

STATE OF CALIFORNIA



MEMO

**To : FISCAL COMMITTEE
ANTHONY BATARSE, JR., CHAIR
VICTORIA RUSNAK, MEMBER**

Date: February 28, 2014

**From : WILLIAM G. BRENNAN
DAWN KINDEL
SUZANNE LUKE**

Subject: BOARD FINANCIAL CONDITION REPORT FOR THE 2ND QUARTER OF FISCAL YEAR 2013-2014

The following is a financial summary of the Board's expenditures and revenues through the 2nd quarter of Fiscal Year 2013-2014.

<i>Expenditures</i>		<i>Revenue</i>	
Budget Appropriation	\$1,626,336	Beginning Reserve Balance	\$568,000
Expenditures	\$730,690	Revenues	\$1,199,333
Unexpended Appropriation	\$895,646	Total	\$1,767,333
		Current reserve balance	\$1,036,643

The Board expended 45% of its appropriated budget through the second quarter of fiscal year 2013-2014.

Attached for your review is a detailed summary of the Board's fund condition as well as an itemized Revenue and Expense statement.

The Governor's Revised Budget provided the Board with its revised reserve balance for fiscal year 2013-2014. Factors that contribute to the reduction of the beginning reserve balance are Pro Rata, FisCAL, State Controller's Office and Department of Finance deductions. The Fund Condition Statement will reflect the prior year adjustments.

This memorandum is being provided for informational purposes only, and no Board action is required. If you have any questions prior to the Board Meeting, please contact me at (916) 324-6197, or Dawn Kindel at (916) 323-7201.

Attachments as stated

cc: Glenn Stevens, President

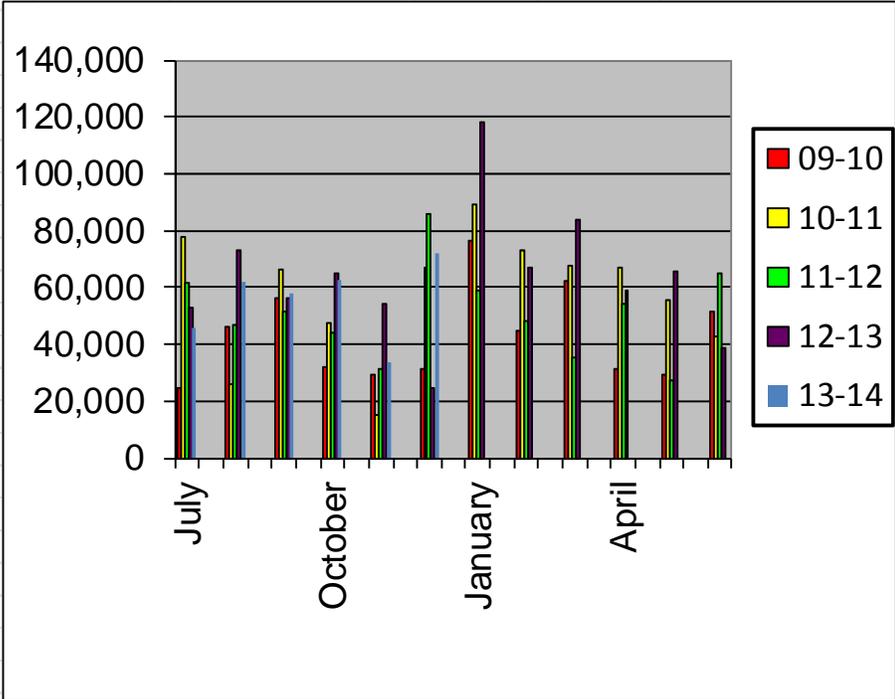
New Motor Vehicle Board Fund Condition Statement - Fiscal Year 2013-2014

Revenue and Expenditures July, 2013, through December 31, 2013 - (50% of fiscal year)

