TABLE OF CONTENTS

Executive Summary ................................................................................................................. 3
  Background ........................................................................................................................... 3
  Project Scope ......................................................................................................................... 3
  Work Completed ..................................................................................................................... 3
  Conclusions .......................................................................................................................... 3

Project Scope and Objectives .................................................................................................. 6

Motor Vehicle Operations Background .................................................................................. 7

Johnson County Operations Background ................................................................................ 9
  Major Transaction Types and Office Operations ................................................................. 10
  Annual Registration Renewals .............................................................................................. 11
  Title and Registration ........................................................................................................... 13
  Other Transactions ............................................................................................................... 14
  Daily Demand at Office Locations ....................................................................................... 15
  Transaction Capacity ........................................................................................................... 17

County Comparisons .............................................................................................................. 19
  Financial Analysis ................................................................................................................ 19
  Transaction Processing ......................................................................................................... 22
  Staffing and Office Operations ............................................................................................. 22

Stakeholder Input ..................................................................................................................... 23
  Surveys ................................................................................................................................. 23
  Board of County Commissioners Interviews ..................................................................... 23

Summary and recommendations .............................................................................................. 24
  Operational Considerations ................................................................................................. 26
    Demand Management ......................................................................................................... 26
    Encouraging Use of Alternative Service Channels ............................................................ 27
    Mitigating Transaction Demand ........................................................................................ 27
    Migrate to One Office Location ........................................................................................ 27
  Alternative Business Models ................................................................................................. 27
    Additional Business Partners-Title and Registration Applications .................................. 27
    Outsourced Operations ...................................................................................................... 28
  Revenue Considerations ...................................................................................................... 29
    Fee Structure ..................................................................................................................... 29
  Opportunities with State of Kansas ....................................................................................... 30
    License Plate Management ................................................................................................. 30
    Insurance Verification .......................................................................................................... 30
    Commercial Vehicle Transaction Systems ......................................................................... 31
    Reporting ............................................................................................................................ 31

Appendix 1-Common Motor Vehicle Fees ............................................................................ 32
Appendix 2- County Data Requests and Responses ................................................................. 33
Appendix 3-Dealer/Fleet Survey and Response Summary ......................................................... 35
Appendix 4-Individual Customer Surveys and Responses .......................................................... 37
EXECUTIVE SUMMARY

Background
Johnson County processes over 650,000 motor vehicle transactions each year. This activity includes titling and registration of vehicles, annual registration renewals and a myriad of miscellaneous transactions. The County statutorily performs these services as an agent for the State of Kansas, specifically the Kansas Department of Revenue (KDOR). Vehicles are subject to personal property tax and the County motor vehicle operations performs the essential function of collecting and distributing these taxes in addition to processing motor vehicle related financial transactions.

Johnson County has grown over 2% per year over the last 40 years and has the largest population of Kansas’ 105 counties. The development and growth of the County places significant demand and expectations on services, including its motor vehicle operations. The Board of County Commissioners (BOCC) and County Manager, acting through the Office of Treasury & Financial Management, periodically conduct performance and operating reviews of its services, including the motor vehicles division.

Project Scope
KSM Consulting (KSMC) was engaged to conduct an independent assessment of the Johnson County, Kansas (County) motor vehicle operations. In addition to the assessment of current operations, project objectives included the identification of impediments to effective and efficient operations and opportunities for improved performance.

Work Completed
Project field work included analysis and review of the division’s transaction data, procedures manuals, organization and staffing charts. Site visits to the Olathe, Mission, and Administration offices were conducted on separate days to observe the respective office operations. Individual meetings with members of the BOCC and representatives from the KDOR were held while KSMC was on-site. Additional input was obtained through surveys of individual and dealer/fleet customers.

Peer comparisons were performed with data from publicly available resources and information provided from the following counties:

- Douglas
- Sedgwick
- Shawnee
- Wyandotte

Conclusions
Johnson County operates a well-run and managed motor vehicle division. It sets high customer service standards and invests in and offers services not found in other counties, such as dedicated phone staff and county-originated, customized registration renewal notices. It has managed through a difficult system’s implementation by KDOR, which has added costs to its operation.
The County is also very deliberate and thoughtful in its finances. Only recently has it imposed an available discretionary fee for in-person transactions and its application was measured compared to some other counties. The County also budgets and allocates centralized costs to its operating departments to comprehensively measure the cost of government services. These indirect costs are shared administrative expenses, such as legal or human resources, incurred by departments for services provided to other county departments.

Notwithstanding the sound past performance, the future will hold its own challenges and planning for them should begin. Continued growth and the increase in transactions that could come with it, will further burden the system. The impact from recent legislation that caps mill levies will also need to be considered. The County will need to continue its use of technology and self-service options for its customers to meet this demand and manage costs. Changes to the operating model may also be needed.

