



**MEMO**

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

**Date: December 19, 2016**

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

**Subject: BOARD FINANCIAL CONDITION REPORT FOR THE PREVIOUS  
FISCAL YEAR**

The following is a financial summary of the Board's expenditures and revenues through the 4<sup>th</sup> quarter of Fiscal Year 2015-2016.

<i><b>Expenditures</b></i>		<i><b>Revenue</b></i>	
Budget Appropriation	\$1,613,522	Beginning Reserve Balance	*adj \$1,019,739
Expenditures	\$1,280,354	Revenues	\$1,802,538
Unexpended Appropriation	\$333,168	Total	\$2,822,277
		Current reserve balance	\$1,541,923

The Board expended 79% of its appropriated budget through the fourth quarter of fiscal year 2015-2016.

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

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

\*additional expenditures will be deducted after release of Governor's Report (Pro Rata/DMV Administrative charges/SCO/Fiscal)

\*adj – adjusted beginning balance after release of 'Detailed Fund Balance Report'

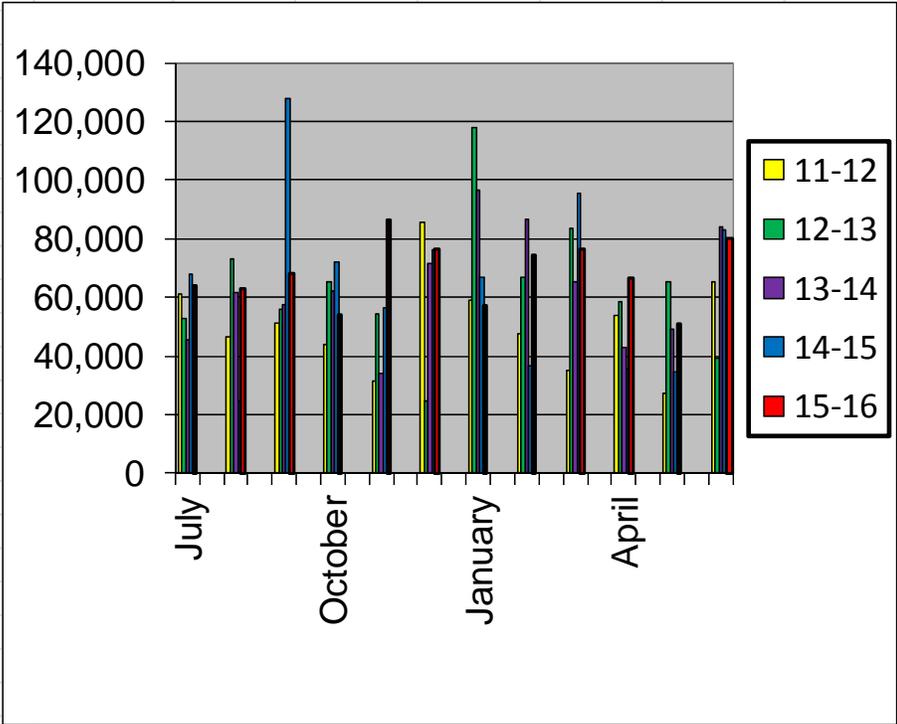
**New Motor Vehicle Board Fund Condition Statement - Fiscal Year 2015-2016**

Revenue and Expenditures July 1, 2015, through June 30, 2016 - (100% of fiscal year)

