



MEMO

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

Date: January 22, 2015

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

**Subject: STATUS REPORT CONCERNING THE BOARD'S FINANCIAL
CONDITION FOR THE 1ST QUARTER OF FISCAL YEAR 2014-2015
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 2014-2015.

<i>Expenditures</i>		<i>Revenue</i>	
Budget Appropriation	\$1,627,226	Beginning Reserve Balance	\$881,364
Expenditures	\$397,601	Revenues	\$1,049,123
Unexpended Appropriation	\$1,229,625	Total	\$1,930,487
		Current reserve balance	\$1,532,886

The Board expended 24% of its appropriated budget through the first quarter of fiscal year 2014-2015.

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 July of this year has been completed. Fees collected during the first quarter total \$825,585. The Board completed its collection with fees totaling \$922,161.60, which have been collected from the 151 manufacturers and distributors who were invoiced.

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

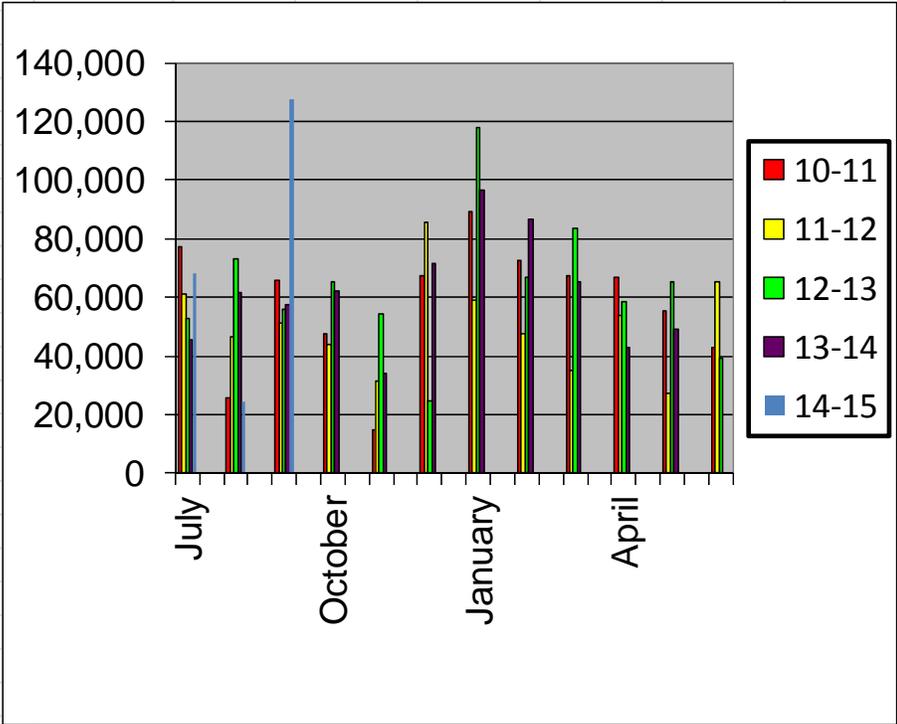
New Motor Vehicle Board Fund Condition Statement - Fiscal Year 2014-2015

Revenue and Expenditures July, 2014, through September 30, 2014 - (25% of fiscal year)

	<u>2012-2013</u>		<u>2013-2014</u>		<u>2014-2015</u>	
BEGINNING RESERVES	796,423		568,000		881,364	
Prior Year Adjustment	<u>-316,620</u> ⁵		<u>0</u> ¹		<u>0</u>	pending
Adjusted Beginning Balance	479,803		568,000		881,364	
REVENUES						
NMVB Fees and Misc. Revenue						
0100 Dealer License Fee	758,209		757,229		220,302	
0200 NMVB Filing Fee	9,400		8,000		3,200	
0300 NMVB Annual Fee	641,986		859,843		825,585	
0800 Miscellaneous Services	7,014		618		36	
1000 Arbitration Program	4,857		2,397		0	
Total Revenues	<u>1,421,466</u>		<u>1,628,087</u>		<u>1,049,123</u>	
Adjusted Beginning Balance	479,803		568,000		881,364	
Totals, Resources	1,901,269		2,196,087		1,930,487	
EXPENDITURES						
Payroll Expense (included benefits)						
Budgeted	1,131,717		1,176,631		1,177,521	
Expended	1,013,530 ²	90%	1,016,752 ²	86%	227,323	19%
Operating Expense and Equipment (includes Pro Rata)						
Budgeted	401,164		449,705		449,705	
Expended	246,971 ²	62%	297,971 ²	66%	53,764	12%
Encumbrance Balance	72,768 ³		0 ³		116,514 ³	
			*encumb rolled over (69,071)			
Total - Payroll and Operating Expense	1,333,269	87%	1,314,723	81%	397,601	24%
Additional Expenditures						
Pro Rata charges (Budgeted)	186,517		186,517		186,517	
*(final adjustments pending Governor's reprt)						
DMV Administrative charges						
*(deduction made in prior year adjustment)						
Budgeted	78,000		78,000		78,000	
Expended	78,000 ⁴	100%	78,000 ⁴	100%	19,500 ⁴	25%
Total Budgeted	<u>1,532,881</u>		<u>1,626,336</u>		<u>1,627,226</u>	
Total Expended	1,333,269	87%	1,314,723	81%	397,601	24%
RESERVES	568,000		881,364		1,532,886	
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.						

