



MEMO

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

Date: December 28, 2016

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

**Subject: STATUS REPORT CONCERNING THE BOARD'S FINANCIAL
CONDITION FOR THE 1ST QUARTER OF FISCAL YEAR 2016-2017
AND STATUS ON THE BOARD'S COLLECTION OF ITS ANNUAL
FEES**

The following is a financial summary of the Board's expenditures and revenues through the 1st quarter of Fiscal Year 2016-2017.

<i>Expenditures</i>		<i>Revenue</i>	
Budget Appropriation	\$1,636,727	Beginning Reserve Balance	*\$1,541,923
Expenditures	\$404,841	Revenues	\$1,306,350
Unexpended Appropriation	\$1,231,886	Total	\$2,848,273
		Current reserve balance	\$2,443,432

The Board expended 25% of its appropriated budget through the first quarter of fiscal year 2016-2017.

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

In addition, the Board's annual manufacturer/distributor fee collection which began in August of this year is nearly completed. The Board invoiced 161 manufacturers, and only one payment is outstanding. When the last payment is received, a total of \$1,088,651 will be collected.

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 E. Stevens, President

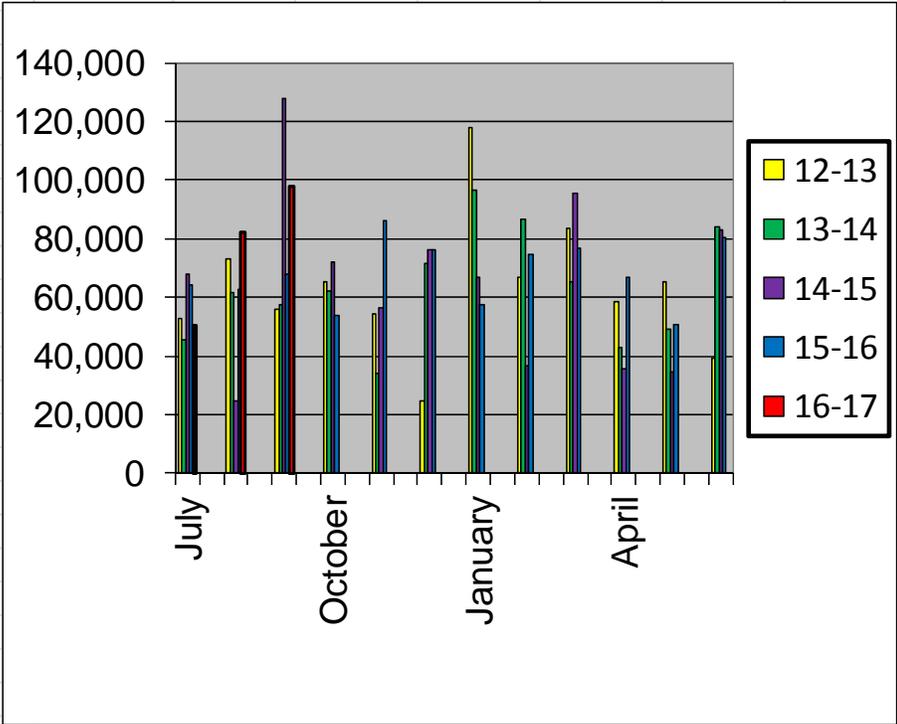
New Motor Vehicle Board Fund Condition Statement - Fiscal Year 2016-2017

Revenue and Expenditures July 1, 2016, through September 30, 2016 - (25% of fiscal year)

	2014-2015		2015-2016		2016-2017	
BEGINNING RESERVES	881,364		884,431		1,541,923	
Prior Year Adjustment	<u>-266,364</u>		<u>135,308</u>		<u>0</u>	pending
Adjusted Beginning Balance	615,000		1,019,739		1,541,923	
REVENUES						
NMVB Fees and Misc. Revenue						
0100 Dealer License Fee	777,413		817,746		230,216	
0200 NMVB Filing Fee	9,400		11,400		2,000	
0300 NMVB Annual Fee	922,162		969,150		1,073,915	
0800 Miscellaneous Services	2,787		1,309		219	
1000 Arbitration Program	2,700		2,933		0	
Total Revenues	1,714,462		1,802,538		1,306,350	
Adjusted Beginning Balance	615,000		1,019,739		1,541,923	
Totals, Resources	2,329,462		2,822,277		2,848,273	
EXPENDITURES						
Payroll Expense (included benefits)						
Budgeted	1,233,402		1,269,470		1,271,675	
Expended	1,040,660	84%	998,900	79%	265,958	21%
Operating Expense and Equipment						
Budgeted	449,705		344,052		365,052	
Expended	248,370	55%	254,560	74%	65,261	18%
Encumbrance Balance	156,001 ³		26,894 ³		73,622 ³	
	*encumb rolled over (38,628)					
Total - Payroll and Operating Expense	1,445,031	86%	1,280,354	79%	404,841	25%
ADDITIONAL EXPENDITURES:						
Pro Rata charges	186,517		80,864		101,864	
*(final adjustments pending Governor's reprt)						
NOTE: *includes additional adjs: SCO/Fiscal/etc.						
DMV Administrative charges	78,000 ⁴		78,000 ⁴		78,000 ⁴	
*(deduction made in prior year adjustment)						
Total Budgeted	1,683,107		1,613,522		1,636,727	
Total Expended	1,445,031	86%	1,280,354	79%	404,841	25%
RESERVES	884,431		1,541,923		2,443,432	
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.						

