



## MEMO

**To : FISCAL COMMITTEE  
ANTHONY A. BATARSE, JR., CHAIR  
BISMARCK OBANDO, MEMBER**

**Date: January 8, 2016**

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

**Subject: STATUS REPORT CONCERNING THE BOARD'S FINANCIAL  
CONDITION FOR THE 1<sup>ST</sup> QUARTER OF FISCAL YEAR 2015-2016  
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 1<sup>st</sup> quarter of Fiscal Year 2015-2016.

<i>Expenditures</i>		<i>Revenue</i>	
Budget Appropriation	\$1,605,727	Beginning Reserve Balance	*\$884,431
Expenditures	\$377,182	Revenues	\$1,110,753
Unexpended Appropriation	\$1,228,545	Total	\$1,995,184
		Current reserve balance	\$1,618,002

The Board expended 23% of its appropriated budget through the first 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.

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 \$914,475. The Board completed its collection with fees totaling \$969,148, which have been collected from the 157 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

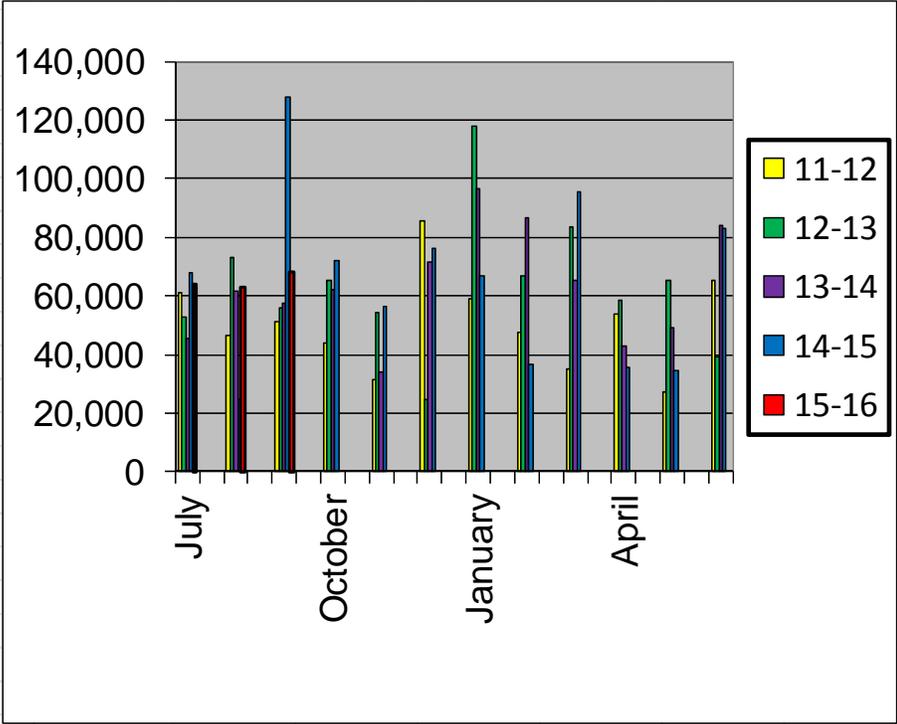
**New Motor Vehicle Board Fund Condition Statement - Fiscal Year 2015-2016**

