



# MEMORANDUM

<b>DATE</b>	July 11, 2022
<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 May 1, 2022, the Board hired Corinne Kirschner as the Board’s new cashier. Ms. Kirschner came to the Board from the Department of Social Services, Community Care Licensing Division. We look forward to her tenure with the Board.

The Board’s attached Organization Chart, effective July 1, 2022, includes confirmed and anticipated start dates for new hires. The recruitment process is underway to fill any vacancies.

**\$2.5 Billion Pension Payment – Payback to the General Fund**

Chapter 33, Statutes of 2019 (SB 90), added Government Code (GC) section 20825.1, which appropriated \$2.5 billion from the General Fund (GF) to make a supplemental pension payment to the California Public Employees’ Retirement System (CalPERS) in 2019, intended to pay down the state’s unfunded pension liability and reduce CalPERS state pension contributions over the next few decades.

In response to the recession triggered by the COVID-19 pandemic, the \$2.5 billion was repurposed to supplant the state’s retirement contributions so that savings would be realized more immediately. This change resulted in retirement contribution savings of approximately \$100 million in 2019-20, \$1.0 billion in 2020-21, and \$1.4 billion in 2021-22.

To make the GF whole for the payment it made (which benefits all funds that make CalPERS state pension contributions), Chapter 16, Statutes of 2020 (AB 84) added [subdivision \(c\) to GC section 20825.1](#) to direct the transfer of up to \$2.5 billion to the GF from other funds (including Special Funds) that pay CalPERS state pension contributions. These funds will transfer a proportionate share of the \$2.5 billion CalPERS payment based on a calculation and schedule provided by the Department of Finance.

DCA’s share of the \$2.5 billion payment is approximately \$21.8 million and will be allocated across each special fund that pays state pension contributions based on a proportionate share of their retirement contributions. Each DCA program’s share of DCA’s \$21.8 million payment is based on a similar distribution method that was used for Chapter 50, Statutes of 2017 (SB 84 – Supplemental Pension Payments) which is based on your program’s 2021-22 retirement line-item budget that is earmarked to pay for annual employer contribution costs.

The Board’s allocation share of DCA’s \$21.8 million is \$256,000.

## **Budget Projection Reports and Fund Condition**

The Board's Budget Analyst Veronica Hernandez will present the budget documents to the Board during the July 20-21, 2022 meeting.

Attached is the Budget Report Fiscal Year (FY) 2021-22 Expenditure Projection based on Fiscal Month (FM) 11 (June 2022). Based on these projections the Board is on track to revert 15.66% of its budget (\$1,097,776) 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 9.9 months in reserve for FY 2021-22. This means the Board can continue to operate for 9.9 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 \$8,249,685 by the end of the fiscal year, which is 12.4% more than anticipated.

### **Revenue Report FY 2021-2022 Fiscal Month 11**

Fiscal Code	Budget	YTD	Projection to Year End
<b>Delinquent Fees</b>	<b>\$36,000</b>	<b>\$57,189</b>	<b>\$61,294</b>
<b>Other Regulatory Fees</b>	<b>\$49,000</b>	<b>\$136,802</b>	<b>\$144,632</b>
<b>Other Regulatory License and Permits</b>	<b>\$1,581,000</b>	<b>\$1,675,371</b>	<b>\$1,821,517</b>
<b>Other Revenue</b>	<b>\$74,000</b>	<b>\$16,818</b>	<b>\$17,128</b>
<b>Renewal Fees</b>	<b>\$5,595,000</b>	<b>\$5,886,104</b>	<b>\$6,205,114</b>
<b>Revenue</b>	<b>\$7,335,000</b>	<b>\$7,772,285</b>	<b>\$8,249,685</b>

### **Update Board Website Frequently Asked Questions (Strategic Plan Objective 3.2)**

In an ongoing effort to retain pertinent information on the Board's website, staff will be reviewing the posted Frequently Asked Questions (FAQ). Updates to the FAQ websites are anticipated to be completed by October.