	12-13	13-14	14-15	15-16	16-17
July	53,013.00	45,607.00	68,125.00	64,200.00	50,376.00
August	73,243.00	61,800.00	24,600.00	62,700.00	82,057.00
September	56,175.00	57,715.00	127,577.00	68,148.00	97,783.00
October	65,145.00	62,325.00	71,935.00	54,000.00	0.00
November	54,507.00	33,900.00	56,700.00	86,358.00	0.00
December	24,508.00	71,746.00	76,132.00	76,272.00	0.00
January	118,120.00	96,300.00	66,612.00	57,300.00	0.00
February	67,025.00	86,792.00	36,900.00	74,528.00	0.00
March	83,469.00	65,100.00	95,710.00	76,500.00	0.00
April	58,635.00	42,648.00	35,644.00	66,600.00	0.00
May	65,369.00	49,296.00	34,732.00	50,910.00	0.00
June	39,000.00	84,000.00	82,746.00	80,230.00	0.00
Ytd	758,209.00	757,229.00	777,413.00	817,746.00	230,216.00

**DEALER FEES
FIVE YEAR COMPARISON**



NEW MOTOR VEHICLE BOARD
 EXPENDITURE REPORT FOR THE FIRST QUARTER OF FISCAL YEAR 2016-2017
 (25% of fiscal year)

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
1000	PAYROLL EXPENSE				
0030	Salaries - full time staff	793,640	168,512.00	625,128	
0330	Salaries - part time staff	74,198	22,090.00	52,108	
0630	Overtime	0	0.00	0	
0990	Salary Savings (minus)	0	0.00	0	
0020	TOTAL - salary expense	867,838	190,602.00	677,234	
1010	TOTAL - staff benefits	403,839	75,356.00	328,483	
CATEGORY TOTAL					
1000	PAYROLL EXPENSE	1,271,675	265,958.00	21%	1,005,717

3000	OPERATING EXPENSE AND EQUIPMENT				
2010	General Expense				
2050	Dues and membership	4,000	0.00	4,000	
2230	Library purchases (10,000/DMV)	9,000	2,238.00	6,762	
2260	Minor equipment	300	0.00	300	
2270	Office equipment - rent/maintenance/repair	200	0.00	200	
2380	Miscellaneous general expense	200	0.00	200	
2391	Miscellaneous office supplies	7,300	323.00	6,977	
2395	Meeting expense	2,000	0.00	2,000	
2010	Total - General Expense	23,000	2,561.00	20,439	

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		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	133.00	1,617	
2410	Total - Printing	3,500	133.00	3,367	

2610	Postage -meter rental & service, FedEx	9,000	342.00	8,658	
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2910	Travel In-State				
2920	Lodging, mileage, misc.	2,000	379.00	1,621	
2940	Commercial air transportation	5,250	987.00	4,263	
2950	Rental cars / other travel expense	7,750	3,450.00	4,300	
2910	Total - Travel In-State	15,000	4,816.00	10,184	

3110	Travel Out-of-State				
3120	Lodging, mileage, misc.	1,000	0.00	1,000	
3140	Commercial air transportation	1,000	276.00	724	
3150	Rental cars	500	0.00	500	
3110	Total - Travel Out-of-State	2,500	276.00	2,224	

3320	Training	3,038	0.00	3,038	
3430	Rent - non State owned building	165,000	38,499.00	126,501	
3445	Janitorial services	0	0.00	0	
3450	Security services	550	0.00	550	
3470	Facilities planning - DGS (10,000/DMV)	8,000	263.00	7,737	
3820	Professional services - internal (Attorney General) 12,000/DMV	15,000	16,108.00	-1,108	
4020	Professional services - external (court reporters)	18,000	2,263.00	15,737	

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
4324	Data processing software	0	0.00	0	
4350	Data processing minor equipment	0	0.00	0	
4380	Pro rata statewide expense	101,864	0.00	101,864	
4520	Equipment replacement	600	0.00	600	
CATEGORY TOTAL					
3000	OPERATING EXPENSE AND EQUIPMENT	365,052	65,261.00	18%	299,791

1000	PAYROLL EXPENSE	1,271,675	265,958.00	21%	1,005,717
3000	OPERATING EXPENSE AND EQUIPMENT	365,052	65,261.00	18%	299,791
	Total - Payroll and Operating Expense	1,636,727	331,219.00	20%	1,305,508
	Pro rata statewide expense (101,864) allotment	(see above)	0.00		
	Encumbrance balance		73,622.00		
			404,841.00	25%	
	DMV Administrative charge (78,000)		0	0%	0
Grand total - fiscal year 2016-2017					
		1,636,727	404,841.00	25%	1,231,886

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 8/17.

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.

³ 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 8/17.

