

1
2 **COMMITTEE ON FINANCE**

3 **31ST LEGISLATURE OF THE VIRGIN ISLANDS**

4 **FISCAL YEAR 2017 BUDGET HEARING**

5 **BUREAU OF MOTOR VEHICLES**

6 **THURSDAY, JULY 14TH, 2016**

7
8
9 **GOOD AFTERNOON MR. CHAIRMAN, MEMBERS OF THE COMMITTEE ON**
10 **FINANCE, OTHER MEMBERS OF THE 31ST LEGISLATURE, MEMBERS OF THE**
11 **PRESS, LADIES AND GENTLEMAN. I AM LAWRENCE ANTHONY OLIVE,**
12 **DIRECTOR FOR THE BUREAU OF MOTOR VEHICLES. I AM HERE WITH**
13 **MEMBERS OF MY STAFF, MS. ASA VICTOR, ACTING ASSISTANT**
14 **DIRECTOR/CFO, MS. D. BRENDA BENJAMIN, DEPUTY DIRECTOR HUMAN**
15 **RESOURCES/PAYROLL & LABOR RELATIONS, AND MS. ETHLYN DEWINDT,**
16 **MIS ADMINISTRATOR AND MY OTHER ESSENTIAL STAFF TO PROVIDE**
17 **TESTIMONY ON FISCAL YEAR 2017 BUDGET FOR THE OPERATIONS OF THE**
18 **BUREAU OF MOTOR VEHICLES (BMV).**

19
20 **FOR FISCAL YEAR 2016, THE BMV WAS APPROPRIATED THE SUM OF**
21 **\$2,019,813 IN GENERAL FUNDS, \$1,000,000 IN BMV FUNDS, FOR A TOTAL OF**
22 **\$3,019,813 OF APPROPRIATED FUNDS. WE ALSO RECEIVED A TOTAL OF**
23 **\$660,450 IN NON-APPROPRIATED FUNDS FROM THE PERSONALIZED LICENSE**

24 PLATE FUND, AND \$52,250 IN CAPITAL IMPROVEMENT FEDERAL FUNDS.
25 DURING FISCAL YEAR 2016, THE BMV HAD A TOTAL AVAILABLE FUNDING IN
26 THE AMOUNT OF \$3,290,454.

27

28 AS OF JUNE 30TH 2016, WE HAVE RECEIVED A TOTAL ALLOTMENT OF \$1,514,799
29 OF OUR APPROPRIATED GENERAL FUND BUDGET, \$750,000 OF THE
30 APPROPRIATED BMV FUND, \$660,450 OF THE PROJECTED PERSONALIZED
31 LICENSED PLATE FUND, AND \$52,250 IN FEDERAL FUNDS, FOR A COMBINED
32 TOTAL OF \$2,977,499 RECEIVED THUS FAR. FROM THE ALLOTTED GENERAL
33 FUND AMOUNT, A TOTAL OF \$1,316,356 WAS SPENT, OF THE BMV FUND
34 ALLOTTED WE HAVE SPENT \$598,581, AND OF THE AMOUNT ALLOTTED IN
35 THE PERSONALIZED LICENSE PLATE FUND, \$544,107 WAS SPENT. OVERALL,
36 AT THE END OF THE 3RD QUARTER OF FISCAL YEAR 2016, THE BMV HAS THUS
37 FAR EXPENDED AN OVERALL TOTAL OF \$2,459,044, WITH A TOTAL
38 UNEXPENDED ALLOTMENT BALANCE OF \$518,454, AND AN UNEXPENDED
39 APPROPRIATION BALANCE OF \$1,273,468.

