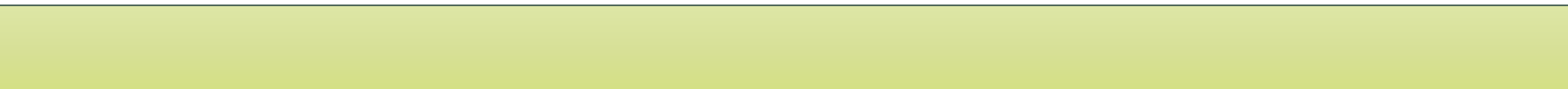




DMV Budget Overview

Wanda Minoli, Commissioner

“With a commitment to excellence, the dedicated employees of DMV strive to provide the highest level of customer service through the administration of motor vehicle laws and the promotion of highway safety.”



DMV Overview

Locations

Bennington
Dummerston
Middlebury
Montpelier
Newport
Rutland
St. Albans
St. Johnsbury
S. Burlington
Springfield
White River Jct.



DMV is staffed by 229 FTEs

Performance Measures

- 88% of customers served in 30 minutes or less in FY19
 - Processed over 1 million transactions
- 2,020,403 visits to DMV website in FY2019
 - Website traffic increased 24%
 - Internet transactions increased 3.3% to 271,652

Special Projects & Programs

- Recognized need to have unit focused on business process improvements in support of on-going modernization efforts
- Manage business implementation of DMV modernization projects and new initiatives
- Administer the Department's website and social media pages, and coordinate all legislative activities

Operations Division

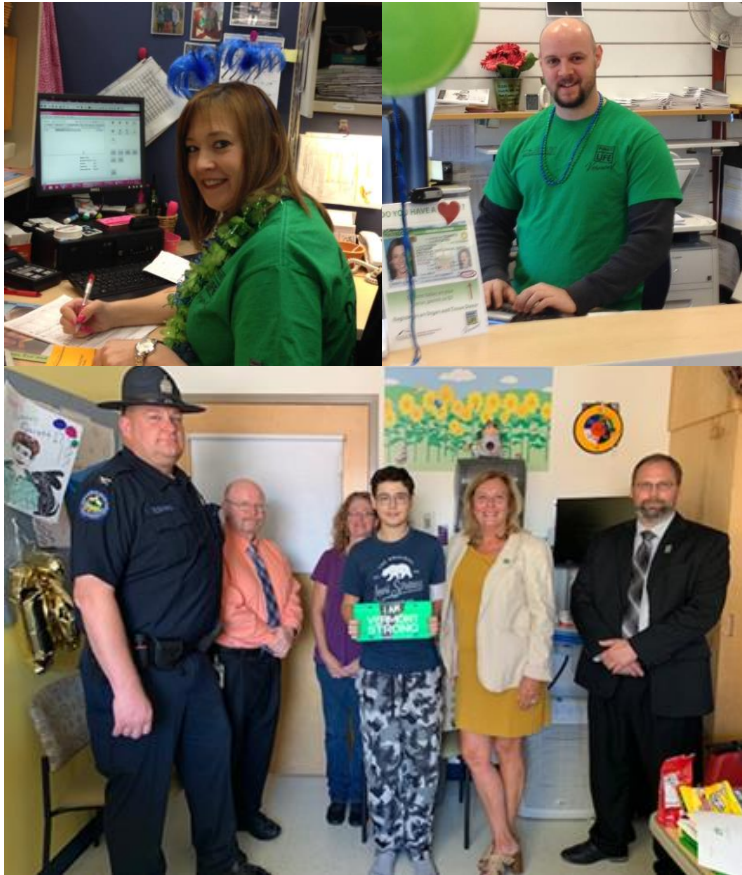
Director: Michael Smith

Branch Operations - 11 branch offices throughout the state

- 6 full-time and 5 part-time
- 4 offer extended hours – S. Burlington, Montpelier, Rutland, Springfield
- Information Processing
 - Support all divisions
 - Process transactions received via mail and email, and ensure accuracy of data entered into DMV's systems of record
- Driver Improvement & Information
 - Process driver license suspensions and reinstatements
 - Field customer inquiries across various mediums
- Commercial Vehicles
 - Maintain driver files in Commercial Driver License Information System
 - Administer International Fuel Tax Agreement and International Registration Plan
 - Collect motor fuel taxes



Operations Division



Highlights

- VTPICS
 - Implemented July 2019
 - Online renewals coming April 2020
 - Modernizing technology used at branch locations to meet user expectations
- Commercial Vehicle Operations System
 - Modernize revenue collection and categorization for IFTA, IRP, motor fuel taxes
 - Go live is May 2020
- 92% of Vermonters have obtained a Real ID credential – *required for domestic air travel 10/1/2020*
- Provided outreach to medical professionals on how to report drivers with diminished skills