	2013-2014		2014-2015		2015-2016	
<b>BEGINNING RESERVES</b>	<b>568,000</b>		<b>881,364</b>		<b>884,431</b>	
Prior Year Adjustment	0 <sup>1</sup>		<b>-266,364</b>		<b>135,308</b>	
Adjusted Beginning Balance	<b>568,000</b>		<b>615,000</b>		<b>1,019,739</b>	
<b>REVENUES</b>						
<b>NMVB Fees and Misc. Revenue</b>						
0100 Dealer License Fee	757,229		777,413		817,746	
0200 NMVB Filing Fee	8,000		9,400		11,400	
0300 NMVB Annual Fee	859,843		922,162		969,150	
0800 Miscellaneous Services	618		2,787		1,309	
1000 Arbitration Program	2,397		2,700		2,933	
<b>Total Revenues</b>	<b>1,628,087</b>		<b>1,714,462</b>		<b>1,802,538</b>	
Adjusted Beginning Balance	568,000		615,000		1,019,739	
<b>Totals, Resources</b>	<b>2,196,087</b>		<b>2,329,462</b>		<b>2,822,277</b>	
<b>EXPENDITURES</b>						
<b>Payroll Expense (included benefits)</b>						
Budgeted	1,176,631		1,233,402		1,269,470	
Expended	1,016,752 <sup>2</sup>	86%	1,040,660	84%	998,900	79%
<b>Operating Expense and Equipment</b>						
Budgeted	449,705		449,705		344,052	
Expended	297,971 <sup>2</sup>	66%	248,370	55%	254,560	74%
<b>Encumbrance Balance</b>	0 <sup>3</sup>		156,001 <sup>3</sup>		26,894 <sup>3</sup>	
	*encumb rolled over (69,071)		*encumb rolled over (38,628)			
<b>Total - Payroll and Operating Expense</b>	<b>1,314,723</b>	<b>81%</b>	<b>1,445,031</b>	<b>86%</b>	<b>1,280,354</b>	<b>79%</b>
<b>ADDITIONAL EXPENDITURES:</b>						
<b>Pro Rata charges</b>	<b>186,517</b>		<b>186,517</b>		<b>80,864</b>	
*(final adjustments pending Governor's reprt)						
NOTE: *includes additional adjs: SCO/Fiscal/etc.						
<b>DMV Administrative charges</b>	<b>78,000<sup>4</sup></b>		<b>78,000<sup>4</sup></b>		<b>78,000<sup>4</sup></b>	
*(deduction made in prior year adjustment)						
<b>Total Budgeted</b>	<b>1,626,336</b>		<b>1,683,107</b>		<b>1,613,522</b>	
<b>Total Expended</b>	<b>1,314,723</b>	<b>81%</b>	<b>1,445,031</b>	<b>86%</b>	<b>1,280,354</b>	<b>79%</b>
<b>RESERVES</b>	<b>881,364</b>		<b>884,431</b>		<b>1,541,923</b>	
	Final adjs. (-266,364)					
<sup>1</sup> Prior period appropriation adjustments were made to bring Motor Vehicle Account fund balances in line with the State Controller's Office.						
<sup>2</sup> Totals were taken from DMV's final adjusted fiscal year end reports.						
<sup>3</sup> 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.						
<sup>4</sup> 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.						

	11-12	12-13	13-14	14-15	15-16
July	61,348.00	53,013.00	45,607.00	68,125.00	64,200.00
August	46,748.00	73,243.00	61,800.00	24,600.00	62,700.00
September	51,201.00	56,175.00	57,715.00	127,577.00	68,148.00
October	44,136.20	65,145.00	62,325.00	71,935.00	54,000.00
November	31,360.00	54,507.00	33,900.00	56,700.00	86,358.00
December	85,745.00	24,508.00	71,746.00	76,132.00	76,272.00
January	59,179.00	118,120.00	96,300.00	66,612.00	57,300.00
February	47,813.00	67,025.00	86,792.00	36,900.00	74,528.00
March	35,325.00	83,469.00	65,100.00	95,710.00	76,500.00
April	54,074.00	58,635.00	42,648.00	35,644.00	66,600.00
May	27,493.00	65,369.00	49,296.00	34,732.00	50,910.00
June	65,167.00	39,000.00	84,000.00	82,746.00	80,230.00
Ytd	<b>609,589.20</b>	<b>758,209.00</b>	<b>757,229.00</b>	<b>777,413.00</b>	<b>817,746.00</b>

**DEALER FEES  
FIVE YEAR COMPARISON**



**NEW MOTOR VEHICLE BOARD**  
 EXPENDITURE REPORT FOR THE FOURTH QUARTER OF FISCAL YEAR 2015-2016  
 (100% of fiscal year)

