



MEMORANDUM

DATE	January 4, 2017
TO	Veterinary Medical Board
FROM	Ethan Mathes, Operations Manager
SUBJECT	Review Revenue and Expenditure Reports and Discuss Need for a Fee Increase of Initial License and Renewal Fees; Potential Action

History

Increase in Fees and Fee Caps – Senate Bill 1584 (Chapter 529, Statutes of 2008), effective January 1, 2009 raised the statutory cap on veterinary, veterinary technician, and premises fees in Business and Professions Code (BPC) Section 4842.5 and 4905.

The increase in the statutory cap on fees was a product of the Veterinary Medical Board's (Board) concern going back to 2005 of a projected structural imbalance leading to operational and Contingency Fund deficits. At that time, the Board enacted a minor increase by regulation (effective in 2007) to all veterinary, veterinary technician, and premises fees up to their statutory cap followed by SB 1584 in 2009 increasing the statutory fee caps. Subsequently, the Board enacted a second fee increase in March 2012 to again increase all veterinary, veterinary technician, and premises fees to further strengthen the Boards long term operating and Contingency Fund outlook. Currently, all veterinary, veterinary technician, and premises fees remain below their statutory cap.

Operational Expenditures and Contingency Fund – In accordance with BPC Section 4905, the Board's Contingency Fund (i.e. savings account) shall not have less than 3 months or more than 10 months reserve of annual authorized expenditures in the Fund.

Beginning in Fiscal Year (FY) 2014/2015 Board revenue has not kept pace with its authorized expenditures creating a structural imbalance where the Board's Contingency Fund is declining in order to make up for the operating budget deficit. Additionally, the Board is projected to drop below its Contingency Fund requirement of no less than 3 months of reserve as soon as FY 2017/2018.

Issues

The Board's current structural imbalance is a byproduct of several factors, some within the Board's control and others outside of the Board's control, including, but not limited to:

- Increases to Personnel Services including general salary increases negotiated by the State and mandated health care and retirement contributions
- Interdepartmental fee increases for the Attorney General and Office of Administrative Hearings

- Intradepartmental increases in pro rata including the Division of Investigation, Office of Professional Examination Services, and BreEZe costs
- Legislative mandates to increase veterinary premises inspections to 20% of premises per year and to enact the Veterinary Assistant Controlled Substances Permit (VACSP) program
- Increase in authorized staff positions from 12.8 in FY 2013/2014 to 23.8 in FY 2014/2015 and ongoing for the enforcement, premises inspection and VACSP programs
- Increase in Subject Matter Expert and Hospital Inspector contracted compensation

In order to begin addressing the Board's structural imbalance and potential for a fee increase, staff initiated a Request for Proposal in December 2016 to conduct a comprehensive fee audit that would include a costs analysis of the Board's Administrative, Licensing, Premises and Enforcement programs. Results of the fee audit should be available within the next 3-6 months.

Requested Action

Review attached budget reports and consider the need for a future fee increase in order to bring the Board's operational and Contingency Fund into balance and satisfy statutory requirements.

Attachments

- Fee Statutes and Regulations
- Board Historical Expenditures Graph with Authorized Expenditures
- Board Historical Expenditures Table

BUSINESS AND PROFESSIONS CODE
Chapter 11
Veterinary Medicine

§ 4836.2. Veterinary Assistant Controlled Substances Permit

...(b) The fee for filing an application for a veterinary assistant controlled substance permit shall be set by the board in an amount the board determines is reasonably necessary to provide sufficient funds to carry out the purposes of this section, not to exceed one hundred dollars (\$100)...

§ 4836.3. Veterinary Assistant Controlled Substances Permit

...(d) The fee for filing an application for a renewal of a veterinary assistant controlled substance permit shall be set by the board in an amount the board determines is reasonably necessary to provide sufficient funds to carry out the purposes of this section, not to exceed fifty dollars (\$50)...

§ 4842.5. Fee schedule

The amount of fees prescribed by this article is that fixed by the following schedule:

(a) The fee for filing an application for examination shall be set by the board in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purposes of this chapter, not to exceed three hundred fifty dollars (\$350).