### **Wellness Program**

The next Wellness Evaluation Committee (WEC) meeting was held on June 6, 2022. There are currently three participants in the program. The WEC meets every January/February, June, and October. The next Wellness Committee meeting will be in October 2022.

### **Attachments:**

1. VMB Org Chart, Dated July 1, 2022
2. Budget Report FY 2021-22 Expenditure Projection FM 11
3. Analysis of Board Fund Condition, FY 2021-22

Department of Consumer Affairs  
**Veterinary Medical Board**  
 July 1, 2022

**BOARD MEMBERS**  
 (8 Members)

**Diversion Evaluation Committee**  
 (5 Members)

**CURRENT**

FY 2021-22  
 Authorized Positions 32.7  
 Blanket Positions: 3.5

**Multidisciplinary Committee**  
 (9 Members)

**Executive Officer**  
 Jessica Sieferman  
 635-110-8879-003

**Administration/Licensing/Examinations**  
 Timothy Rodda  
 Staff Services Manager I  
 635-110-4800-001

**Enforcement**  
 Patty Rodriguez  
 Staff Services Manager I  
 635-110-4800-003

**Enforcement**  
 Robert Stephanopoulos (1.0)  
 Staff Services Manager I  
 635-110-4800-002 (0.5)

**Enforcement**  
 Matthew McKinney  
 Staff Services Manager I  
 635-110-4800-004

**Administration**

**Licensing/Examinations**

**Assoc Govt Prog Analyst**

Jeffrey Olguin, Lead  
 635-110-5393-003

VACANT  
 635-110-5393-XXX

**Staff Services Analyst**

Kimberley Lynn  
 635-110-5157-011

**Office Technician (T)**

Rachel Mckowen  
 635-110-1139-009

Corinne Kirschner  
 635-110-1139-012 (0.4)  
 635.110-1139-907 (.6)

Priscilla Onia (0.5)  
 635-110-1139-012 (0.4)

**Assoc Govt Prog Analyst**

Kellie Fairless  
 635-110-5393-805

**Program Technician II**

Bryan Brahms  
 635-110-9928-001

Dustin Garcia  
 635-110-9928-002

Marlene Gonzalez  
 635-110-9928-003

**Assoc Govt Prog Analyst**

Amber Kruse  
 635-110-5393-800

Bryce Salasky  
 635-110-5157-813

Andrea Amaya-Torres  
 635-110-5157-814

**Staff Services Analyst**

Ashley Sanchez  
 635-110-5157-021

Robert Rouch  
 635-110-5157-803

VACANT (Haley Barnhard)  
 635-110-5157-XXX

VACANT (Brett Jarvis)  
 635-110-5157-XXX

**Office Technician (T)**

Kenneth Seunarine  
 635-110-1139-022

**Licenses (Contractor)  
 Field Inspector**

Los Angeles Co. (4)

Orange Co.

Southern CA (2)

Central Coast

Central CA

San Joaquin

Sacramento/Placer

North Bay (2)

South Bay

East Bay

Northern CA

**Licenses (Contractor)**

Veterinarian Consultant (2)

**Assoc Govt Prog Analyst**

Daniel Strike  
 635-110-5393-809

Merlene Francis  
 635-110-5393-907 (LT)

**Staff Services Analyst**

Jacqueline French  
 635-110-5157-812

Kim Phillips-Francis  
 635-110-5393-811

Dillon Christensen  
 635-110-5157-802

Fredy Olea-Gaspar  
 635-110-5157-804

Melissa Caudillo  
 635-110-5157-801

**Office Technician (T)**

Cheng Vang  
 635-110-1139-019

**Assoc Govt Prog Analyst**

Tara Reasoner, Lead  
 635-110-5393-808

Kimberly Gorski  
 635-110-5393-005

Neloofar Forget  
 635-110-5393-807

Anna Fulton  
 635-110-5393-810

Jeffrey Weiler  
 635-110-5393-806

**Staff Services Analyst**

Kathy Budd  
 635-110-5157-810

Rachel Adversalo  
 635-110-5157-907 (LT)

