



MEMORANDUM

DATE	January 11, 2022
TO	Veterinary Medical Board (Board)
FROM	Timothy Rodda, Administration/Licensing Manager
SUBJECT	Agenda Item 18.A. Administration Report

Staff Update

On November 1, 2021, the Board hired Rachel Mckowen to fill the vacant receptionist position. Ms. Mckowen came from the private sector as a preschool teacher. We look forward to her tenure with the Board.

On December 1, 2021, the Board's administration analyst Justin Sotelo accepted a position outside state service. Board management posted the position and hired Jeffrey Olguin to fill the position. Mr. Olguin began on January 1, 2022 and previously worked as an analyst with the California Architects Board.

Additionally, on December 5, 2021, licensing technician Rachel Adversalo accepted an internal position with the Board's enforcement unit. The Board posted the position and Bryan Brahms has accepted. Mr. Brahms will be joining the Board from the Employment Development Department and begin on January 17, 2022.

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. Due to the ongoing need for this position and additional needs by the increase in office size, the cashier position has been reviewed and updated to include additional duties. The position was posted on December 21, 2021 and closed on December 31, 2021. Management is reviewing applications and will be filling the position as soon as possible.

The Board's Legislative Budget Change Proposal (BCP) to implement Assembly Bill (AB) 1282 (Bloom, 2021) was included in the Governor's Budget, released on January 10, 2022. The BCP is for a General Fund loan to the Board to cover the costs of a two-year limited-term associate governmental program analyst position and other implementation costs associated with the bill. This position will assist the Board's current Policy Analyst with implementing provisions.

Budget Projection Reports and Fund Condition

On December 1, 2021, the Board was assigned a new Budget analyst, Veronica Hernandez. Ms. Hernandez works for the budget office to prepare the fiscal year and expenditure reports for the Board. Ms. Hernandez will present the budget documents to the Board during the January 19-20, 2022 meeting.

Attached is the Budget Report Fiscal Year (FY) 2021-22 Expenditure Projection based on Fiscal Month (FM) 5 (November 2021). Based on these projections the Board is on track to revert 20%

of its budget (\$1,401,524) to the Board Fund. The savings continued due to staff vacancies, reduced cost of travel, elimination of examination development, decreased Attorney General costs, and other cost savings measures.

The attached Analysis of Board Fund Condition projects to have 10.3 months in reserve for FY 2021-22. This means the Board can continue to operate for 10 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.

As indicated in the chart below, the Board's budget projected to collect \$7,335,000 in revenue, and the DCA budget office is currently projecting \$7,486,312 by the end of the fiscal year, which is 2% more than anticipated.

Revenue Report
FY 2021-2022
Fiscal Month 5

Fiscal Code	Budget	YTD	Projection to Year End
Delinquent Fees	\$36,000	\$26,209	\$54,209
Other Regulatory Fees	\$49,000	\$47,692	\$68,692
Other Regulatory License and Permits	\$1,581,000	\$587,817	\$1,392,817
Other Revenue	\$74,000	\$4,799	\$14,014
Renewal Fees	\$5,595,000	\$2,736,579	\$5,956,579
Revenue	\$7,335,000	\$3,403,096	\$7,486,312

Board telephones to Teams (Strategic Plan Objective 3.3)

Board staff has been working with the Department's Office of Information Systems (OIS) to complete the merger to Microsoft Teams. The merger to Teams is anticipated to take place in early February 2022. This change is anticipated to increase access to Board staff and information as callers will be provided concise information upon calling and automatically directed to individual staff's existing Teams numbers for calls.

Wellness Program

The next Wellness Evaluation Committee (WEC) meeting will be held on January 31, 2022. There is currently one participant in the program. The WEC meets every January/February, June, and October. The Wellness Evaluation Committee was renamed from Diversion Evaluation Committee upon implementation of AB 1535.

Attachments:

1. Budget Report FY 2021-22 Expenditure Projection FM 5
2. Analysis of Board Fund Condition, FY 2021-22

VETERINARY MEDICAL BOARD - 0777
BUDGET REPORT
FY 2021-22 EXPENDITURE PROJECTION
FM 5

Based on FM 5

OBJECT DESCRIPTION	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22				
	ACTUAL EXPENDITURES (FM 13)	ACTUAL EXPENDITURES (FM 13)	ACTUAL EXPENDITURES (FM 13)	CY REVISED BUDGET	CURRENT YEAR EXPENDITURES Actuals	PERCENT SPENT	PROJECTIONS TO YEAR END	UNENCUMBERED BALANCE
PERSONNEL SERVICES								
Salary & Wages (Staff)	1,096,811	1,139,713	1,385,743	2,125,000	758,138	36%	1,902,380	222,620
Statutory Exempt (EO)	96,744	100,128	95,383	82,000	46,840	57%	112,780	(30,780)
Temp Help	59,132	11,789	26,907	33,000	0	0%	0	33,000
Board Member Per Diem	7,600	5,500	6,100	14,000	1,600	11%	6,100	7,900
Committee Members (DEC)	3,700	3,200	1,800	11,000	100	1%	1,800	9,200
Overtime	0	1,296	22,906	0	10,840	N/A	41,823	(41,823)
Staff Benefits	704,660	788,191	917,744	1,374,000	474,855	35%	1,188,738	185,262
TOTALS, PERSONNEL SVC	1,968,647	2,049,817	2,456,583	3,639,000	1,292,373	36%	3,253,621	385,379
OPERATING EXPENSE AND EQUIPMENT								
General Expense	20,570	9,148	6,812	77,000	805	1%	5,731	71,269
Fingerprint Reports	5,427	40,524	38,819	6,000	5,886	98%	34,937	(28,937)
Printing	34,509	39,913	52,048	47,000	50,463	107%	52,475	(5,475)
Communication	2,078	1,860	1,653	40,000	1,613	4%	3,871	36,129
Postage	8,754	0	1,278	37,000	0	0%	1,278	35,722
Insurance	7,419	53	400	0	0	N/A	400	(400)
Travel In State	20,728	31,238	328	180,000	824	0%	40,824	139,176
Training	4,835	15,140	4,035	29,000	0	0%	5,000	24,000
Facilities Operations	122,816	141,545	148,447	195,000	164,970	85%	166,500	28,500
C & P Services - Interdept.	90	96	146	0	0	N/A	146	(146)
C & P Services - External	108,680	120,033	158,858	147,000	148,762	101%	150,377	(3,377)
C/P Svcs-External Expert Examiners	170,671	83,226	32,123	31,000	19,518	63%	29,655	1,345
DEPARTMENTAL SERVICES (PRO RATA):								
Interagency Services	106,991	48,964	18,590	50,000	617	1%	1,956	48,044
Department Pro Rata	870,000	865,000	947,055	1,200,000	583,500	49%	1,200,000	0
Division of Investigation	499,847	406,003	267,177	33,000	17,500	53%	33,000	0
INTERAGENCY SERVICES:								
Consolidated Data Center	2	9,302	17,424	46,000	0	0%	23,000	23,000
Information Technology	672	273	2,646	5,000	0	0%	3,000	2,000
ENFORCEMENT:								
Attorney General	705,366	723,315	673,156	932,000	135,933	15%	377,707	554,293
Office Admin. Hearings	227,750	220,100	256,542	134,000	34,986	26%	106,959	27,041
Court Reporters	31,594	34,966	26,496	27,000	0	N/A	12,000	15,000
Evidence/Witness Fees	144,355	78,649	79,991	136,000	37,288	27%	97,536	38,464
Equipment	663	49,966	27,370	38,000	2,792	7%	29,503	8,497
Other Items of Expense			1,255	3,000	0	0%	1,000	2,000
TOTALS, OE&E	3,093,995	2,919,314	2,762,649	3,393,000	1,205,457	36%	2,376,855	1,016,145
TOTAL EXPENSE	5,062,642	4,969,131	5,219,232	7,032,000	2,497,830	36%	5,630,476	1,401,524
Sched. Reimb. - Fingerprints	(3,055)	(15,288)	(33,761)	(11,000)	(5,667)		(11,000)	0
Sched. Reimb. - Other	0	0	0	(15,000)			(15,000)	0
Unsched. Reimb. - Other	(194,368)	(300,284)	(200,057)	0	(84,737)			0
NET APPROPRIATION	4,865,219	4,653,559	4,985,414	7,006,000	2,407,426	34%	5,604,476	1,401,524
SURPLUS/(DEFICIT):								20.0%

0777 - Veterinary Medical Board
(Dollars in Thousands)
2021-22 Budget Act

	PY 2020-21	CY 2021-22	BY 2022-23	BY+1 2023-24
BEGINNING BALANCE	\$2,946	\$5,032	\$6,460	\$6,095
Prior Year Adjustment	-\$194	\$0	\$0	\$0
Adjusted Beginning Balance	\$2,752	\$5,032	\$6,460	\$6,095
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS				
Revenues				
4121200 - Delinquent fees	\$56	\$54	\$41	\$41
4127400 - Renewal fees	\$5,624	\$5,957	\$5,633	\$5,633
4129200 - Other regulatory fees	\$65	\$67	\$49	\$49
4129400 - Other regulatory licenses and permits	\$1,826	\$1,393	\$1,413	\$1,413
4163000 - Income from surplus money investments	\$22	\$11	\$49	\$49
4171400 - Escheat of unclaimed checks and warrants	\$10	\$4	\$0	\$0
4173500 - Settlements and judgements	\$3	\$0	\$0	\$0
Totals, Revenues	\$7,606	\$7,486	\$7,185	\$7,185
General Fund Transfers and Other Adjustments				
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS	\$7,606	\$7,486	\$7,185	\$7,185
TOTAL RESOURCES	\$10,358	\$12,518	\$13,645	\$13,280

EXPENDITURES AND EXPENDITURE ADJUSTMENTS	PY 2020-21	CY 2021-22	BY 2022-23	BY+1 2023-24
Expenditures:				
1111 Program Expenditures (State Operations)	\$4,985	\$5,599	\$7,091	\$7,304
9892 Supplemental Pension Payments (State Operations)	\$80	\$80	\$80	\$80
9900 Statewide Pro Rata	\$261	\$379	\$379	\$379
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$5,326	\$6,058	\$7,550	\$7,763
FUND BALANCE				
Reserve for economic uncertainties	\$5,032	\$6,460	\$6,095	\$5,517
Months in Reserve	10.0	10.3	9.4	8.5

NOTES:

Assumes workload and revenue projections are realized in BY +1 and ongoing.

Expenditure growth projected at 3% beginning BY +1.

CY revenue and expenditures are projections based on FM 5 Actuals.