Enforcement & Safety Division

Director: Col. William Elovirta

- Commercial Vehicle Enforcement
 - Law enforcement officers enforcing VT and Federal statutes governing commercial motor vehicles
 - Protect highway users and infrastructure
- Investigations/Inspections
 - Regulate motor vehicle dealers
 - Administer Total Abstinence Program
 - Administer Vehicle Inspection Program
- Education
 - Administer the State's Driver Training, Motorcycle Safety and Pupil Transport Safety Programs
- Administrative Support
 - Support enforcement officers, inspectors, investigators and education coordinators
 - Provide customer service to dealers, certified VT Inspection Stations and motor carrier industry



Enforcement & Safety Division

Highlights

- Celebrated 100th anniversary of Enforcement & Safety division
- Welcomed K-9 officer Annie
- Completed more than 7,500 roadside driver & vehicle inspections, 23 carrier investigations and 243 New Entrant Safety Audits for new motor carriers
- Implemented 16-year OBDII inspection requirement and updated Periodic Inspection Manual in accordance with Act 59 of 2019
- 39 motorcycle safety instructors trained 799 students at 7 VREP training sites located statewide (92.2% passing rate).
- 40 Licensed DMV Standard Driver Education training schools and 6 CDL schools (1875 students trained)
- Administered 72 school bus clinics, educating 736 school bus drivers on pupil safety



Finance & Logistics

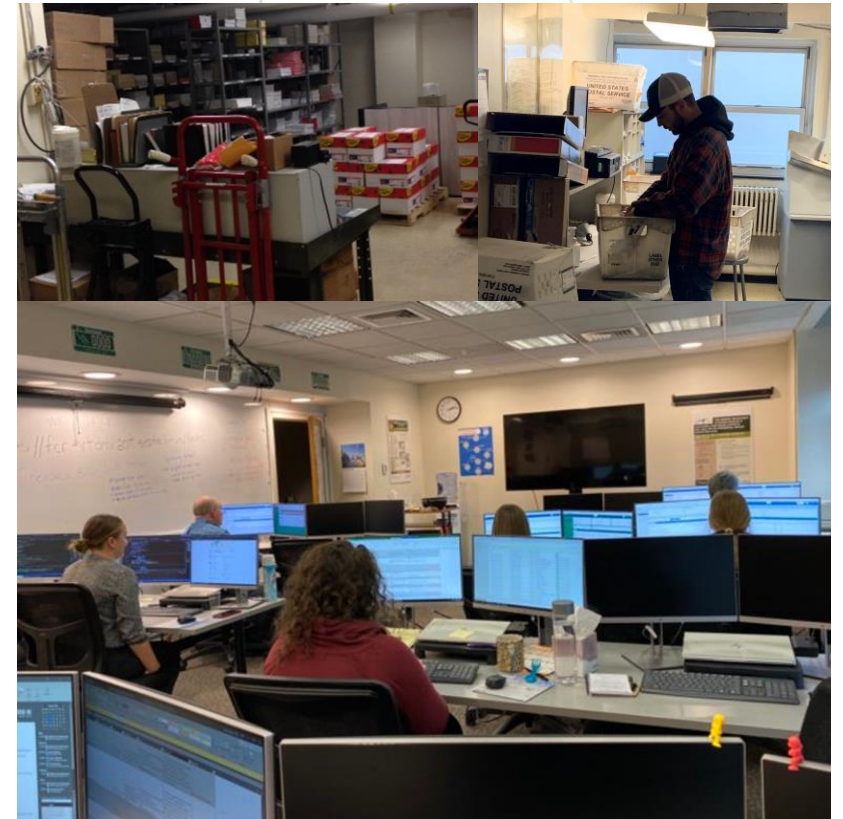
Director: Terri Blaisdell

- Accounts Payable
 - Authorize and reconcile all expenditures
 - Administer Department's contracts and payroll
- Accounts Receivable
 - Process and categorize all revenue received by the Department
 - Review and authorize requests for refunds and protest checks with insufficient funds
- Audit
 - Audit all entities reporting gas, diesel, railroad fuel and rental tax liabilities
 - Audit International Fuel Tax Agreement and International Registration Plan
- Logistics
 - Distribute and manage inventory specific to DMV programs
 - Manage all facilities issues for leased and state-owned properties


\$335M
Total Revenue


\$37.3M
Revenue for Other
Programs
(i.e. Education, Wildlife)


170.5K
Pieces of Mail Received



Finance & Logistics Division

Highlights

- Contract management
 - IT systems creating new need for service delivery
 - Developing partnerships with AOT Contract Administration, ADS & BGS
- State Auditor completing audit of DMV CY2018 revenue processing
- Streamlining Internal Processes and Increasing Internal Controls
 - Updated written cash and check handling procedures
 - Updated procedures for spot audits of petty cash and change funds and clarified roles and responsibilities for conducting audits
 - Visiting branch locations more frequently to discuss growth and training opportunities
 - Revised tracking method for over/short revenues and sending invoices
 - Improved reporting for daily discrepancies and voided transactions