Revenue and Expenditures July 1, 2015, through September 30, 2015 - (25% 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>		0	pending
Adjusted Beginning Balance	<b>568,000</b>		<b>615,000</b>		<b>884,431</b>	
<b>REVENUES</b>						
<b>NMVB Fees and Misc. Revenue</b>						
0100 Dealer License Fee	757,229		777,413		195,048	
0200 NMVB Filing Fee	8,000		9,400		1,000	
0300 NMVB Annual Fee	859,843		922,162		914,475	
0800 Miscellaneous Services	618		2,787		230	
1000 Arbitration Program	2,397		2,700		0	
<b>Total Revenues</b>	<b>1,628,087</b>		<b>1,714,462</b>		<b>1,110,753</b>	
Adjusted Beginning Balance	568,000		615,000		884,431	
<b>Totals, Resources</b>	<b>2,196,087</b>		<b>2,329,462</b>		<b>1,995,184</b>	
<b>EXPENDITURES</b>						
<b>Payroll Expense (included benefits)</b>						
Budgeted	1,176,631		1,233,402		1,261,675	
Expended	1,016,752 <sup>2</sup>	86%	1,040,660	84%	243,062	19%
<b>Operating Expense and Equipment</b>						
Budgeted	449,705		449,705		344,052	
Expended	297,971 <sup>2</sup>	66%	248,370	55%	60,440	18%
<b>Encumbrance Balance</b>	0 <sup>3</sup>		156,001 <sup>3</sup>		73,680 <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>377,182</b>	<b>23%</b>
<b>ADDITIONAL EXPENDITURES:</b>						
<b>Pro Rata charges</b>	186,517		186,517		80,864	
*(final adjustments pending Governor's reprt)						
NOTE: *includes additional adjs: SCO/Fiscal/etc.						
<b>DMV Administrative charges</b>	78,000 <sup>4</sup>		78,000 <sup>4</sup>		78,000 <sup>4</sup>	
*(deduction made in prior year adjustment)						
<b>Total Budgeted</b>	<b>1,626,336</b>		<b>1,683,107</b>		<b>1,605,727</b>	
<b>Total Expended</b>	<b>1,314,723</b>	<b>81%</b>	<b>1,445,031</b>	<b>86%</b>	<b>377,182</b>	<b>23%</b>
<b>RESERVES</b>	<b>881,364</b>		<b>884,431</b>		<b>1,618,002</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	0.00
November	31,360.00	54,507.00	33,900.00	56,700.00	0.00
December	85,745.00	24,508.00	71,746.00	76,132.00	0.00
January	59,179.00	118,120.00	96,300.00	66,612.00	0.00
February	47,813.00	67,025.00	86,792.00	36,900.00	0.00
March	35,325.00	83,469.00	65,100.00	95,710.00	0.00
April	54,074.00	58,635.00	42,648.00	35,644.00	0.00
May	27,493.00	65,369.00	49,296.00	34,732.00	0.00
June	65,167.00	39,000.00	84,000.00	82,746.00	0.00
Ytd	<b>609,589.20</b>	<b>758,209.00</b>	<b>757,229.00</b>	<b>777,413.00</b>	<b>195,048.00</b>