(b) The fee for the California registered veterinary technician examination shall be set by the board in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purposes of this chapter, not to exceed three hundred dollars (\$300).

(c) The initial registration fee shall be set by the board at not more than three hundred fifty dollars (\$350), except that, if the license is issued less than one year before the date on which it will expire, then the fee shall be set by the board at not more than one hundred seventy-five dollars (\$175). The board may adopt regulations to provide for the waiver or refund of the initial registration fee where the registration is issued less than 45 days before the date on which it will expire.

(d) The biennial renewal fee shall be set by the board at not more than three hundred fifty dollars (\$350).

(e) The delinquency fee shall be set by the board at not more than fifty dollars (\$50).

(f) Any charge made for duplication or other services shall be set at the cost of rendering the services.

(g) The fee for filing an application for approval of a school or institution offering a curriculum for training registered veterinary technicians pursuant to Section 4843 shall be set by the board at an amount not to exceed three hundred dollars (\$300). The school or institution shall also pay for the actual costs of an onsite inspection conducted by the board pursuant to Section 2065.6 of Title 16 of the California Code of Regulations, including, but not limited to, the travel, food, and lodging expenses incurred by an inspection team sent by the board.

(h) The fee for failure to report a change in the mailing address is twenty-five dollars (\$25).

§ 4873. Program registration fees

The board shall charge each veterinarian and registered veterinary technician who is accepted to participate in the diversion program a diversion program registration fee. The diversion program registration fee shall be set by the board in an amount not to exceed four thousand dollars (\$4,000). In the event that the diversion program registration exceeds five hundred dollars (\$500), the board may provide for quarterly payments.

§ 4905. Fee schedule

The following fees shall be collected by the board and shall be credited to the Veterinary Medical Board Contingent Fund:

(a) The fee for filing an application for examination shall be set by the board in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, not to exceed three hundred fifty dollars (\$350).

(b) The fee for the California state board examination shall be set by the board in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, not to exceed three hundred fifty dollars (\$350).

(c) The fee for the Veterinary Medicine Practice Act examination shall be set by the board in an amount it determines reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, not to exceed one hundred dollars (\$100).

(d) The initial license fee shall be set by the board not to exceed five hundred dollars (\$500) except that, if the license is issued less than one year before the date on which it will expire, then the fee shall be set by the board at not to exceed two hundred fifty dollars (\$250). The board may, by appropriate regulation, provide for the waiver or refund of the initial license fee where the license is issued less than 45 days before the date on which it will expire.

(e) The renewal fee shall be set by the board for each biennial renewal period in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, not to exceed five hundred dollars (\$500).

(f) The temporary license fee shall be set by the board in an amount it determines is reasonably necessary to provide sufficient funds to carry out the purpose of this chapter, not to exceed two hundred fifty dollars (\$250).

(g) The delinquency fee shall be set by the board, not to exceed fifty dollars (\$50).

(h) The fee for issuance of a duplicate license is twenty-five dollars (\$25).

(i) Any charge made for duplication or other services shall be set at the cost of rendering the service, except as specified in subdivision (h).

(j) The fee for failure to report a change in the mailing address is twenty-five dollars (\$25).

(k) The initial and annual renewal fees for registration of veterinary premises shall be set by the board in an amount not to exceed four hundred dollars (\$400) annually.

(l) If the money transferred from the Veterinary Medical Board Contingent Fund to the General Fund pursuant to the Budget Act of 1991 is redeposited into the Veterinary Medical Board Contingent Fund, the fees assessed by the board shall be reduced correspondingly. However, the reduction shall not be so great as to cause the Veterinary Medical Board Contingent Fund to have a reserve of less than three months of annual authorized board expenditures. The fees set by the board shall not result in a Veterinary Medical Board Contingent Fund reserve of more than 10 months of annual authorized board expenditures.

TITLE 16. PROFESSIONAL AND VOCATIONAL REGULATIONS
Division 20. Veterinary Medical Board

§ 2070. Registration and Renewal Fees for Veterinarians.