**Office Technician (T)**

VACANT (Rachel Mckowen)  
 635-110-1139-001

Tammi Gualano (VACANT)  
 635-110-1139-021 (0.8)  
 635-110-1139-907(0.2)

All Positions are Designated for Criminal Offender Record Information (CORI)

Department of Consumer Affairs

Expenditure Projection Report

Veterinary Medical Board

Reporting Structure(s): 11113310 Veterinary Medical Board, 11113320 Registered Vet Tech Exam Committee

Fiscal Month: 11

Fiscal Year: 2021 - 2022

PERSONAL SERVICES

	PY Budget	PY FM13	Budget	YTD + Encumbrance	Projections to Year End	Balance
5100 PERMANENT POSITIONS	\$1,755,000	\$1,481,126	\$2,209,000	\$1,817,389	\$2,008,550	\$200,450
5100 TEMPORARY POSITIONS	\$33,000	\$26,907	\$33,000	\$2,749	\$82,667	-\$49,667
5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$25,000	\$30,806	\$25,000	\$33,662	\$35,762	-\$10,762
5150 STAFF BENEFITS	\$1,133,000	\$917,744	\$1,374,000	\$1,077,721	\$1,328,229	\$45,771
PERSONAL SERVICES	\$2,946,000	\$2,456,582	\$3,641,000	\$2,931,521	\$3,455,208	\$185,792

OPERATING EXPENSES & EQUIPMENT

	PY Budget	PY FM13	Budget	YTD + Encumbrance	Projections to Year End	Balance
5301 GENERAL EXPENSE	\$68,000	\$45,632	\$83,000	\$19,452	\$26,012	\$56,988
5302 PRINTING	\$41,000	\$52,048	\$47,000	\$50,844	\$52,344	-\$5,344
5304 COMMUNICATIONS	\$34,000	\$1,653	\$40,000	\$2,394	\$2,868	\$37,132
5306 POSTAGE	\$34,000	\$1,278	\$37,000	\$3,385	\$3,385	\$33,615
5308 INSURANCE	\$0	\$400	\$0	\$58	\$400	-\$400
53202-204 IN STATE TRAVEL	\$211,000	\$328	\$180,000	\$824	\$40,824	\$139,176
5322 TRAINING	\$26,000	\$4,035	\$29,000	\$460	\$5,000	\$24,000
5324 FACILITIES	\$174,000	\$148,447	\$195,000	\$162,260	\$162,260	\$32,740
53402-53403 C/P SERVICES (INTERNAL)	\$1,066,000	\$929,844	\$1,066,000	\$529,219	\$637,374	\$428,626
5340310000 Legal - Attorney General	\$932,000	\$673,156	\$932,000	\$470,802	\$560,445	\$371,555
5340320000 Office of Adminis Hearings	\$134,000	\$256,542	\$134,000	\$58,200	\$76,929	\$57,071
53404-53405 C/P SERVICES (EXTERNAL)	\$341,000	\$297,468	\$341,000	\$405,044	\$408,642	-\$67,642
5342 DEPARTMENT PRORATA	\$1,295,000	\$1,214,232	\$1,233,000	\$1,234,000	\$1,234,000	-\$1,000
5342 DEPARTMENTAL SERVICES	\$50,000	\$18,590	\$50,000	\$1,870	\$1,956	\$48,044
5344 CONSOLIDATED DATA CENTERS	\$34,000	\$17,424	\$46,000	\$0	\$23,000	\$23,000
5346 INFORMATION TECHNOLOGY	\$5,000	\$2,646	\$5,000	\$876	\$1,876	\$3,124
5362-5368 EQUIPMENT	\$80,000	\$27,370	\$38,000	\$39,014	\$39,514	-\$1,514
5390 OTHER ITEMS OF EXPENSE	\$3,000	\$0	\$3,000	\$0	\$0	\$3,000
54 SPECIAL ITEMS OF EXPENSE	\$0	\$1,255	\$0	\$557	\$1,000	-\$1,000
OPERATING EXPENSES & EQUIPMENT	\$3,462,000	\$2,762,649	\$3,393,000	\$2,450,256	\$2,640,455	\$752,545
TOTAL EXPENDITURES	\$6,408,000	\$5,219,231	\$7,034,000	\$5,381,777	\$6,095,663	\$938,337
REIMBURSEMENTS	-\$26,000	-\$233,318	-\$26,000	-\$185,439	-\$185,439	\$159,439
TOTAL NET EXPENDITURES	\$6,382,000	\$4,985,913	\$7,008,000	\$5,196,338	\$5,910,224	\$1,097,776