40

41 FOR FISCAL YEAR 2017, THE RECOMMENDED GENERAL FUND BUDGET FOR
42 THE BMV IS \$2,019,813. IN COMPARISON TO THE PREVIOUS FISCAL YEAR
43 APPROPRIATION, OUR GENERAL FUND APPROPRIATION REMAINS THE SAME.
44 OTHER APPROPRIATED FUNDS BUDGETED FOR FISCAL YEAR 2017 IS \$1,000,000
45 FROM THE BMV FUNDS, WHICH SUMS UP TO A TOTAL OF APPROPRIATED
46 FUND BUDGET OF \$3,019,813. UNDER THE NON-APPROPRIATED FUNDS, WE

47 HAVE PROJECTED RECEIVING APPROXIMATELY \$689,452 IN PERSONALIZED
48 LICENSE PLATE FUNDS, BRINGING OUR OVERALL TOTAL APPROPRIATED
49 AND NON-APPROPRIATED BUDGETED FUNDS FOR FISCAL YEAR 2017 TO
50 \$3,709,265.

51
52 AT THE END OF THE 3RD QUARTER, OF FISCAL YEAR 2016, THE BMV
53 PERSONNEL STRENGTH STATUS REFLECTS 48 AUTHORIZED POSITIONS, 43
54 FILLED WITH 5 VACANCIES. OF THE 5 VACANT POSITIONS, 2 ARE FUNDED
55 UNDER THE GENERAL FUND AND 3 ARE FUNDED BY THE BMV FUND, AND WE
56 ARE CURRENTLY FILLING THESE POSITIONS. THREE OF THESE POSITIONS
57 ARE NEEDED TO PROVIDE DIRECT SUPPORT FOR THE DRIVERS LICENSE AND
58 VEHICLE REGISTRATION AREAS, ONE IS TO PROVIDE INSPECTION SERVICES
59 ON THE ISLAND OF ST. JOHN, AND THE LAST POSITION IS NEEDED TO
60 OVERSEE THE OPERATION SECTION OF THE BMV TERRITORIALLY. ALL 5
61 POSITIONS ARE CRITICALLY NEEDED TO ACCOMPLISH THE BMV'S MISSION
62 TO PROVIDE QUALITY CUSTOMER SERVICES TO THE MOTORING PUBLIC. A
63 MAJOR ACCOMPLISHMENT FOR THE HR SECTION IS THE SLOTTING IN OF
64 THE BMV UNIONIZED EMPLOYEES INTO THE MASTERS PAY PLAN OF THE
65 UNITED STEELWORKERS OF AMERICA. UPON THE SEPARATION OF THE BMV
66 FROM THE VIRGIN ISLANDS POLICE DEPARTMENT THE EMPLOYEES
67 UNIONIZED PAY SCALE WAS NOT TAKEN INTO CONSIDERATION,
68 THEREFORE, THE NEWLY CREATED BMV ADAPTED THE OLD PS PAY SCALE
69 OF THE VIPD. DURING NEGOTIATIONS IN THE END OF FY 2009, IT WAS

70 DETERMINE THAT THE BMV UNIONIZED EMPLOYEES WOULD ADOPT THE
71 STEELWORKERS MASTERS PAY PLAN, THEREAFTER, THEY WERE CERTIFIED
72 AND SHOULD HAVE BEEN SLOTTED IN. HOWEVER, AT THAT TIME FUNDS
73 WERE NOT READILY AVAILABLE, DUE TO ALL THE CUT BACKS INITIATIVES.
74 MR. CHAIRMAN, I AM PROUD TO SAY THAT AS OF DECEMBER 2015, WE HAVE
75 ACHIEVED SLOTTING IN THE BMV UNIONIZED EMPLOYEES INTO THE
76 MASTERS PAY PLAN OF THE UNITED STEELWORKERS OF AMERICA. THIS IN
77 FACT HAS BRING THE EMPLOYEES OF THE BMV ONE STEP CLOSER FROM
78 BEING ONE OF THE LOWEST PAID AGENCY OF THIS GOVERNMENT.
79 ANOTHER INITIATIVE FOR THE HR SECTION IS TO REORGANIZE THE BMV TO
80 MAKE IT MORE EFFICIENT TO SERVE OUR CUSTOMERS. UPON APPROVAL
81 WE WILL INITIATE STEPS TO BEGIN THE CROSS TRAINING EMPLOYEES AT
82 THE BMV TERRITORIALY IN ALL OPERATION FUNCTIONS OF THE BMV.
83 THE EMPLOYEES OF THE BMV WILL NO LONGER BE CALLED CASHIERS,
84 COLLECTORS OR DATA ENTRY OPERATORS. THEY WILL BE REFERRED TO
85 AS CUSTOMER SERVICE REPRESENTATIVE. ONCE PLACE IN THIS POSITION
86 THAT EMPLOYEE WILL BE TRAINED TO COLLECT THE GOVERNMENT FUNDS,
87 TRAIN ON THE ISSUANCE OF A DRIVERS LICENSE AND ALL ASPECTS OF THE
88 VEHICLE REGISTRATION AND WHAT IT ENTAILS.