Pursuant to the provisions of Section 4905 of the code, the following fees are fixed by the board for licensing periods beginning on or after March 1, 2012:

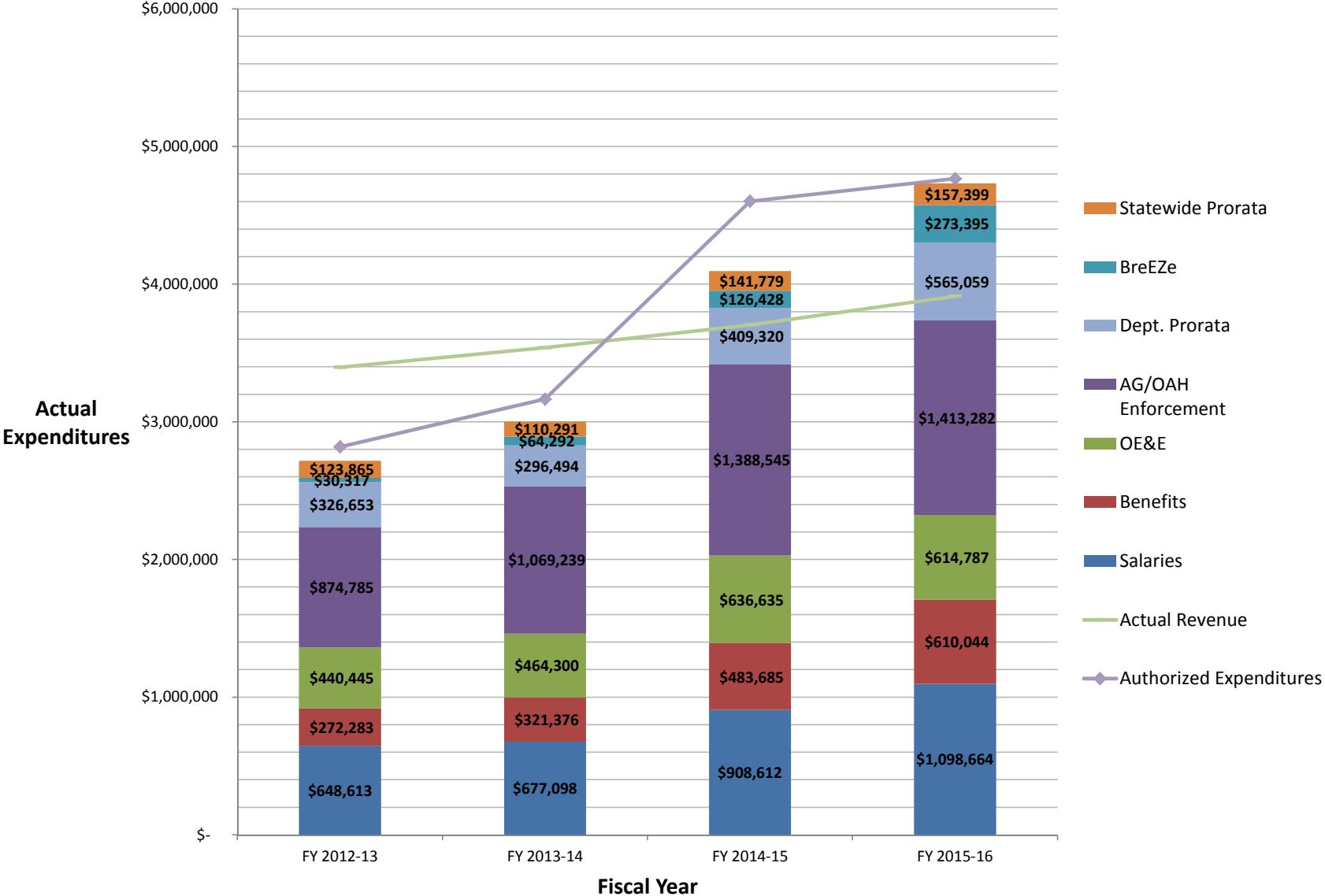
- (a) The application eligibility review fee for all examinations shall be \$125.00.
- (b) The fee for the California state board examination shall be \$200.00.
- (c) The fee for the veterinary law examination shall be \$100.00.
- (d) The initial license fee for licenses issued for one year or more from the date on which they will expire shall be \$290.00. The initial license fee for licenses issued for less than one year shall be \$145.00.
- (e) The biennial renewal fee shall be \$290.00.
- (f) The fee for a temporary license shall be \$150.00.
- (g) The initial fee for registration of a veterinary premises shall be \$200.00.
- (h) The annual renewal fee for registration of a veterinary premises shall be \$200.00.
- (i) The fee for the Board's Diversion Program shall be \$2,000 per participant.
- (j) The delinquency fee shall be \$25.00.