	2011-2012	2012-2013	2013-2014	
BEGINNING RESERVES	1,269,777	796,423	568,000	
Prior Year Adjustment	0 ¹	-316,620 ⁵	0	
Adjusted Beginning Balance	1,269,777	479,803	568,000	
REVENUES				
NMVB Fees and Misc. Revenue				
0100 Dealer License Fee	609,598	758,209	333,093	
0200 NMVB Filing Fee	10,200	9,400	4,000	
0300 NMVB Annual Fee	436,180	641,986	859,843	
0800 Miscellaneous Services	2,617	7,014	0	
1000 Arbitration Program	4,293	4,857	2,397	
Total Revenues	1,062,888	1,421,466	1,199,333	
Adjusted Beginning Balance	1,269,777	479,803	568,000	
Totals, Resources	2,332,665	1,901,269	1,767,333	
EXPENDITURES				
Payroll Expense (included benefits)				
Budgeted	1,239,791	1,131,717	1,176,631	
Expended	1,199,202 ²	1,013,530	525,848	45%
Operating Expense and Equipment				
Budgeted	480,627	401,164	449,705	
Expended	321,683 ²	246,971	125,085	28%
Encumbrance Balance	15,348 ³	72,768 ³	79,757 ³	
Total - Payroll and Operating Expense	1,536,233	1,333,269	730,690	45%
Additional Expenditures (deducted end of fiscal year)				
Pro Rata charges⁶				
Budgeted			186,517	
Expended			93,259 ⁶	50%
DMV Administrative charges⁴				
Budgeted	78,000	78,000	78,000	
Expended	78,000 ⁴	78,000	39,000 ⁴	50%
Total Budgeted	1,720,418	1,532,881	1,626,336	
Total Expended	1,536,233	1,333,269	730,690	45%
RESERVES	796,423	568,000	1,036,643	
¹ Prior period appropriation adjustments were made to bring Motor Vehicle Account fund balances in line with the State Controller's Office.				
² Totals were taken from DMV's final adjusted fiscal year end reports.				
³ Funds encumbered but not yet expended are treated as expenditures. Encumbrance balances are held in abeyance for two years after fiscal year's end, and any balance remaining after two years is released and returned to the Board's fund.				
⁴ Administrative charges are included in the total budget authorized by the department for support in areas such as personnel, budget, and business services; however, this amount is not treated as an allocation and is not captured in the attached detail; the Administrative charges will be deducted at the end of the fiscal year (-78,000).				
⁵ Per Governor's Budget, FY 13/14 beginning balance should equal \$568,000 - prior year adjustment (-316,620)				
⁶ Pro Rata charges - will be deducted at the end of the fiscal year (-186,517)				

	09-10	10-11	11-12	12-13	13-14				
July	24,410.00	77,425.00	61,348.00	53,013.00	45,607.00				
August	46,120.00	25,727.00	46,748.00	73,243.00	61,800.00				
September	55,892.00	65,997.00	51,201.00	56,175.00	57,715.00				
October	32,016.00	47,635.00	44,136.20	65,145.00	62,325.00				
November	29,561.00	14,951.00	31,360.00	54,507.00	33,900.00				
December	31,576.00	67,125.00	85,745.00	24,508.00	71,746.00				
January	76,368.00	89,255.00	59,179.00	118,120.00					
February	44,830.00	72,766.00	47,813.00	67,025.00					
March	62,482.00	67,566.00	35,325.00	83,469.00					
April	31,570.00	66,708.00	54,074.00	58,635.00					
May	29,077.00	55,457.00	27,493.00	65,369.00					
June	51,575.00	42,888.00	65,167.00	39,000.00					
Ytd	515,477.00	693,500.00	609,589.20	758,209.00	333,093.00				

**DEALER FEES
FIVE YEAR COMPARISON**



NEW MOTOR VEHICLE BOARD
 EXPENDITURE REPORT FOR THE SECOND QUARTER OF FISCAL YEAR 2013-2014
 (50% of fiscal year)