89
90 AS WE EMBARK ON ENHANCING OUR CUSTOMER SERVICE AT THE BMV,
91 LETS EVALUATE OUR PROGRESS IN THE PERFORMANCE BASED BUDGETING
92 PROGRAM. DURING FISCAL YEAR 2015, WE MET 2 OF 4 PERFORMANCE

93 INDICATORS. THE 2 INDICATOR THAT WE MET WAS, THE "AVERAGE
94 RECORD RETRIEVAL TIME OF A LOST LICENSE" AND THE "AVERAGE
95 WAITING TIME FOR CUSTOMERS REGISTERING A NON-COMMERCIAL
96 VEHICLE", THESE PERFORMANCE INDICATORS ARE VERY SIGNIFICANT
97 WHEN IT COMES TO EVALUATING HOW EFFICIENT THE OPERATION IS. THE
98 2 KEY PERFORMANCE INDICATORS THAT WAS NOT MET ARE THE, "AVERAGE
99 WAITING TIME OF CUSTOMERS FOR DRIVER'S LICENSING AND
100 IDENTIFICATIONS", AND THE "DOWNTIME OF DRIVER'S LICENSE AND
101 VEHICLE REGISTRATION IT NETWORK". OUR FAILURE TO MEET THE
102 TARGETED TIME REQUIREMENTS TO SERVE THE MOTORING PUBLIC IS
103 ATTRIBUTED TO THE SHORTAGE OF PERSONNEL IN THE DRIVER'S LICENSE
104 AND IT SECTION AND CONSTANT SYSTEM FAILURE. HOWEVER, DURING THE
105 FOURTH QUARTER OF THAT FISCAL YEAR, WE PURCHASED 34 NEW UPDATED
106 COMPUTER SYSTEMS FOR THE DRIVERS LICENSE AND VEHICLE
107 REGISTRATION SECTIONS TERRITORIALY. ALSO, WE ARE IN THE PROCESS
108 OF FILLING THE VACANT DATA ENTRY OPERATOR POSITION IN BOTH THE
109 ST. CROIX AND ST. THOMAS DISTRICT AND THE CASHIER POSITION IN THE
110 ST. THOMAS DISTRICT TO SUPPORT THE DRIVER'S LICENSE AND VEHICLE
111 REGISTRATION SECTION, AS OF THE 3RD QUARTER FISCAL YEAR 2016 YEAR-
112 TO-DATE, WE HAVE ACCOMPLISHED ALL 4 OF OUR KEY PERFORMANCE
113 INDICATORS.

114

115

116 **THUS FAR, THE BMV HAS ACCOMPLISHED THE FOLLOWING:**

117 **1. THERE HAS BEEN A SIGNIFICANT DECREASE IN CUSTOMER'S WAIT**
118 **TIME AT THE BMV, WHICH HAS IMPROVE OUR CUSTOMER'**
119 **SATISFACTION.**

120 **2. WITH THE ASSISTANCE OF BUREAU OF INFORMATION TECHNOLOGY**
121 **WE WERE ABLE TO INTER-CONNECT THE THREE BUREAU'S DATABASES**
122 **AND CREATE NEW MOBILE ACCESS FOR LAW ENFORCEMENT**
123 **OFFICERS.**