§ 2071. Application, Registration and Renewal Fees for Registered Veterinary Technicians.

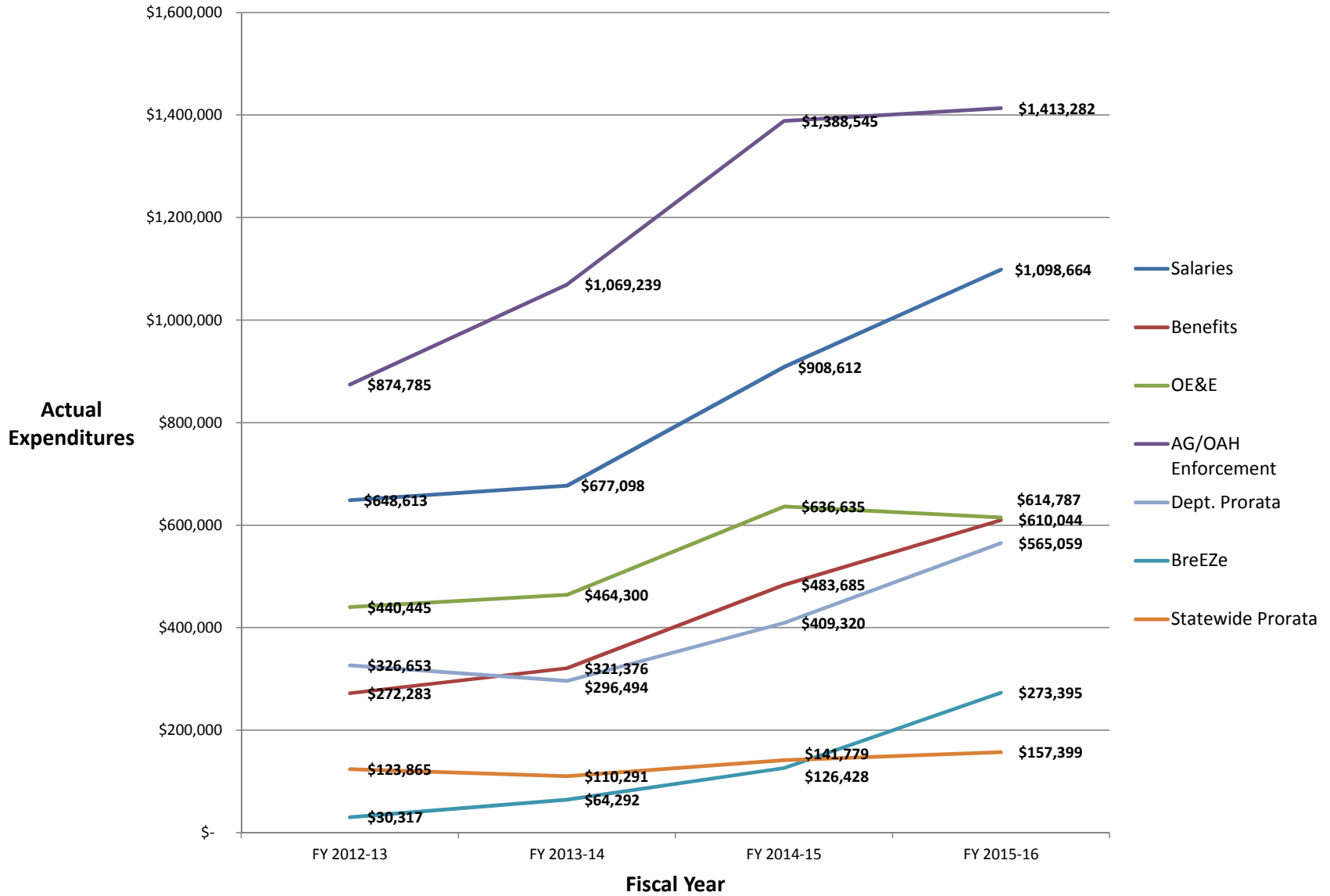
Pursuant to the provisions of Section 4842.5 of the code, the following fees are fixed by the board for licensing periods beginning on or after March 1, 2012:

- (a) The application eligibility review fee shall be \$125.00.
- (b) The fee for the registered California veterinary technician examination shall be \$175.00.
- (c) The initial registration fee for registrations issued for one year or more from the date on which it will expire shall be \$140.00. The initial registration fee for registrations issued for less than one year shall be \$70.00.
- (d) The biennial renewal fee shall be \$140.00.
- (e) The delinquency fee shall be \$25.00.

Veterinary Medical Board Historical Expenditures



Veterinary Medical Board Historical Expenditures



The Veterinary Medical Board Contingent Fund

Fee Analysis Recommendation

Fee Analysis Recommended: As the Board considers its short and long-term planning, we believe it would be wise, at this time, for the Board to initiate a comprehensive analysis of its fee structure and fee levels. At the current rate of revenues and expenditures, the Board's Contingent Fund will become insolvent in Fiscal Year (FY) 2019-20.

It takes approximately 18 months to change fees through the regulatory process only, so if the Board starts this process now, fees would change beginning FY 2018-19.

Fund Condition Statements (FCS) Scenarios – attached

1. 2017-18 Governor's Budget:

- This is the current FCS and indicates that the Board's main operating fund, the Contingent Fund (Fund 0777), shows a structural imbalance ('Structural Imbalance' line items) with expenditures ('Total Disbursements' line items) exceeding revenues ('Totals, Revenues' line items). At the current rate of revenues and expenditures, the Contingent Fund is projected to become insolvent ('Months in Reserve' line items) in FY 2019-20 (shown as '-0.8' months in reserve in FY 2019-20).

Note: The Board has been operating with this structural imbalance for several years, but has a fund reserve balance to offset the difference.

- VACSP program and revenues:
 - VACSP is new program, so ongoing workload and revenues are unknown at this time.
 - Projected VACSP revenues are \$510,000 in CY (FY 2016-17), \$680,000 BY and \$256,000 expenditures ongoing. **Note:** VACSP fee revenues are projected to spike in FY 2016-17 and 2017-18 then decrease beginning in FY 2018-19 (due to a decrease in initial licensure fees as the program comes online). Long-term revenues and expenditures are projected to be relatively equal.

Note: Veterinary Assistant Controlled Substances Permit (VACSP) revenue and expenditures are reflected in this scenario; however, because the VACSP is a new program with permits just beginning to be issued (program launched on 10/1/2016), we do not have sufficient revenue information at this time to ensure the accuracy of the projections.

2. 2017-18 Governor's Budget – No VACSP Revenue or Expenditures:

- VACSP revenues and expenditures in this scenario have been removed which creates a more reliable and stable scenario based on the Board's established fees.
 - The structural imbalance is exacerbated.

- Revenues are approximately \$3.8 million per year. Expenditures are approximately \$4.8 million per year.
- An increase in fees (at or below statutory cap) would eliminate the structural imbalance.

3. 2017-18 Governor's Budget – No VACSP Revenue or Expenditures - Fees Set at Maximum Statutory Level (July 1, 2017):

- This scenario projects a raise in initial licensing, renewal and delinquency fees (beginning in FY 2018-19) to the maximum allowed in Business and Professions Code thereby increasing revenue and eliminating the Board's structural imbalance beginning in FY 2018-19.

4. 2017-18 Governor's Budget – No VACSP Revenue or Expenditures - Fees Set Below Statutory Cap:

- This scenario projects a raise in initial licensing, renewal and delinquency fees (beginning in FY 2018-19) to a level that increases revenue and eliminates the Board's structural imbalance to a moderate level beginning in FY 2018-19.