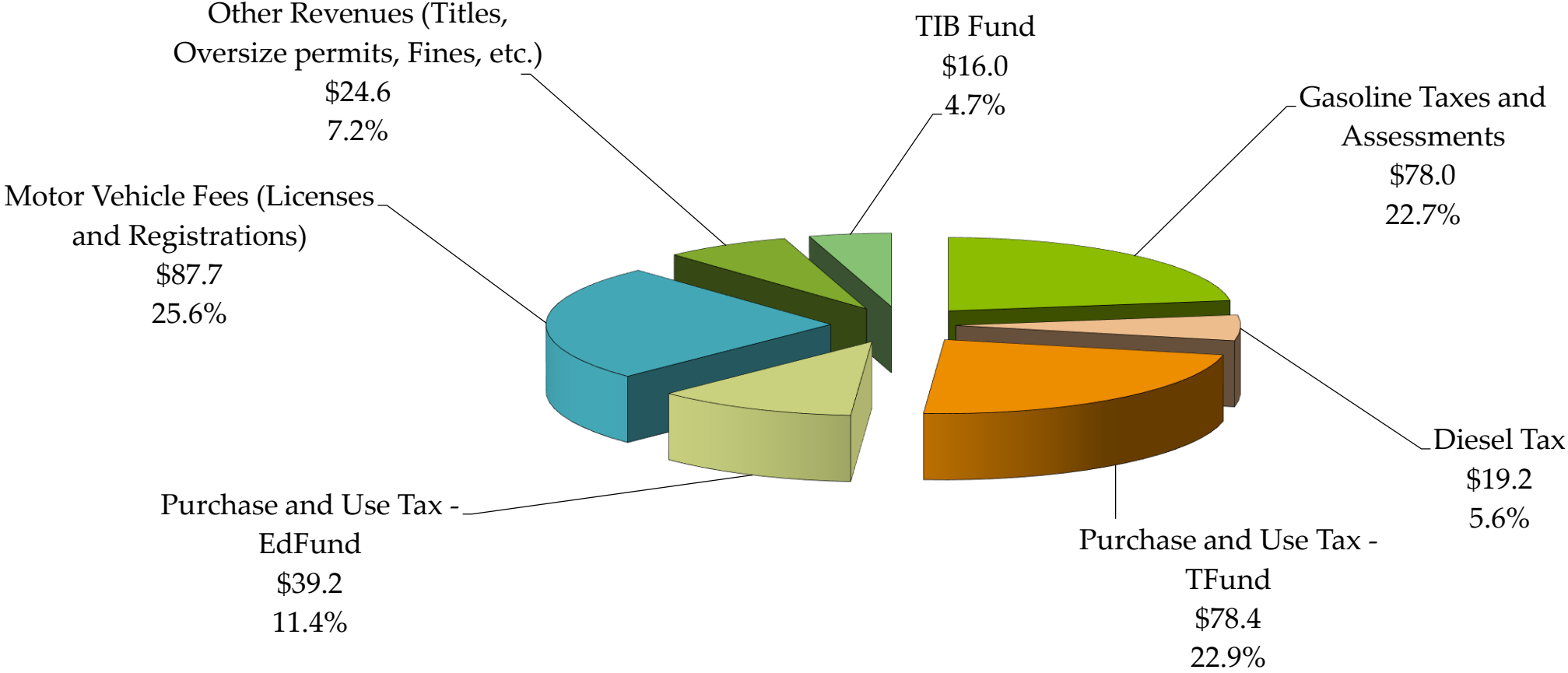


Budgeted vs Actual Spending FY20

Budget Level	FY20 Budget*	FY20 Expenditures**	% Spent	Remaining
Personal Services	\$ 24,949,747	\$ 12,057,628	48%	\$ 12,892,119
Payroll & Benefits	\$ 19,439,284	\$ 9,633,308	50%	\$ 9,805,976
Contracts & 3rd Party Service	\$ 5,510,463*	\$ 2,424,320	44%	\$ 3,086,143
Operating Expenses	\$ 11,588,772	\$ 5,375,818	46%	\$ 6,212,954
IT/Telecommunications Services	\$ 2,530,505	\$ 919,323	36%	\$ 1,611,182
Property, Maintenance & Rental	\$ 2,010,438	\$ 1,249,690	62%	\$ 760,748
Equipment, Hardware, Software	\$ 872,742	\$ 114,456	13%	\$ 758,286
General Operating/Supplies	\$ 339,236	\$ 165,354	49%	\$ 173,882
Travel	\$ 111,835	\$ 32,189	29%	\$ 79,646
Other Purchased Services	\$ 4,090,169	\$ 1,889,734	46%	\$ 2,200,435
Other Operating Expenses	\$ 1,633,847	\$ 1,005,073	62%	\$ 628,774
Totals	\$ 36,538,519*	\$ 17,433,446	48%	\$ 19,105,073

*Includes Carry Forward of \$3,387,818 for IT Projects **- Expenditures through 12/31/2019
 FY20 "As Passed" - \$33,150,701