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
<b>1000</b>	<b>PAYROLL EXPENSE</b>				
0030	Salaries - full time staff	794,693	681,700.00	112,993	
0330	Salaries - part time staff	74,196	28,742.00	45,454	
0830	Overtime	0	0.00	0	
0990	Salary Savings (minus)	0	0.00	0	
0020	TOTAL - salary expense	868,889	710,442.00	158,447	
1010	TOTAL - staff benefits	400,581	288,458.00	112,123	
<b>CATEGORY TOTAL</b>					
<b>1000</b>	<b>PAYROLL EXPENSE</b>	<b>1,269,470</b>	<b>998,900.00</b>	<b>270,570</b>	<b>21%</b>

<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>				
<b>2010</b>	<b>General Expense</b>				
2050	Dues and membership	4,000	3,290.00	710	
2230	Library purchases	10,000	5,659.00	4,341	
2260	Minor equipment	300	344.00	-44	
2270	Office equipment - rent/maintenance/repair	200	0.00	200	
2380	Miscellaneous general expense	200	10.00	190	
2391	Miscellaneous office supplies	7,300	4,361.00	2,939	
2395	Meeting expense	2,000	0.00	2,000	
<b>2010</b>	<b>Total - General Expense</b>	<b>24,000</b>	<b>13,664.00</b>	<b>10,336</b>	

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
<b>2410</b>	<b>Printing</b>				
2440	Office copier expense - rent/maintenance	1,750	1,236.00	514	
2480	Miscellaneous printing expense	1,750	430.00	1,320	
<b>2410</b>	<b>Total - Printing</b>	<b>3,500</b>	<b>1,666.00</b>	<b>1,834</b>	

<b>2610</b>	<b>Postage -meter rental &amp; service, FedEx</b>	<b>9,000</b>	<b>3,763.00</b>	<b>5,237</b>	
<b>2910</b>	<b>Travel In-State</b>				
2920	Lodging, mileage, misc.	2,000	968.00	1,032	
2940	Commercial air transportation	5,250	5,167.00	83	
2950	Rental cars / other travel expense	7,750	2,747.00	5,003	
<b>2910</b>	<b>Total - Travel In-State</b>	<b>15,000</b>	<b>8,882.00</b>	<b>6,118</b>	

<b>3110</b>	<b>Travel Out-of-State</b>				
3120	Lodging, mileage, misc.	1,000	518.00	482	
3140	Commercial air transportation	1,000	1,376.00	-376	
3150	Rental cars	500	894.00	-394	
<b>3110</b>	<b>Total - Travel Out-of-State</b>	<b>2,500</b>	<b>2,788.00</b>	<b>-288</b>	

<b>3320</b>	<b>Training</b>	<b>3,038</b>	<b>1,933.00</b>	<b>1,105</b>	
<b>3430</b>	<b>Rent - non State owned building</b>	<b>165,000</b>	<b>153,824.00</b>	<b>11,176</b>	
<b>3445</b>	<b>Janitorial services</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	
<b>3450</b>	<b>Security services</b>	<b>550</b>	<b>0.00</b>	<b>550</b>	
<b>3470</b>	<b>Facilities planning - DGS</b>	<b>10,000</b>	<b>3,152.00</b>	<b>6,848</b>	
<b>3820</b>	<b>Professional services - internal (Attorney General)</b>	<b>12,000</b>	<b>50,411.00</b>	<b>-38,411</b>	
<b>4020</b>	<b>Professional services - external (court reporters)</b>	<b>18,000</b>	<b>5,210.00</b>	<b>12,790</b>	

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
<b>4324</b>	<b>Data processing software (95010 Vehicle Operations)</b>	<b>0</b>	<b>286.00</b>	<b>-286</b>	
<b>4350</b>	<b>Data processing minor equipment</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	
<b>4380</b>	<b>Pro rata statewide expense</b>	<b>80,864</b>	<b>0.00</b>	<b>80,864</b>	
<b>4520</b>	<b>Equipment replacement</b>	<b>600</b>	<b>8,981.00</b>	<b>-8,381</b>	
<b>CATEGORY TOTAL</b>					
<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>	<b>344,052</b>	<b>254,560.00</b>	<b>89,492</b>	<b>26%</b>