	10-11	11-12	12-13	13-14	14-15
July	77,425.00	61,348.00	53,013.00	45,607.00	68,125.00
August	25,727.00	46,748.00	73,243.00	61,800.00	24,600.00
September	65,997.00	51,201.00	56,175.00	57,715.00	127,577.00
October	47,635.00	44,136.20	65,145.00	62,325.00	
November	14,951.00	31,360.00	54,507.00	33,900.00	
December	67,125.00	85,745.00	24,508.00	71,746.00	
January	89,255.00	59,179.00	118,120.00	96,300.00	
February	72,766.00	47,813.00	67,025.00	86,792.00	
March	67,566.00	35,325.00	83,469.00	65,100.00	
April	66,708.00	54,074.00	58,635.00	42,648.00	
May	55,457.00	27,493.00	65,369.00	49,296.00	
June	42,888.00	65,167.00	39,000.00		
Ytd	693,500.00	609,589.20	758,209.00	673,229.00	220,302.00

**DEALER FEES
FIVE YEAR COMPARISON**



NEW MOTOR VEHICLE BOARD
 EXPENDITURE REPORT FOR THE FIRST QUARTER OF FISCAL YEAR 2014-2015
 (25% of fiscal year)

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
1000	PAYROLL EXPENSE				
0030	Salaries - full time staff	767,811	150,275.00	617,536	
0330	Salaries - part time staff	30,996	10,536.00	20,460	
0630	Overtime	0	0.00	0	
0990	Salary Savings (minus)	0	0.00	0	
0020	TOTAL - salary expense	798,807	160,811.00	637,996	
1010	TOTAL - staff benefits	378,714	66,512.00	312,202	
	CATEGORY TOTAL				
1000	PAYROLL EXPENSE	1,177,521	227,323.00	950,198	81%

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
3000	OPERATING EXPENSE AND EQUIPMENT				
2010	General Expense				
2050	Dues and membership	4,000	0.00	4,000	
2230	Library purchases	10,000	3,375.00	6,625	
2260	Minor equipment	300	0.00	300	
2270	Office equipment - rent/maintenance/repair	200	0.00	200	
2380	Miscellaneous general expense	200	88.00	112	
2391	Miscellaneous office supplies	7,300	597.00	6,703	
2395	Meeting expense	2,000	0.00	2,000	
2010	Total - General Expense	24,000	4,060.00	19,940	

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	273.00	1,477	
2410	Total - Printing	3,500	273.00	3,227	

2610	Postage -meter rental & service, FedEx	9,000	338.00	8,662	
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ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
2910	Travel In-State				
2920	Lodging, mileage, misc.	2,000	581.00	1,419	
2940	Commercial air transportation	5,250	3,107.00	2,143	
2950	Rental cars	7,750	1,216.00	6,534	
2910	Total - Travel In-State	15,000	4,904.00	10,096	

ACCOUNT CODE	DESCRIPTION	BUDGETED EXPENDITURE		BALANCE	
		AMOUNT	YEAR TO DATE	REMAINING	%
3110	Travel Out-of-State				
3120	Lodging, mileage, misc.	1,000	0.00	1,000	
3140	Commercial air transportation	1,000	0.00	1,000	
3150	Rental cars	500	0.00	500	
3110	Total - Travel Out-of-State	2,500	0.00	2,500	

3320	Training	3,038	650.00	2,388	
3430	Rent - non State owned building	165,000	37,983.00	127,017	
3445	Janitorial services	0	0.00	0	
3450	Security services	550	0.00	550	
3470	Facilities planning - DGS	10,000	2,952.00	7,048	
3820	Professional services - internal (Attorney General)	12,000	723.00	11,277	
4020	Professional services - external (court reporters)	18,000	1,881.00	16,119	

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	186,517	0.00	186,517	
4520	Equipment replacement	600	0.00	600	

CATEGORY TOTAL		AMOUNT	YEAR TO DATE	%	REMAINING	%
3000	OPERATING EXPENSE AND EQUIPMENT	449,705	53,764.00	12%	395,941	88%

1000	PAYROLL EXPENSE	1,177,521	227,323.00	19%	950,198	81%
3000	OPERATING EXPENSE AND EQUIPMENT	449,705	53,764.00	12%	395,941	88%
	Total - Payroll and Operating Expense	1,627,226	281,087.00	17%	1,346,139	83%

	Pro rata statewide expense (186,517) estimate	1	(see above)	0.00		
	Encumbrance balance	2		116,514.00		
				397,601.00		

	DMV Administrative charge (78,000)	3	0	0.00		
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Grand total - fiscal year 2014-2015		1,627,226	397,601.00	24%	1,229,625	76%
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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 '15.

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 '15.

DEPARTMENT OF MOTOR VEHICLES

Revenue Summary

fiscal year 2014-2015

First Quarter

	July	August	September	October	November	December	January	February	March	April	May	June	YTD
Object Code 1213													
0100-New MV Dir Lic.	68,125.00	24,600.00	127,577.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	220,302.00
0200-NMVB Filing Fee	800.00	2,400.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,200.00
0300-NMVB Annual Fee	0.00	678,445.00	147,140.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	825,585.00
1213 Object Total	68,925.00	705,445.00	274,717.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,049,087.00
Object Code 1425													
0800-Misc. Services	36.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36.00
1425 Object Total	36.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36.00
Object Code 1614													
1000-Arbitration Program 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1614 Object Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Revenue this Month	68,961.00	705,445.00	274,717.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,049,123.00
Revenue													
Year to date	68,961.00	774,406.00	#####	#####	1,049,123.00								
	1	Reimbursement of costs associated with collection of Arbitration Certification Program Fees											