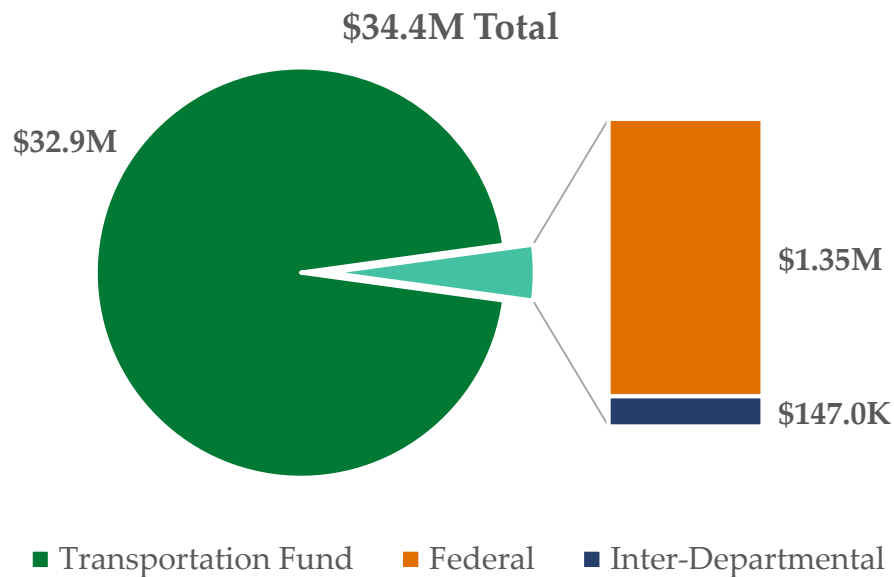
State Transportation Fund Sources - FY21



\$343M Total (includes Transportation & TIB Funds)
\$ millions

Governor's Recommended Budget FY21

The FY21 proposed budget maintains the current level of service. This essential maintenance budget helps ensure the continuation of DMV services and offerings at all current locations.



- DMV will collect an estimated \$343M* in taxes and fees in FY2021
- Increase in overall budget of \$1.2M (3.7%)
- Increase driven by:
 - \$534,000 increase in salaries and benefits
 - Includes \$200,000 for mail processing, quality control and information unit staff reclass
 - \$315,000 increase in allocated costs
 - Worker's compensation
 - General liability
- Includes \$2.25M for IT projects
 - Up \$250k from \$2M in FY20
 - Implementation of new commercial vehicle enforcement & safety systems
 - Begin development of electronic permitting application
 - Support and maintenance of CVO System
- Continue with computer "cascading" replacement plan
- Consumer messaging improvements

Federal funds breakdown:

- Federal Highway Administration - \$100,000
- Motor Carrier Safety Assistance Program - \$1.25M

Commercial Vehicle Information Exchange Window (CVIEW) & Roadside Inspection Program



What's Happening?

- Implementing an online, centralized dashboard to display thorough motor carrier profiles

Why are the Systems Necessary?

- CVIEW aggregates information from various state and federal databases including Roadside Inspection Program
- Roadside Inspection Program collects vehicle, carrier and cargo compliance information roadside

Who Benefits from the new Systems?

- Motoring public – DMV has easier access to information regarding problem drivers, vehicles or carriers
- Carriers – problem drivers may more easily be identified; vehicle issues can be more promptly addressed
- DMV Inspectors – one stop shop for information needed when completing an inspection roadside

Efficiencies & Opportunities Gained

- Roadside inspection results are captured and uploaded in real time
- DMV Inspectors gain a more complete picture of a driver or carrier at roadside by visiting one place rather than multiple databases

Commercial Vehicle Information Exchange Window (CVIEW) & Roadside Inspection Program