15.66%

# 0777 - Veterinary Medical Board Analysis of Fund Condition

(Dollars in Thousands)

## 2022-23 Governor's Budget

2022-23 GB with FM9 Projections

	PY Actuals 2020-21	CY 2021-22	Governor's Budget BY 2022-23	BY+1 2023-24
<b>BEGINNING BALANCE</b>	\$ 2,946	\$ 5,032	\$ 6,333	\$ 6,011
Prior Year Adjustment	\$ -194	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 2,752	\$ 5,032	\$ 6,333	\$ 6,011
<b>REVENUES AND TRANSFERS</b>				
Revenues:				
4121200 Delinquent fees	\$ 56	\$ 59	\$ 41	\$ 41
4127400 Renewal fees	\$ 5,624	\$ 5,891	\$ 5,633	\$ 5,633
4129200 Other regulatory fees	\$ 65	\$ 125	\$ 49	\$ 49
4129400 Other regulatory licenses and permits	\$ 1,826	\$ 1,689	\$ 1,413	\$ 1,413
4163000 Income from surplus money investments	\$ 22	\$ 11	\$ 69	\$ 81
4171400 Escheat of unclaimed checks and warrants	\$ 10	\$ 3	\$ -	\$ -
4173500 Settlements and Judgments - Other	\$ 3	\$ -	\$ -	\$ -
Totals, Revenues	\$ 7,606	\$ 7,778	\$ 7,205	\$ 7,217
Transfers from Other Funds				
Loan from the General Fund (0001) 1111-017-0001, Budget Act of 2021	\$ -	\$ -	\$ 157	\$ -
Totals, Revenues and Transfers	\$ 7,606	\$ 7,778	\$ 7,362	\$ 7,217
Totals, Resources	\$ 10,358	\$ 12,810	\$ 13,695	\$ 13,228
<b>EXPENDITURES</b>				
Disbursements:				
1111 Department of Consumer Affairs Program Expenditures (State Operations)	\$ 4,985	\$ 5,762	\$ 7,097	\$ 7,310
9892 Supplemental Pension Payments (State Operations)	\$ 80	\$ 80	\$ 80	\$ 80
9990 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 261	\$ 379	\$ 507	\$ 379
Chapter 16, Statutes of 2020 (AB 84)	\$ -	\$ 256	\$ -	\$ -
Total Disbursements	\$ 5,326	\$ 6,477	\$ 7,684	\$ 7,769
<b>FUND BALANCE</b>				
Reserve for economic uncertainties	\$ 5,032	\$ 6,333	\$ 6,011	\$ 5,459
<b>Months in Reserve</b>	9.3	9.9	9.3	8.2

NOTES:

- A. ASSUMES WORKLOAD AND REVENUE PROJECTIONS ARE REALIZED FOR BY+1 AND ONGOING
- B. EXPENDITURE GROWTH PROJECTED AT 3% BEGINNING FY 2022-23
- C. CY REVENUE AND EXPENDITURES BASED ON FM 5