



MEMORANDUM

DATE	October 2, 2023
TO	Veterinary Medical Board (Board)
FROM	Kim Phillips-Francis, Administration/Licensing Manager
SUBJECT	Agenda Item 16.A. Administration Report

Staff Update

It is with deep sadness to report that the Board’s Licensing Technician, Brandie Gutierrez, passed away suddenly on July 21, 2023. Brandie started with the Board in February 2023. She quickly learned how to process Registered Veterinary Technician (RVT) applications and provide customer service to the Board’s licensees. Brandie was a joy to be around and always helped when help was needed. Brandie loved art, rabbits, and her family. Board staff had a very hard time with her passing. Several staff members attended her memorial and met her friends and family. Brandie will be missed very much.

On September 1, 2023, the Board hired Heather Satterfield to fill the Board’s vacant Veterinary Assistant Controlled Substance Permit (VACSP) licensing technician position. Heather had previously worked for California Department of Fish and Wildlife and California Bureau of Security and Investigative Services.

The Board’s Organization Chart is attached for reference. With the exception of the vacant analyst and technician positions in Administration, all positions are anticipated to be filled by the end of next month.

Transitioning to Electronic Records

The Board is working with DCA’s Records Imaging Unit to digitize all physical licensing and enforcement files. This will result in easier accessibility for all staff, especially those who are teleworking. Pursuant to the Board’s retention schedule, physical files will be purged once digitalization has been confirmed. Once all physical records are purged, the file rooms will be converted to additional office space for staff. This transition is anticipated to be completed around August of next year.

Budget Projection Reports and Fund Condition

The Board’s Budget Analyst Veronica Hernandez will present the budget documents to the Board during the October 18-19, 2023, meeting.

Attached is the Budget Report Fiscal Year (FY) 2022-23 Expenditure Report based on FY 2022-2023 Actuals. In total, the Board reverted 8.17% of its budget (\$597,590) to the Board Fund, which was higher than previously anticipated during the July 2023 Board meeting. The savings continued due to staff vacancies, reduced cost of travel, decreased Attorney General costs, and other cost savings measures.

As indicated in the chart on the next page, the Board brought in more revenue than projected last fiscal year. The revenue built into the 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 2022-2023
 Fiscal Month 13

Fiscal Code	Budget	YTD
Delinquent Fees	\$58,000	\$65,748
Other Regulatory Fees	\$79,000	\$132,224
Other Regulatory License and Permits	\$1,556,000	\$1,799,532
Other Revenue	\$101,000	\$196,456
Renewal Fees	\$5,811,000	\$6,114,869
Revenue	\$7,605,000	\$8,308,829

The attached Analysis of Board Fund Condition estimates 12.4 months in reserve for FY 2022-23. This means the Board can continue to operate for 12.4 months without collecting additional revenue. The fund is projected to start decreasing beginning FY 2024-25. This projection represents a projected fiscal imbalance between income and expenditures. This imbalance occurs as expenditures continue to naturally increase, such as with rent and staff costs, while revenue stays the same.

Currently, the fund condition will decrease to 10.0 months in reserve by FY 26-27. However, as a reminder, the fund condition is simply a snapshot in time and does not include any budget change proposals that may be approved in the future. Staff will continue to monitor the fund condition and will advise when a fee change may be necessary.

Wellness Program

The Wellness Evaluation Committee (WEC) held a meeting on October 2, 2023. There are currently two participants in the program. The WEC meets every January/February, June, and October.

Attachments:

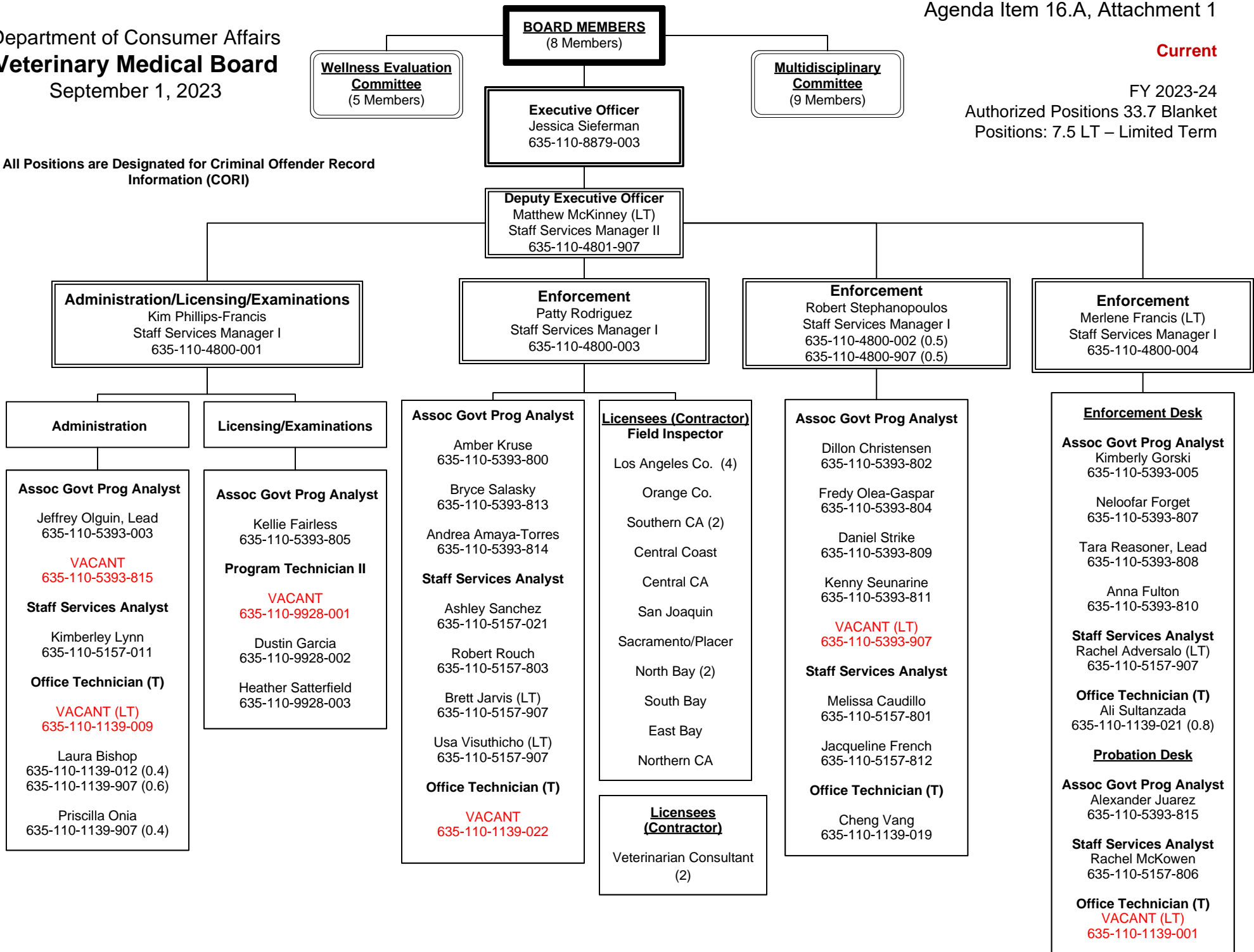
1. VMB Org Chart, Dated 9/1/23
2. Budget Report FY 2022-23 Expenditure Report FM 13
3. Analysis of Board Fund Condition, FY 2022-23

Department of Consumer Affairs
Veterinary Medical Board
 September 1, 2023

Current

FY 2023-24
 Authorized Positions 33.7 Blanket
 Positions: 7.5 LT – Limited Term

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



Department of Consumer Affairs

Expenditure Projection Report

Veterinary Medical Board
Fiscal Year 2022-23 Actuals

PERSONAL SERVICES

Fiscal Code	PY Budget	PY FM13	Budget	2022-23 Actuals	Balance
5100 PERMANENT POSITIONS	\$2,209,000	\$2,006,309	\$2,335,000	\$2,230,681	\$104,319
5100 TEMPORARY POSITIONS	\$33,000	\$10,606	\$33,000	\$227,151	-\$194,151
5105-5108 PER DIEM, OVERTIME, & LUMP SUM	\$25,000	\$33,662	\$25,000	\$10,629	\$14,371
5150 STAFF BENEFITS	\$1,374,000	\$1,168,518	\$1,527,000	\$1,485,436	\$41,564
PERSONAL SERVICES	\$3,641,000	\$3,219,095	\$3,920,000	\$3,953,897	-\$33,897