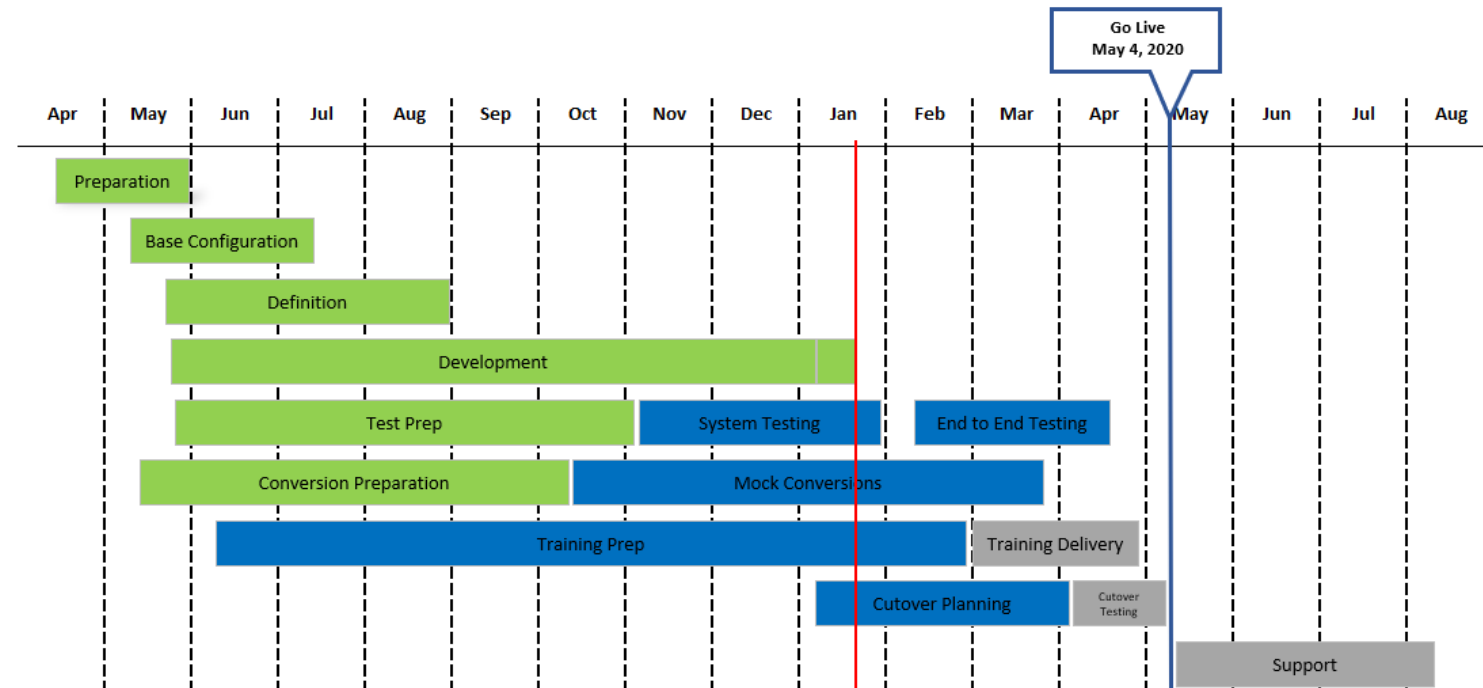
Cost Summary

Fiscal Year	Federal Funds	State Funds	Federal Funds	State Funds	Total
FY20	\$ 65,480.00	\$ 70,020.60			\$ 135,500.60
FY21	\$ 60,720.00	\$ 23,340.20	\$ 109,100.00		\$ 193,160.20
FY22			\$ 109,100.00		\$ 109,100.00
FY23			\$ 109,100.00		\$ 109,100.00
FY24			\$ 109,100.00		\$ 109,100.00
FY25			\$ 109,100.00		\$ 109,100.00
Total	\$ 126,200.00	\$ 93,360.80	\$ 545,000.00		\$ 765,060.80

Commercial Vehicle Operations System Replacement Project

Replacement of the system used to calculate and collect diesel, gas and rental taxes and International Fuel Tax Agreement and International Registration Plan fees

- Desired solution is to utilize an existing State master contract and system (Dept. of Taxes)
- Utilizing expert staff to develop system, back-filling with temporary employees
- Project timeline:
 - March 2019 – Kickoff
 - May 2020 – Implementation
- Project Costs
 - Implementation – \$5.68M – on target
 - Total Lifecycle – \$10M



Oversize/Overweight e-Permitting System

➤ What's Happening?

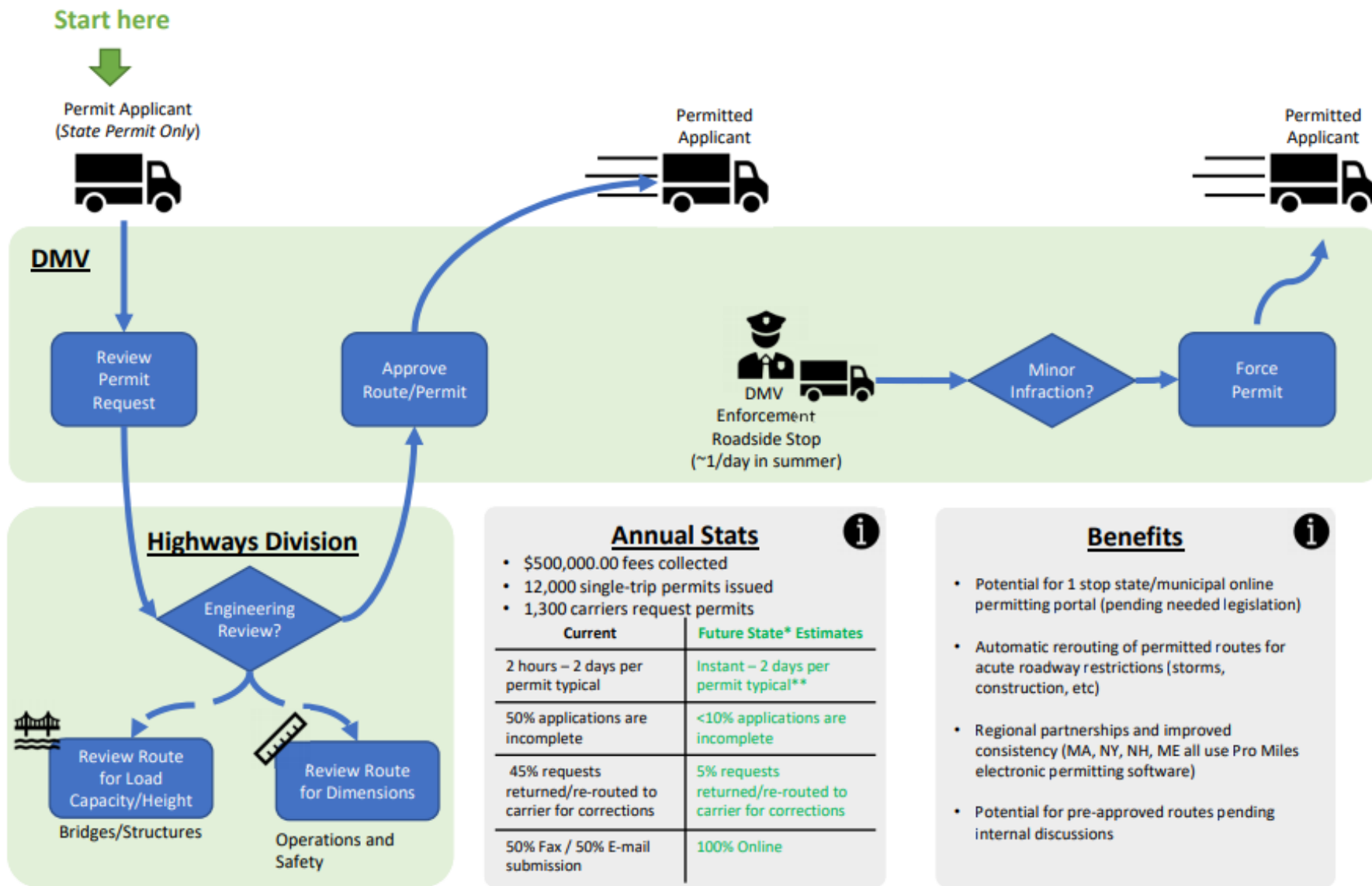
- Creating a one-stop online portal to allow carriers to apply for and obtain state/municipal oversize and overweight permits