Other Comments:

- A cursory review of the Board's fee levels compared to other boards shows current fees below other like boards including the Medical, Pharmacy, and Psychology boards. However, these boards typically have (many) additional licensing fees, so a more direct comparison requires a more thorough analysis.
- Fee analyses typically take a few months and cost approximately \$25,000 to \$50,000.
- While the Board could eliminate the structural imbalance by raising fees through the regulatory process, and would not be required to make statutory changes, a full analysis is recommended to show the following:
 - Fee options: Raise fees through regulations only, statutory changes, or both.
 - Fee structure: Is the fee structure appropriate, comprehensive, and consistent with other DCA entities.
 - Illustrate where the Board's costs are coming from by unit (licensing, enforcement, administration, etc.).

0777 - Veterinary Medical Board Analysis of Fund Condition

Prepared 1/10/2017

2017-18 Gov. Budget

	PY 2015-16	CY 2016-17	Gov Budget BY 2017-18	BY+1 2018-19	BY+2 2019-20
BEGINNING BALANCE	\$ 3,562	\$ 2,874	\$ 2,043	\$ 1,667	\$ 825
Prior Year Adjustment	\$ 46	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 3,608	\$ 2,874	\$ 2,043	\$ 1,667	\$ 825
REVENUES AND TRANSFERS					
Revenues:					
125600 Other regulatory fees	\$ 86	\$ 94	\$ 94	\$ 94	\$ 94
125700 Other regulatory licenses and permits	\$ 865	\$ 835	\$ 835	\$ 835	\$ 835
VACSP applications and permits	\$ -	\$ 510	\$ 680	\$ 50	\$ 53
125800 Renewal fees	\$ 2,851	\$ 2,764	\$ 2,904	\$ 2,904	\$ 2,564
VACSP renewal applications and permits	\$ -	\$ -	\$ -	\$ 255	\$ 340
125900 Delinquent fees	\$ 13	\$ 16	\$ 19	\$ 19	\$ 19
141200 Sales of documents	\$ 9	\$ -	\$ -	\$ -	\$ -
150300 Income from surplus money investments	\$ 16	\$ 2	\$ 2	\$ 2	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 3	\$ -	\$ -	\$ -	\$ -
161400 Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -	\$ -
Totals, Revenues	\$ 3,844	\$ 4,221	\$ 4,534	\$ 4,159	\$ 3,905
Totals, Revenues and Transfers	\$ 3,844	\$ 4,221	\$ 4,534	\$ 4,159	\$ 3,905
Totals, Resources	\$ 7,452	\$ 7,095	\$ 6,577	\$ 5,826	\$ 4,730
EXPENDITURES					
Disbursements:					
1110 Program Expenditures (S/O)	\$ 4,570	\$ 4,492	\$ 4,292	\$ 4,383	\$ 4,471
VACSP expenditures	(256)	\$ 256	\$ 256	\$ 256	\$ 256
8880 Financial Information System for California (S/O)	\$ 8	\$ 5	\$ 6	\$ 6	\$ 6
9990 Statewide Pro Rata	\$ -	\$ 299	\$ 356	\$ 356	\$ 356
Total Disbursements	\$ 4,578	\$ 5,052	\$ 4,910	\$ 5,001	\$ 5,089
FUND BALANCE					
Reserve for economic uncertainties	\$ 2,874	\$ 2,043	\$ 1,667	\$ 825	\$ -360
Months in Reserve	6.8	5.0	4.0	1.9	-0.8
Structural Imbalance	\$ (734)	\$ (831)	\$ (376)	\$ (842)	\$ (1,185)