OPERATING EXPENSES & EQUIPMENT

Fiscal Code	PY Budget	PY FM13	Budget	2022-23 Actuals	Balance
5301 GENERAL EXPENSE	\$83,000	\$24,074	\$87,000	\$23,061	\$63,939
5302 PRINTING	\$47,000	\$38,376	\$49,000	\$65,557	-\$16,557
5304 COMMUNICATIONS	\$40,000	\$3,314	\$42,000	\$5,745	\$36,255
5306 POSTAGE	\$37,000	\$10,580	\$38,000	\$14,840	\$23,160
5308 INSURANCE	\$0	\$58	\$0	\$46	-\$46
53202-204 IN STATE TRAVEL	\$180,000	\$887	\$183,000	\$10,206	\$172,794
5322 TRAINING	\$29,000	\$635	\$30,000	\$20,730	\$9,270
5324 FACILITIES	\$195,000	\$172,395	\$202,000	\$179,275	\$22,725
53402-53403 C/P SERVICES (INTERNAL)	\$1,066,000	\$683,625	\$1,066,000	\$723,195	\$342,805
Legal - Attorney General	\$932,000	\$602,227	\$932,000	\$632,647	\$299,353
Office of Adminis Hearings	\$134,000	\$81,181	\$134,000	\$89,961	\$44,039
53404-53405 C/P SERVICES (EXTERNAL)	\$341,000	\$467,695	\$408,000	\$627,859	-\$219,859
5342 DEPARTMENT PRORATA	\$1,233,000	\$1,168,595	\$1,169,000	\$1,052,889	\$116,111
5342 DEPARTMENTAL SERVICES	\$50,000	\$2,590	\$50,000	\$3,010	\$46,990
5344 CONSOLIDATED DATA CENTERS	\$46,000	\$0	\$50,000	\$21,214	\$28,786
5346 INFORMATION TECHNOLOGY	\$5,000	\$876	\$5,000	\$0	\$5,000
5362-5368 EQUIPMENT	\$38,000	\$38,365	\$10,000	\$12,640	-\$2,640
5390 OTHER ITEMS OF EXPENSE	\$3,000	\$0	\$3,000	\$0	\$3,000
54 SPECIAL ITEMS OF EXPENSE	\$0	\$1,012	\$0	\$247	-\$247
OPERATING EXPENSES & EQUIPMENT	\$3,393,000	\$2,613,079	\$3,392,000	\$2,760,513	\$631,487

TOTAL EXPENDITURES	\$7,034,000	\$5,832,173	\$7,312,000	\$6,714,410	\$597,590
REIMBURSEMENTS	-\$26,000	-\$209,978	-\$26,000	-\$217,100	\$191,100
TOTAL NET EXPENDITURES	\$7,008,000	\$5,622,195	\$7,286,000	\$6,497,310	\$788,690
					11%

0777 - Veterinary Medical Board Contingent Fund Analysis of Fund Condition
(Dollars in Thousands)
 2022-23 Actuals

Prepared 9.27.2023

	ACTUAL 2022-23	CY 2023-24	BY 2024-25	BY +1 2025-26	BY +2 2026-27
BEGINNING BALANCE					
Prior Year Adjustment	\$ 6,914	\$ 8,270	\$ 8,041	\$ 7,867	\$ 7,551
Adjusted Beginning Balance	\$ (27)	\$ -	\$ -	\$ -	\$ -
	\$ 6,887	\$ 8,270	\$ 8,041	\$ 7,867	\$ 7,551
REVENUES, TRANSFERS AND OTHER ADJUSTMENTS					
Revenues					
4121200 - Delinquent fees	\$ 66	\$ 58	\$ 58	\$ 58	\$ 58
4127400 - Renewal fees	\$ 6,115	\$ 5,811	\$ 5,811	\$ 5,811	\$ 5,811
4129200 - Other regulatory fees	\$ 132	\$ 77	\$ 77	\$ 77	\$ 77
4129400 - Other regulatory licenses and permits	\$ 1,800	\$ 1,554	\$ 1,554	\$ 1,554	\$ 1,554
4163000 - Income from surplus money investments	\$ 187	\$ 97	\$ 116	\$ 112	\$ 104
4171400 - Escheat of unclaimed checks and warrants	\$ 9	\$ -	\$ -	\$ -	\$ -
4172500 - Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -	\$ -
Totals, Revenues	\$ 8,310	\$ 7,597	\$ 7,616	\$ 7,612	\$ 7,604
Transfers and loans to/from other funds					
Loans from the General Fund (0001) 1111-017-0001, Budget Act of 2021	\$ 157	\$ 149	\$ -	\$ -	\$ -
Operating Transfers To General Fund 0001 per EO E 21/22-276 Revised (AB 84)	\$ -	\$ -	\$ -	\$ -	\$ -
Totals, Transfers and Other Adjustments	\$ 157	\$ 149	\$ -	\$ -	\$ -
	\$ 8,467	\$ 7,746	\$ 7,616	\$ 7,612	\$ 7,604
TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS					
	\$ 15,354	\$ 16,016	\$ 15,657	\$ 15,479	\$ 15,155
TOTAL RESOURCES					
Expenditures:					
1111 Department of Consumer Affairs Regulatory Boards, Bureaus, Divisions (State Operations)	\$ 6,497	\$ 7,432	\$ 7,247	\$ 7,464	\$ 7,688
9892 Supplemental Pension Payments (State Operations)	\$ 80	\$ 80	\$ 80	\$ -	\$ -
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$ 507	\$ 463	\$ 463	\$ 463	\$ 463
TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS	\$ 7,084	\$ 7,975	\$ 7,790	\$ 7,927	\$ 8,151
FUND BALANCE					
Reserve for economic uncertainties	\$ 8,270	\$ 8,041	\$ 7,867	\$ 7,551	\$ 7,004
Months in Reserve	12.4	12.4	11.9	11.1	10.0

NOTES:

1. Assumes workload and revenue projections are realized in BY +1 and ongoing.
2. Expenditure growth projected at 3% beginning BY +1.
3. Current Year 2023-24 Expenditures includes Scheduled and Unscheduled Reimbursements.