➤ Why is the System Necessary?

- Truck permitting is currently highly fragmented, requiring carriers to obtain multiple state and local permits
- Local permits not included in the initial scope; however, system will have the capability to expand to municipalities

Cost Summary					
Fiscal Year	Federal Funds	State Funds	Federal Funds	State Funds	Total
FY21		\$ 250,000.00			\$ 250,000.00
FY22		\$ 1,011,811.00		\$ 275,000.00	\$ 1,286,811.00
FY23				\$ 275,000.00	\$ 275,000.00
FY24				\$ 275,000.00	\$ 275,000.00
FY25				\$ 275,000.00	\$ 275,000.00
FY26				\$ 275,000.00	\$ 275,000.00
Total		\$1,261,811.00		\$1,375,000.00	\$2,636,811.00

High-Level Single Trip Process (Hand Out)



* Future state: Implement an integrated electronic permitting system

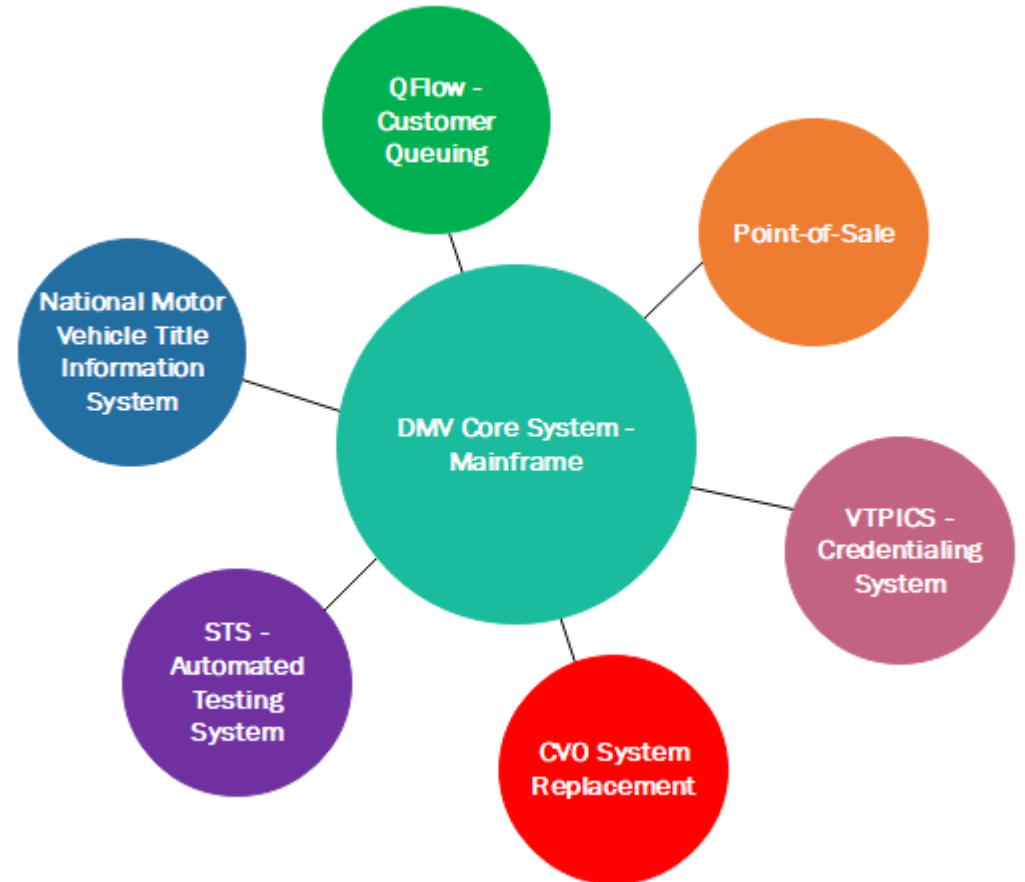
**Assumes pre-approved routes are established.