These matters are discussed in detail, along with actions to consider in confronting them, and are included in the following sections of this report. Some of the identified opportunities for improvement are possible for Johnson County to implement, others may require changes in state law or coordination with the State of Kansas. All will require consideration of the trade-offs involved with financial management, customer service and fulfilling the requirements of this regulatory responsibility. The longer term strategy will most likely require a combination of solutions.

The County should initiate planning efforts to set its course to meet the future demand, maintain customer service levels and manage the budgetary impact. People, process and technology are key components to this planning and should include:

- Continued migration of eligible customers to self-service options
  - Use a targeted education campaign of the mail and online renewal options in order to avoid the $5 facility fee
  - Use of self-service kiosks
  - Request the KDOR to enhance the Kansas Web-Tags software to process delinquent renewals

- Confronting Transaction Demand
  - Establish multiple registration renewal deadlines in a given month
  - Create structured office hours for specific transaction types
  - Evaluate and determine the appropriate staffing model including the conversion of the current overtime expense to full time staff positions

Other actions involve changing the current business model. These recommendations should be evaluated and planned based on the results of the demand management actions. These longer term solutions include:

- Using alternative business partners, such as auto dealers, in the processing of certain transactions
- Consolidating to a single customer service office location
Finally, there are opportunities to work with the State of Kansas to improve operations that would most likely benefit other Kansas counties as well.

- Improved license plate management through technology
- Improvements to the commercial vehicle system

Alternative solutions to be evaluated by the County are also included in the Summary and Recommendations section.
PROJECT SCOPE AND OBJECTIVES

KSM Consulting (KSMC) was engaged to conduct an independent assessment of the Johnson County, Kansas (County) motor vehicle operations. In addition to the assessment of current operations, project objectives included the identification of impediments to effective and efficient operations and opportunities for improved performance. Recommendations for improvements which could be implemented by the County are presented as well as those areas which may require changes in state law or coordination with the State of Kansas.

The project has been conducted in three phases.

Phase I – Data Gathering
The Treasury and Financial Management staff of the County Treasurer’s office provided extensive background material and data which was reviewed and analyzed by the KSMC project team. This information included:

- Summary of Motor Vehicle Systems
- Kansas Motor Vehicle Statutes
- Schedule of Motor Vehicle Fees
- Johnson County Motor Vehicle Budget Information
- Motor Vehicle Manuals
- Organization Charts and Position Descriptions
- Office Floor Plans
- Historical Transaction Data

This information was reviewed to establish a foundational understanding of the County motor vehicle operations. In addition, observations of the line management system (QLess) were conducted remotely to become familiar with the required service delivery levels. Preliminary observations of wait times for the period Thursday, July 30 through Thursday, August 6, 2015 were monitored in advance of the visits to the Olathe and Mission offices. In addition to the QLess observations, we requested a data extract for the same time period that we were observing. Specific data elements included:

- Office location for the transaction
- Type of transaction (e.g. Renewal, Title & Registration, etc.)
- Start and finish times for the transaction

The data was instructive and was used to develop an understanding of the monthly volume demands and the types of transactions processed in advance of the on-site observations.

Phase II – Site Visits and Surveys
The second phase was a site visit conducted the first week of September 2015, according to the following schedule:

- Administrative Office Operations (Wednesday, September 2, 2015)
- Olathe Office (Thursday, September 3, 2015)
- Mission Office (Friday, September 4, 2015)
The site visits included meetings with key management personnel and observations of customer transaction processing. Conversations with front line staff and customers were friendly and informative. The visit included a trip to Topeka for a meeting with personnel from the Kansas Department of Revenue (KDOR). Interviews with six of the seven Johnson County Commissioners were held in Olathe.

Additional stakeholder input was sought through surveys. Dealer and fleet customers were sent links to online surveys. A random sample of customers who conducted transactions from August 17 through September 18 were sent letters asking them to complete online surveys. These selections included in-office visits as well as customers that used the mail and online service alternatives. Finally, four counties were asked to provide information regarding their operations to conduct peer group comparisons.

Phase III – Analysis, Recommendations and Report Generation
Tasks included in the final phase were the merging of the analytical work with the findings during the site visits, developing recommendations, and the preparation of this report.

MOTOR VEHICLE OPERATIONS BACKGROUND

The titling and registration of motor vehicles (“vehicle functions”) is governed by Kansas state law. The Division of Vehicles within KDOR is the state entity charged with the responsibility, however, counties and especially county treasurers are the channels through which the majority of these responsibilities are executed. The 105 counties are essentially agents of the state for these functions.

The operating characteristics of vehicle functions can differ significantly over the 105 counties due to population, the demand for services, and citizens’ expectations. This diversity creates challenges for systems in which policy and management responsibility is centralized but the delivery of public services is decentralized and spans levels of government. These challenges and opportunities for flexibility are discussed later in this report.

Drivers’ licensing is also a state function and 34 counties including Johnson are served by state-run offices for this service.

While vehicle functions are a state responsibility, the county’s agency role should not be diminished in terms of the impression and credibility of providing services to citizens. The 2015 Johnson County Community Survey conducted by the ETC Institute revealed that 95% of the residents surveyed were very familiar or somewhat familiar with the motor vehicle services and 91% had used the services. These were the highest ranking functions followed by the library and parks.