0777 - Veterinary Medical Board Analysis of Fund Condition

Prepared 1/10/2017

2017-18 Gov. Budget
No VACSP Revenue or Expenditures

	PY 2015-16	CY 2016-17	Gov Budget BY 2017-18	BY+1 2018-19	BY+2 2019-20
BEGINNING BALANCE	\$ 3,562	\$ 2,874	\$ 1,789	\$ 989	\$ 98
Prior Year Adjustment	\$ 46	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 3,608	\$ 2,874	\$ 1,789	\$ 989	\$ 98
REVENUES AND TRANSFERS					
Revenues:					
125600 Other regulatory fees	\$ 86	\$ 94	\$ 94	\$ 94	\$ 94
125700 Other regulatory licenses and permits	\$ 865	\$ 835	\$ 835	\$ 835	\$ 835
VACSP applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125800 Renewal fees	\$ 2,851	\$ 2,764	\$ 2,904	\$ 2,904	\$ 2,904
VACSP renewal applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125900 Delinquent fees	\$ 13	\$ 16	\$ 19	\$ 19	\$ 19
141200 Sales of documents	\$ 9	\$ -	\$ -	\$ -	\$ -
150300 Income from surplus money investments	\$ 16	\$ 2	\$ 2	\$ 2	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 3	\$ -	\$ -	\$ -	\$ -
161400 Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -	\$ -
Totals, Revenues	\$ 3,844	\$ 3,711	\$ 3,854	\$ 3,854	\$ 3,852
Totals, Revenues and Transfers	\$ 3,844	\$ 3,711	\$ 3,854	\$ 3,854	\$ 3,852
Totals, Resources	\$ 7,452	\$ 6,585	\$ 5,643	\$ 4,843	\$ 3,950
EXPENDITURES					
Disbursements:					
0840 State Controller (S/O)	\$ -	\$ -	\$ -	\$ -	\$ -
8860 FSCU (S/O)	\$ -	\$ -	\$ -	\$ -	\$ -
1110 Program Expenditures (S/O)	\$ 4,570	\$ 4,492	\$ 4,292	\$ 4,383	\$ 4,471
VACSP expenditures	(256)	\$ -	\$ -	\$ -	\$ -
8880 Financial Information System for California (S/O)	\$ 8	\$ 5	\$ 6	\$ 6	\$ 6
9990 Statewide Pro Rata	\$ -	\$ 299	\$ 356	\$ 356	\$ 356
Total Disbursements	\$ 4,578	\$ 4,796	\$ 4,654	\$ 4,745	\$ 4,833
FUND BALANCE					
Reserve for economic uncertainties	\$ 2,874	\$ 1,789	\$ 989	\$ 98	\$ -883
Months in Reserve	7.2	4.6	2.5	0.2	-2.2
Structural Imbalance	\$ (734)	\$ (1,085)	\$ (800)	\$ (891)	\$ (981)

0777 - Veterinary Medical Board

Analysis of Fund Condition

Prepared 1/10/2017

2017-18 Gov. Budget
 No VACSP revenue or expenditures
 Fees set at maximum statutory level (July 1, 2017)

	PY 2015-16	CY 2016-17	Gov Budget BY 2017-18	BY+1 2018-19	BY+2 2019-20
BEGINNING BALANCE	\$ 3,562	\$ 2,874	\$ 1,789	\$ 849	\$ 3,734
Prior Year Adjustment	\$ 46	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 3,608	\$ 2,874	\$ 1,789	\$ 849	\$ 3,734
REVENUES AND TRANSFERS					
Revenues:					
125600 Other regulatory fees	\$ 86	\$ 94	\$ 94	\$ 94	\$ 94
125700 Other regulatory licenses and permits	\$ 865	\$ 835	\$ 835	\$ 1,792	\$ 1,792
VACSP applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125800 Renewal fees	\$ 2,851	\$ 2,764	\$ 2,764	\$ 5,723	\$ 5,723
VACSP renewal applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125900 Delinquent fees	\$ 13	\$ 16	\$ 19	\$ 19	\$ 19
141200 Sales of documents	\$ 9	\$ -	\$ -	\$ -	\$ -
150300 Income from surplus money investments	\$ 16	\$ 2	\$ 2	\$ 2	\$ 2
161000 Escheat of unclaimed checks and warrants	\$ 3	\$ -	\$ -	\$ -	\$ -
161400 Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -	\$ -
Totals, Revenues	\$ 3,844	\$ 3,711	\$ 3,714	\$ 7,630	\$ 7,630
Totals, Revenues and Transfers	\$ 3,844	\$ 3,711	\$ 3,714	\$ 7,630	\$ 7,630
Totals, Resources	\$ 7,452	\$ 6,585	\$ 5,503	\$ 8,479	\$ 11,364
EXPENDITURES					
Disbursements:					
1110 Program Expenditures (S/O)	\$ 4,570	\$ 4,492	\$ 4,292	\$ 4,383	\$ 4,471
VACSP expenditures	(256)	\$ -	\$ -	\$ -	\$ -
8880 Financial Information System for California (S/O)	\$ 8	\$ 5	\$ 6	\$ 6	\$ 6
9990 Statewide Pro Rata	\$ -	\$ 299	\$ 356	\$ 356	\$ 356
Total Disbursements	\$ 4,578	\$ 4,796	\$ 4,654	\$ 4,745	\$ 4,833
FUND BALANCE					
Reserve for economic uncertainties	\$ 2,874	\$ 1,789	\$ 849	\$ 3,734	\$ 6,531
Months in Reserve	7.2	4.6	2.1	9.3	15.9
Structural Imbalance	\$ (734)	\$ (1,085)	\$ (940)	\$ 2,885	\$ 2,797