FY21 DMV Crosswalk and Budget Variances

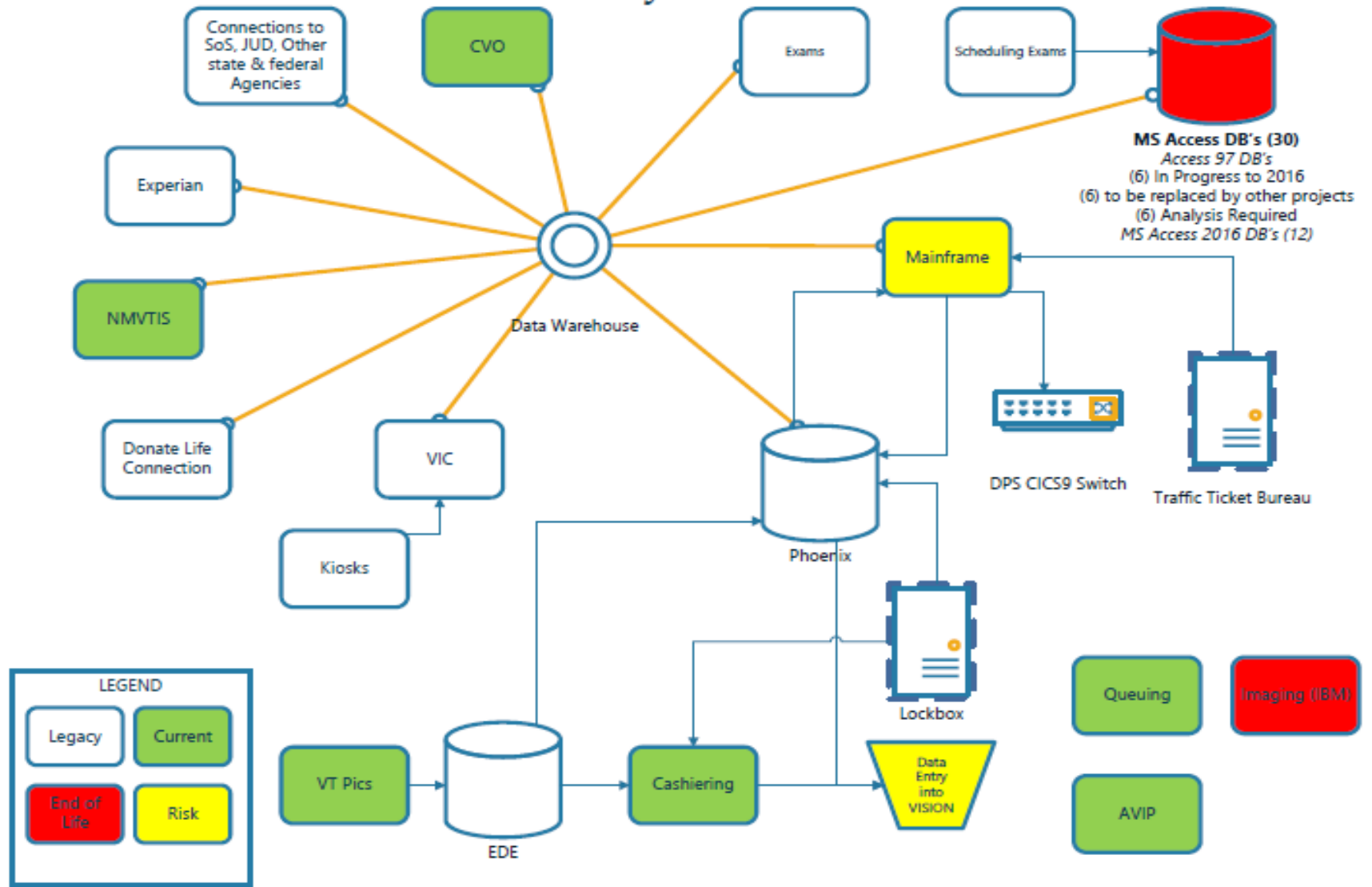
	Transportation Fund	Federal	Interdept	FY21 Total Amount	FY20	Difference Between FY20 & FY21	COMMENTS
Department of Motor Vehicles (8100002100): FY2021 Projected Needs:	32,900,015	1,345,934	147,275	34,393,224	33,150,701	1,242,523	
PERSONAL SERVICES							
Salaries and Wages	12,592,941	0	0	12,592,941	12,229,808	363,133	VANTAGE budgeting system wage calculations. Includes Vacancy Savings calculated as a percentage of classified salaries 5%; increase OT to maintain current workload with staff covering IT Projects. \$200,000 increase due to Class Reallocation of 46 DMV Operations positions.
Fringe Benefits	6,483,186	887,343	10,200	7,380,729	7,209,476	171,253	Contractually required benefits (health & retirement). Annual allocations provided for internal services such as Workers Comp, Unemployment Compensation, Catamount Health Assessment. Substantial increases in Retirement benefits and Workers Comp liability.
Contractual & 3rd Party Services	2,353,025	100,000	4,975	2,458,000	2,122,645	335,355	IT and Third Party Contracts-includes education, training, interpreter services and increased IT projects. IT line items include \$1,500,000 for CVO system and \$250,000 for POS system, CVIEW (Commercial Vehicle data sharing), NMVTIS (Title Info System), and funds for e-Permitting proposal.
Per Diem	0	0	0	0	0	0	
Personal Services Subtotal	21,429,152	987,343	15,175	22,431,670	21,561,929	869,741	
OPERATING							
Equipment	595,985	114,745	8,000	718,730	732,542	(13,812)	Reduction based on FY19 actual spend. Includes PC upgrades, replacements, desktop printers and copiers. Office and safety equipment, security systems & maintenance, ergonomic assessment results. Includes funding for VREP (motorcycle program) and MCSAP grants. Interdepartmental Funds \$8k GHSP.
IT/Telecom Services & Equipment	2,586,510	28,600	0	2,615,110	2,554,505	60,605	Annual allocations provided for internal services: VISION, DII Telecommunications & Mainframe, ADS. Solutions Thru Software contract. Wireless phones, VoIP expenses. Federal Funds \$35,600 MCSAP reimbursement for ADS & wireless phones/other mobile devices.
Other Operating Expenses	1,786,797	0	0	1,786,797	1,633,847	152,950	Reclassification of license plate coding from Purchased Services to Operating Expenses; increase in Bank charges (banking, lockbox, credit card services, courier costs). Also includes Enforcement & Safety drug kits, and annual allocation for single audit
Other Purchased Services	4,029,162	17,396	112,600	4,159,158	4,090,169	68,989	Reclassification of license plate coding from Purchased Services to Operating Expenses. Includes annual allocation provided for internal services such as General Liability Insurance, ADS Internal Service Support, and Human Resources, Printing & Binding costs (public announcements, forms, stickers, decals, signs, etc.) General Liability Insurance increased \$170,499 from FY20 - this substantial increase is consistent statewide.