ACCOUNT		BUDGETED	EXPENDITURE	BALANCE		
CODE	DESCRIPTION	AMOUNT	YEAR TO DATE	%	REMAINING	%
1000	PAYROLL EXPENSE					
0030	Salaries - full time staff	767,811	348,507.00		419,304	
0330	Salaries - part time staff	30,996	31,237.00		-241	
0830	Overtime	0	0.00		0	
0990	Salary Savings (minus)	0	0.00		0	
0020	TOTAL - salary expense	798,807	379,744.00		419,063	
1010	TOTAL - staff benefits	377,824	146,103.00		231,721	
1000	CATEGORY TOTAL PAYROLL EXPENSE	1,176,631	525,847.00	45%	650,784	55%

3000 OPERATING EXPENSE AND EQUIPMENT

2010 General Expense

2050	Dues and membership	4,000	0.00		4,000	
2230	Library purchases	12,000	4,267.00		7,733	
2260	Minor equipment	300	4.00		296	
2270	Office equipment - rent/maintenance/repair	200	0.00		200	
2380	Miscellaneous general expense	200	26.00		174	
2391	Miscellaneous office supplies	7,300	2,486.00		4,814	
2395	Meeting expense	2,000	425.00		1,575	
2010	Total - General Expense	26,000	7,208.00		18,792	

ACCOUNT		BUDGETED	EXPENDITURE	BALANCE		
CODE	DESCRIPTION	AMOUNT	YEAR TO DATE	%	REMAINING	%
2410	Printing					
2440	Office copier expense - rent/maintenance	1,750	0.00		1,750	
2480	Miscellaneous printing expense	1,750	660.00		1,090	

2410	Total - Printing	3,500	660.00	2,840
2610	Postage -meter rental & service, FedEx	13,500	445.00	13,055
2910	Travel In-State			
2920	Lodging, mileage, misc.	2,000	985.00	1,015
2940	Commercial air transportation	3,000	3,583.00	-583
2950	Rental cars	7,750	4,027.00	3,723
2910	Total - Travel In-State	12,750	8,595.00	4,155
3110	Travel Out-of-State			
3120	Lodging, mileage, misc.	0	0.00	0
3140	Commercial air transportation	0	284.00	-284
3150	Rental cars	0	0.00	0
3110	Total - Travel Out-of-State	0	284.00	-284
3320	Training	4,338	0.00	4,338
3430	Rent - non State owned building	165,000	80,963.00	84,037
3445	Janitorial services	0	0.00	0
3450	Security services	0	362.00	-362
3470	Facilities planning - DGS	2,500	5,209.00	-2,709
3820	Professional services - internal (Attorney General)	6,000	14,153.00	-8,153
4020	Professional services - external (court reporters)	29,000	7,206.00	21,794

ACCOUNT CODE	DESCRIPTION			%	BALANCE REMAINING	%
4324	Data processing software	0	0.00		0	
4350	Data processing minor equipment	0	0.00		0	
4380	Pro rata statewide expense	186,517	0.00		186,517	
4520	Equipment replacement	600	0.00		600	
3000	CATEGORY TOTAL OPERATING EXPENSE AND EQUIPMENT	449,705	125,085.00	28%	324,620	72%

1000	PAYROLL EXPENSE		1,176,631	525,847.00	45%	650,784	55%
3000	OPERATING EXPENSE AND EQUIPMENT		449,705	125,085.00	28%	324,620	72%
	Total - Payroll and Operating Expense		1,626,336	650,932.00	40%	975,404	60%
	Pro rata statewide expense (186,517)	1	(see above)	0.00			
	Encumbrance balance	2		79,757.00			
				730,689.00			
	DMV Administrative charge (78,000)	3	0	0.00		0	
	Grand total - fiscal year 2013-2014		1,626,336	730,689.00	45%	895,647	55%

1 Pro rata statewide expense is budgeted and expended on a quarterly basis; however, it does not show as an expenditure on DMV's reports. The Board will deduct the Pro rata expense at the end of FY 13/14.

2 Funds encumbered (for specific purchases) but not yet expended are treated as expenditures. Encumbrance balances are held in abeyance for two years after fiscal year's end, and any balance remaining after two years is released and returned to the Board's fund.

DMV Administrative charges are included in the total budget authorized by the department for support in areas such as personnel, budget, and business services; however, this amount is not treated as an allocation and is not captured in the attached detail - deduct end of FY 13/14.