124 **3. THE NEW BMV WEBSITE IS UP AND RUNNING ALONG WITH A**
125 **FACEBOOK ACCOUNT.**

126 **4. NEW VENDOR WAS CHOSEN FOR THE UPGRADING OF THE VEHICLE**
127 **REGISTRATION AND TITLING SYSTEM AS WELL AS THE UPGRADING OF**
128 **THE DRIVER'S LICENSE SYSTEM TO BECOME REAL ID COMPLIANT. THE**
129 **PROFESSIONAL SERVICE CONTRACT WAS COMPLETED AND AWAITING**
130 **APPROVAL.**

131 **5. HIRED EMPLOYEES ON ALL THREE ISLANDS.**

132 **6. WE HAVE STANDARDIZE THE BUREAU WHERE WE HAVE AN OFFICE**
133 **MANAGER ON ALL THREE ISLANDS.**

134 **7. IMPLEMENTED THE NEW CENTENNIAL LICENSE PLATE.**

135 **8. COMPLETE THE SCOPE OF WORK AND SUBMITTED TO PUBLIC WORKS**
136 **FOR APPROVAL IN ORDER TO BUILD A MODERN INSPECTION LANE FOR**
137 **THE ST. JOHN BUREAU OF MOTOR VEHICLES.**

138 IN THIS 4TH QUARTER, WE HAVE EMBARKED ON A CHALLENGING PATH TO
139 MODERNIZE THE AGENCY BY DOING THE FOLLOWING INITIATIVES:

140 • PURCHASE SUPPORTING TECHNOLOGY EQUIPMENT FOR THE FUTURE
141 UPGRADED SYSTEM.

142 OUR PRIORITIZED GOAL FOR THE UPCOMING FISCAL YEAR IS TO:

143 • TO UTILIZE THE FUTURE UPGRADED SYSTEM TO PROVIDE DISABLE
144 INDIVIDUALS WITH IDS.

145 • TO MODERNIZE AND BUILD NEW FACILITIES TO HOUSE THE BUREAU OF
146 MOTOR VEHICLES ON ALL THREE ISLANDS.

147 • COMPLETE THE REAL ID AND IDENTITY CARD SYSTEM TO BE IN
148 COMPLIANCE WITH THE DEPARTMENT AND HOMELAND SECURITY
149 REQUIREMENTS OF THE REAL ID LAW.

150 • LAUNCH AND START THE ISSUANCE OF THE COMMERCIAL DRIVER'S
151 LICENSE (CDL) IN THE TERRITORY TO BE IN COMPLIANCE WITH THE
152 FEDERAL LAWS.

153 • WITH THE FUTURE UPGRADED SYSTEM PROVIDE ON-LINE VEHICLE
154 REGISTRATION AND DRIVER'S LICENSE RENEWAL SERVICES FOR THE
155 USVI.

156 • LAUNCH THE MOTOR CYCLE SAFETY EDUCATION ACT.

157 • WITH APPROVED FUNDING REORGANIZE THE BUREAU AND ITS
158 EMPLOYEES.

159 • WITH APPROVED FUNDING OPEN THE BMV TERRITORY WIDE ON
160 SATURDAYS TO ACCOMMODATE THE CUSTOMERS AND TO IMPROVE THE
161 QUALITY OF SERVICE TO THE MOTORING PUBLIC.

162

163 IN SUMMARY, UPON APPROVAL OF THE FISCAL YEAR 2017 BUDGET BY THIS
164 BODY, WE AT THE BMV STRONGLY BELIEVE THAT WE WILL ACHIEVE OUR
165 VISION TO BE ON PAR WITH OUR COUNTERPARTS IN THE OTHER UNITED
166 STATES JURISDICTIONS AND WE WILL FULFILL OUR MISSION OF PROVIDING
167 THE QUALITY SERVICE TO THE MOTORING PUBLIC.

168

169 MR. CHAIRMAN, I THANK YOU, MEMBERS OF THE COMMITTEE ON FINANCE
170 AND OTHER MEMBERS OF THE 31ST LEGISLATURE FOR INVITING ME AND MY
171 STAFF TO PRESENT OUR FISCAL YEAR 2017 BUDGET. WE ARE PREPARED TO
172 ANSWER YOUR QUESTIONS AND ENGAGE IN FURTHER DISCUSSION.

