permits	\$1,826	\$1,766	\$1,766	\$1,766
4143500 - Miscellaneous services to the public	\$0	\$0	\$0	\$0
4163000 - Income from surplus money investments	\$22	\$49	\$77	\$77
4171400 - Escheat of unclaimed checks and warrants	\$11	\$4	\$4	\$4
4173500 - Settlements and Judgments - Other	\$3	\$0	\$0	\$0
Totals, Revenues	\$7,607	\$7,520	\$7,548	\$7,548
<b>TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS</b>	\$7,607	\$7,520	\$7,548	\$7,548
<b>TOTAL RESOURCES</b>	\$10,553	\$12,747	\$12,828	\$12,949
<b>EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>				
Expenditures:				
1111 Program Expenditures (State Operations)	\$4,985	\$6,884	\$6,844	\$7,091
GSI 4.55% Increase	\$0	\$172	\$172	\$172
BL 21-23 5% Operating Expense Reduction	\$0	-\$48	-\$48	-\$48
9892 Supplemental Pension Payments (State Operations)	\$80	\$80	\$80	\$80
9900 Statewide Pro Rata	\$261	\$379	\$379	\$379
<b>TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS</b>	\$5,326	\$7,467	\$7,427	\$7,674
<b>FUND BALANCE</b>				
Reserve for economic uncertainties	\$5,227	\$5,280	\$5,401	\$5,275
Months in Reserve	8.4	8.5	8.4	8.2

**NOTES:**

Assumes workload and revenue projections are realized in BY, BY+1 and ongoing.  
Expenditure growth projected at 3% beginning BY +1.  
CY revenue and expenditures are Fiscal Month 13 actual amounts.