**DEALER FEES  
FIVE YEAR COMPARISON**



**NEW MOTOR VEHICLE BOARD**  
 EXPENDITURE REPORT FOR THE FIRST QUARTER OF FISCAL YEAR 2015-2016  
 (25% 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	166,589.00	628,104	
0330	Salaries - part time staff	74,196	5,479.00	68,717	
0630	Overtime	0	0.00	0	
0690	Salary Savings (minus)	0	0.00	0	
0020	TOTAL - salary expense	868,889	172,068.00	696,821	
1010	TOTAL - staff benefits	392,786	70,994.00	321,792	
	<b>CATEGORY TOTAL</b>				
<b>1000</b>	<b>PAYROLL EXPENSE</b>	<b>1,261,675</b>	<b>243,062.00</b>	<b>19%</b>	<b>1,018,613</b> <b>81%</b>
<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>				
<b>2010</b>	<b>General Expense</b>				
2050	Dues and membership	4,000	0.00	4,000	
2230	Library purchases	10,000	665.00	9,335	
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	182.00	7,118	
2395	Meeting expense	2,000	0.00	2,000	
<b>2010</b>	<b>Total - General Expense</b>	<b>24,000</b>	<b>847.00</b>	<b>23,153</b>	
<b>ACCOUNT CODE</b>	<b>DESCRIPTION</b>	<b>BUDGETED EXPENDITURE</b>	<b>%</b>	<b>BALANCE</b>	<b>%</b>
		<b>AMOUNT YEAR TO DATE</b>		<b>REMAINING</b>	
<b>2410</b>	<b>Printing</b>				
2440	Office copier expense - rent/maintenance	1,750	0.00	1,750	
2480	Miscellaneous printing expense	1,750	101.00	1,649	
<b>2410</b>	<b>Total - Printing</b>	<b>3,500</b>	<b>101.00</b>	<b>3,399</b>	
<b>2610</b>	<b>Postage -meter rental &amp; service, FedEx</b>	9,000	692.00	8,308	
<b>2910</b>	<b>Travel In-State</b>				
2920	Lodging, mileage, misc.	2,000	161.00	1,839	
2940	Commercial air transportation	5,250	872.00	4,378	
2950	Rental cars	7,750	107.00	7,643	
<b>2910</b>	<b>Total - Travel In-State</b>	<b>15,000</b>	<b>1,140.00</b>	<b>13,860</b>	
<b>3110</b>	<b>Travel Out-of-State</b>				
3120	Lodging, mileage, misc.	1,000	0.00	1,000	
3140	Commercial air transportation	1,000	1,376.00	-376	
3150	Rental cars	500	0.00	500	
<b>3110</b>	<b>Total - Travel Out-of-State</b>	<b>2,500</b>	<b>1,376.00</b>	<b>1,124</b>	
<b>3320</b>	<b>Training</b>	3,038	0.00	3,038	
<b>3430</b>	<b>Rent - non State owned building</b>	165,000	38,327.00	126,673	
<b>3445</b>	<b>Janitorial services</b>	0	0.00	0	
<b>3450</b>	<b>Security services</b>	550	0.00	550	
<b>3470</b>	<b>Facilities planning - DGS</b>	10,000	262.00	9,738	
<b>3820</b>	<b>Professional services - internal (Attorney General)</b>	12,000	16,151.00	-4,151	
<b>4020</b>	<b>Professional services - external (court reporters)</b>	18,000	1,544.00	16,456	
<b>ACCOUNT CODE</b>	<b>DESCRIPTION</b>	<b>BUDGETED EXPENDITURE</b>	<b>%</b>	<b>BALANCE</b>	<b>%</b>
		<b>AMOUNT YEAR TO DATE</b>		<b>REMAINING</b>	
<b>4324</b>	<b>Data processing software</b>	0	0.00	0	
<b>4350</b>	<b>Data processing minor equipment</b>	0	0.00	0	
<b>4380</b>	<b>Pro rata statewide expense</b>	80,864	0.00	80,864	
<b>4520</b>	<b>Equipment replacement</b>	600	0.00	600	
	<b>CATEGORY TOTAL</b>				
<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>	<b>344,052</b>	<b>60,440.00</b>	<b>18%</b>	<b>283,612</b> <b>82%</b>
<b>1000</b>	<b>PAYROLL EXPENSE</b>	<b>1,261,675</b>	<b>243,062.00</b>	<b>19%</b>	<b>1,018,613</b> <b>81%</b>
<b>3000</b>	<b>OPERATING EXPENSE AND EQUIPMENT</b>	<b>344,052</b>	<b>60,440.00</b>	<b>18%</b>	<b>283,612</b> <b>82%</b>
	<b>Total - Payroll and Operating Expense</b>	<b>1,605,727</b>	<b>303,502.00</b>	<b>19%</b>	<b>1,302,225</b> <b>81%</b>
	<b>Pro rata statewide expense (80,864) estimate</b>	(see above)	0.00		
	<b>Encumbrance balance</b>		73,680.00		
			<b>377,182.00</b>		
	<b>DMV Administrative charge (78,000)</b>	0	0.00	0	
	<b>Grand total - fiscal year 2015-2016</b>	<b>1,605,727</b>	<b>377,182.00</b>	<b>23%</b>	<b>1,228,545</b> <b>77%</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 5/6.

<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 5/6.

DEPARTMENT OF MOTOR VEHICLES

Revenue Summary

fiscal year 2015-2016

First 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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	195,048.00
0200-NMVB Filing Fee	800.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00
0300-NMVB Annual Fee	0.00	489,286.00	425,189.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	914,475.00
<b>1213 Object Total</b>	<b>65,000.00</b>	<b>551,986.00</b>	<b>493,537.00</b>	<b>0.00</b>	<b>1,110,523.00</b>								
<b>Object Code 1425</b>													
0800-Misc. Services	230.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	230.00
<b>1425 Object Total</b>	<b>230.00</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>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>230.00</b>
<b>Object Code 1614</b>													
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
<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>0.00</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>0.00</b>
<b>Revenue this Month</b>	<b>65,230.00</b>	<b>551,986.00</b>	<b>493,537.00</b>	<b>0.00</b>	<b>1,110,753.00</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>										
	1	Reimbursement of costs associated with collection of Arbitration Certification Program Fees											