Property & Maintenance	123,900	2,550	0	126,450	129,146	(2,696)	Slight reduction based on FY19 actual spend. Includes SecureShred services at all DMV branch locations. Cleaning services at leased locations. Leased copier expenses. Enforcement & Safety information technology equipment inside vehicles - maintenance & repairs. Also includes E&S car washes, maintenance, roadcheck portable restrooms. Federal Funds MCSAP \$2,550.
Rental Other	547,500	126,500	0	674,000	684,100	(10,100)	Includes DMV vehicles leased from AOT Central Garage (E&S, Mobile Vans & DMV fleet), parts and repair labor, and police equipment purchases. Auto rentals through BGS Fleet Management auto rentals. Federal MCSAP Funds. Gasoline was previously budgeted here, but moved to General Operating for more accurate classification.
Rental Property	1,218,159	0	0	1,218,159	1,197,192	20,967	Includes leased office space, State-owned building 'Fee For Space' charges, and rental space for CDL and motorcycle testing. FY21 lease costs are still being confirmed.
General Operating	360,850	52,500	11,500	424,850	339,236	85,614	Includes office supplies, books, subscription, building utilities (electricity, water propane), and gasoline. Gasoline was previously allocated under Rental Other, reclassified to properly identify expense - totalling \$85,000.
Travel	94,100	16,000	0	110,100	111,835	(1,735)	Slight reduction based on FY19 actual spend. Includes employee travel, as well as instructors and site assistants for the VREP motorcycle program. VREP \$12,000.
Repair & Maintenance Services	127,900	300	0	128,200	116,200	12,000	Maintenance and repairs on hardware and servers used for data storage. ADS: Includes annual hardware maintenance for camera server/storage. Federal Funds MCSAP \$300.
Operating Subtotal	11,470,863	358,591	132,100	11,961,554	11,588,772	372,782	
GRANTS							
Grants Subtotal	0	0	0	0	0	0	DMV does not issue grants.
DMV FY21 Budget Request:	32,900,015	1,345,934	147,275	34,393,224			

Pressures Not Addressed

- Meeting the desires of today's customers due to deferred investment in modernization of systems and business practices
- Alignment of human resources to support modernization initiatives while maintaining expected service levels
- Core system replacement – replace DMV's systems of record
 - Strategic goal to have replacement plan in place by 2025
 - Have replaced smaller ancillary support systems in preparation over past few years
 - Over time have built sub-systems or workarounds to try to deal with shortcomings of existing core license/registration system
- Future pressure – estimated \$750,000 27th payroll in FY22



Current DMV Systems Architecture



Integrated DMV Services