173

Budget Analysis

FY 2016 as of June 30, 2016
Bureau of Motor Vehicles

EXPENDITURE OF APPROPRIATION

	Personnel							Total Expenditures	Unexpended Appropriation Balance
	Appropriation	Service & Fringe Benefits	Supplies	Other Services	Capital	Utilities	Encumbrance		
Appropriated									
General Fund	\$2,019,813	\$1,032,070	\$72,886	\$93,785	\$0	\$117,615	\$0	\$1,316,358	\$703,457
BMW Fund	1,000,000	588,581	0	0	0	0	0	\$598,581	\$401,419
Total Appropriation	\$3,019,813	\$1,630,651	\$72,886	\$93,785	\$0	\$117,615	\$0	\$1,914,938	\$1,104,875
Non Appropriated									
Personalized License Plate	\$680,450	\$0	\$224,584	\$319,514	\$0	\$0	\$0	\$544,107	\$116,343
Total Appropriated & Non Appropriated	3,680,263	1,630,651	297,480	413,298	0	117,615	0	\$2,459,045	\$1,221,218
Federal Funds	52,250	0	0	0	0	0	0	\$0	\$52,250
Total Available Funds	\$3,732,513	\$1,630,651	\$297,480	\$413,298	\$0	\$117,615	\$0	\$2,459,045	\$1,273,468

EXPENDITURE OF ALLOTMENT

	Personnel							Total Expenditures	Unexpended Allotment Balance
	Allotment	Service & Fringe Benefits	Supplies	Other Services	Capital	Utilities	Encumbrance		
Appropriated									
General Fund	\$1,514,789	\$1,032,070	\$72,886	\$93,785	\$0	\$117,615	\$0	\$1,316,358	\$188,443
BMW Fund	750,000	588,581	0	0	0	0	0	\$598,581	\$151,419
Total Appropriation	\$2,264,789	\$1,630,651	\$72,886	\$93,785	\$0	\$117,615	\$0	\$1,914,938	\$349,862
Non Appropriated									
Personalized License Plate	\$680,450	\$0	\$224,584	\$319,514	\$0	\$0	\$0	\$544,107	\$116,343
Total Appropriated & Non Appropriated	2,925,260	1,630,651	297,480	413,298	0	117,615	0	\$2,459,045	\$466,206
Federal Funds	52,250	0	0	0	0	0	0	\$0	\$52,250
Total Available Funds	\$2,977,500	\$1,630,651	\$297,480	\$413,298	\$0	\$117,615	\$0	\$2,459,045	\$618,455

Budget Analysis

FY 2016 as of June 30, 2016
Bureau of Motor Vehicles

APPROPRIATION

	FY 2016				
	Appropriation	Actual	Encumbrances	Total Expenditure	Funds Available
Appropriated					
General Fund	\$2,019,813	\$1,316,356	\$0	1,316,356	703,457
BMV Fund	1,000,000	598,581	0	598,581	401,419
Total Appropriation	\$3,019,813	\$1,914,937	\$0	1,914,937	1,104,876
Non Appropriated					
Personalized License Plate	\$660,450	\$544,107	\$0	544,107	116,343
Total Appropriated & Non Appropriated	3,680,263	2,459,044	0	2,459,044	1,221,219
Federal Funds					
Capital Improvement Grant Program	52,250	0	0	0	52,250
Total Federal Funds	\$52,250	\$0	\$0	\$0	\$52,250
Total Available Funds	\$3,732,513	\$2,459,044		\$2,459,044	\$1,273,469

ALLOTMENT

	FY 2016		
	Appropriation	Allotment	%
Appropriated			
General Fund	\$2,019,813	\$1,514,799	75%
BMV Fund	1,000,000	750,000	75%
Total Allotment	\$3,019,813	\$2,264,799	
Non Appropriated			
Personalized License Plate	\$660,450	\$660,450	100%
Total Appropriated & Non Appropriated	3,680,263	2,925,250	
Federal Funds			
Capital Improvement Grant Program	52,250	52,250	100%
Total Federal Funds	\$52,250	\$52,250	
Total Available Funds	\$3,732,513	\$2,977,500	80%