<b>1000</b>	<b>PAYROLL EXPENSE</b>	<b>1,269,470</b>	<b>998,900.00</b>	<b>270,570</b>	<b>21%</b>
<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>	<b>344,052</b>	<b>254,560.00</b>	<b>89,492</b>	<b>26%</b>
	<b>Total - Payroll and Operating Expense</b>	<b>1,613,522</b>	<b>1,253,460.00</b>	<b>360,062</b>	<b>22%</b>
	Pro rata statewide expense (80,864) allotment	(see above)	0.00		
	Encumbrance balance		26,894.00		
			<b>1,280,354.00</b>		<b>79%</b>
	<b>DMV Administrative charge (78,000)</b>	<b>78,000</b>	<b>78,000.00</b>	<b>0</b>	<b>100%</b>
<b>Grand total - fiscal year 2015-2016</b>					
		<b>1,691,522</b>	<b>1,358,354.00</b>	<b>333,168</b>	<b>20%</b>

<sup>1</sup> 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 6/6.

<sup>2</sup> 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.

<sup>3</sup> 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 6/6.

**DEPARTMENT OF MOTOR VEHICLES**

**Revenue Summary**

fiscal year 2015-2016

**Fourth Quarter**

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
<b>Object Code 1213</b>													
0100-New MV Dir Lic.	64,200.00	62,700.00	68,148.00	54,000.00	86,358.00	76,272.00	57,300.00	74,528.00	76,500.00	66,600.00	50,910.00	80,230.00	817,746.00
0200-NMVB Filing Fee	800.00	0.00	200.00	400.00	0.00	1,800.00	4,000.00	0.00	0.00	2,000.00	0.00	2,200.00	11,400.00
0300-NMVB Annual Fee	0.00	489,286.00	425,189.00	50,385.00	4,290.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	969,150.00
<b>1213 Object Total</b>	<b>65,000.00</b>	<b>551,986.00</b>	<b>493,537.00</b>	<b>104,785.00</b>	<b>90,648.00</b>	<b>78,072.00</b>	<b>61,300.00</b>	<b>74,528.00</b>	<b>76,500.00</b>	<b>68,600.00</b>	<b>50,910.00</b>	<b>82,430.00</b>	<b>1,798,296.00</b>
<b>Object Code 1425</b>													
0800-Misc. Services	230.00	0.00	0.00	53.00	0.00	296.00	0.00	0.00	0.00	246.00	0.00	484.00	1,309.00
<b>1425 Object Total</b>	<b>230.00</b>	<b>0.00</b>	<b>0.00</b>	<b>53.00</b>	<b>0.00</b>	<b>296.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>246.00</b>	<b>0.00</b>	<b>484.00</b>	<b>1,309.00</b>
<b>Object Code 1614</b>													
1000-Arbitration Program 1	0.00	0.00	0.00	0.00	0.00	2,933.00	0.00	0.00	0.00	0.00	0.00	0.00	2,933.00
<b>1614 Object Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,933.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,933.00</b>
<b>Revenue this Month</b>	<b>65,230.00</b>	<b>551,986.00</b>	<b>493,537.00</b>	<b>104,838.00</b>	<b>90,648.00</b>	<b>81,301.00</b>	<b>61,300.00</b>	<b>74,528.00</b>	<b>76,500.00</b>	<b>68,846.00</b>	<b>50,910.00</b>	<b>82,914.00</b>	<b>1,802,538.00</b>
<b>Revenue</b>													
<b>Year to date</b>	<b>65,230.00</b>	<b>617,216.00</b>	<b>1,110,753.00</b>	<b>1,215,591.00</b>	<b>1,306,239.00</b>	<b>1,387,540.00</b>	<b>1,448,840.00</b>	<b>1,523,368.00</b>	<b>1,599,868.00</b>	<b>1,668,714.00</b>	<b>1,719,624.00</b>	<b>1,802,538.00</b>	<b>1,802,538.00</b>
	1 Reimbursement of costs associated with collection of Arbitration Certification Program Fees												