0777 - Veterinary Medical Board Analysis of Fund Condition

Prepared 1/10/2017

2017-18 Gov. Budget
No VACSP Revenue or Expenditures
Fees set below statutory cap

	PY 2015-16	CY 2016-17	Gov Budget BY 2017-18	BY+1 2018-19	BY+2 2019-20
BEGINNING BALANCE	\$ 3,562	\$ 2,874	\$ 1,789	\$ 849	\$ 1,640
Prior Year Adjustment	\$ 46	\$ -	\$ -	\$ -	\$ -
Adjusted Beginning Balance	\$ 3,608	\$ 2,874	\$ 1,789	\$ 849	\$ 1,640
REVENUES AND TRANSFERS					
Revenues:					
125600 Other regulatory fees	\$ 86	\$ 94	\$ 94	\$ 94	\$ 94
125700 Other regulatory licenses and permits	\$ 865	\$ 835	\$ 835	\$ 1,208	\$ 1,208
VACSP applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125800 Renewal fees	\$ 2,851	\$ 2,764	\$ 2,764	\$ 4,213	\$ 4,213
VACSP renewal applications and permits	\$ -	\$ -	\$ -	\$ -	\$ -
125900 Delinquent fees	\$ 13	\$ 16	\$ 19	\$ 19	\$ 19
141200 Sales of documents	\$ 9	\$ -	\$ -	\$ -	\$ -
150300 Income from surplus money investments	\$ 16	\$ 2	\$ 2	\$ 2	\$ -
161000 Escheat of unclaimed checks and warrants	\$ 3	\$ -	\$ -	\$ -	\$ -
161400 Miscellaneous revenues	\$ 1	\$ -	\$ -	\$ -	\$ -
Totals, Revenues	\$ 3,844	\$ 3,711	\$ 3,714	\$ 5,536	\$ 5,534
Totals, Revenues and Transfers	\$ 3,844	\$ 3,711	\$ 3,714	\$ 5,536	\$ 5,534
Totals, Resources	\$ 7,452	\$ 6,585	\$ 5,503	\$ 6,385	\$ 7,174
EXPENDITURES					
1110 Program Expenditures (S/O)	\$ 4,570	\$ 4,492	\$ 4,292	\$ 4,383	\$ 4,471
VACSP expenditures	(256)	\$ -	\$ -	\$ -	\$ -
8880 Financial Information System for California (S/O)	\$ 8	\$ 5	\$ 6	\$ 6	\$ 6
9990 Statewide Pro Rata	\$ -	\$ 299	\$ 356	\$ 356	\$ 356
Total Disbursements	\$ 4,578	\$ 4,796	\$ 4,654	\$ 4,745	\$ 4,833
FUND BALANCE					
Reserve for economic uncertainties	\$ 2,874	\$ 1,789	\$ 849	\$ 1,640	\$ 2,341
Months in Reserve	7.2	4.6	2.1	4.1	5.7
Structural Imbalance	\$ (734)	\$ (1,085)	\$ (940)	\$ 791	\$ 701