In addition to the regulatory processing of titles and registrations, counties play an integral part in the processing and collection of financial transactions. Fees are set by state law and collected and remitted by county motor vehicle operations. Certain fees are charged and retained by the county for performing the state vehicle functions. Counties also perform any necessary settlement and collections of sales tax for purchased vehicles or those being registered for the first time from out of state. Finally,
personal property tax is levied on vehicles. Counties have a vested interest in this function and it is incorporated into transaction processing.

In 2012, KDOR implemented a new motor vehicle system (MOVRS) to replace an aging mainframe system and modernize its operations. The implementation did not go smoothly which is not uncommon for large system installations. The difficult project was the subject of a performance audit by the Kansas Legislative Research Department's Legislative Division of Post Audit. The scope of the audit was to report on the project status, costs to local government, and to identify continuing problems for county treasurers and their causes. Its report was issued in October 2014 and can be found at: (http://www.kslpa.org/assets/files/reports/r-14-010.pdf).

The conversion to the new system also brought new or additional processes required of the counties in their performance of the vehicle functions on behalf of the state. The technical difficulties have generally been stabilized but the assignment of additional duties and tasks has remained. One of these additional tasks was the transfer of the title approving function to the counties. All titles processed are subject to a separate, independent review by the county which focuses on key fields in the document. To satisfy this requirement, Johnson County dedicates four full-time staff located at the administrative offices and absorbs the fully burdened cost of roughly $200,000 annually without a corresponding adjustment in revenue.

A review of the internal performance metrics indicates that the observed error rate for title transactions ranges from 3% to 7% of the transactions processed based on errors identified by the title reviewers. The error rates were not distinguished by the cause of the error. No additional fees are charged for correcting titles.

In August 2015, KDOR proposed to standardize its agency relationship with Kansas county treasurers by requesting that each county execute a contract with the department’s Division of Vehicles. The execution of the contract has not been required in the past and appears to be the result of 2013 legislation. The Kansas County Treasurers Association advised counties to not execute the proposed contract and Johnson County, upon review with its counsel, has chosen not to do so.
JOHNSON COUNTY OPERATIONS BACKGROUND

Johnson County is the most populous county in Kansas with 566,933 residents estimated by the U.S. Census Bureau for 2013. Its population has grown approximately two percent per year over the last 40 years.

Johnson County residents are highly educated and the median household income is over $73,000, according to the American Community Survey (2010). There are 20 municipalities in Johnson County. Johnson County adopted a charter form of government in 2000 which was effective in January 2001. The key characteristic of this adoption for purposes of this project is that the office holder with the line responsibility (county treasurer) is appointed and not elected. Neighboring Wyandotte County, with its unified city-county government, also has an appointed treasurer. All remaining counties in Kansas have elected treasurers.

Johnson County processes over 650,000 motor vehicle transactions every year. This volume includes titling and registration for newly purchased vehicles, annual registration renewals and a myriad of miscellaneous transactions. Almost 70% of the 2014 transactions are registration renewals and of those, 70% are completed without customers visiting an office location.

Titling and registration for purchased vehicles currently requires the owner to visit a county office to complete the transactions. Registration renewals can be completed by mail, online through the KDOR’s Kansas Web-Tags portal, or by visiting the office.

Office locations are in Mission and Olathe. Personalized plates, subject to a five year renewal cycle, are handled solely at the Mission office. The Mission office also manages the customer call center. The Administrative office, located at the county government complex, processes commercial and antique vehicle transactions, provides fleet and dealer services, completes non-office transactions through the mail/lockbox and online, and conducts financial processes such as refunds, daily consolidated balancing, and the reconciliation and distribution of taxes and fees.
The County has a staff of 68 dedicated to motor vehicle operations. A summary by position is provided below:

<table>
<thead>
<tr>
<th>Position</th>
<th>Mission</th>
<th>Olathe</th>
<th>Admin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Line Customer Service</td>
<td>43.0</td>
<td>20.0</td>
<td>23.0</td>
</tr>
<tr>
<td>Fleet Specialists</td>
<td>5.5</td>
<td></td>
<td>5.5</td>
</tr>
<tr>
<td>WebTag, Lockbox &amp; Refunds</td>
<td>3.0</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Title Approvers</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Managers/ Leads</td>
<td>8.0</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Phone Pod</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Part Time</td>
<td>0.5</td>
<td></td>
<td>0.5</td>
</tr>
<tr>
<td>Total Positions</td>
<td>68</td>
<td>27</td>
<td>26</td>
</tr>
</tbody>
</table>

In addition to the MOVRS system, the following systems are used:
- KCoVRS (Commercial vehicles) (KDOR)
- Cashier balancing system (daily balancing of financial transactions) (Johnson County)
- QLESS system (customer line management) (Johnson County)
- Oracle (county financial system for recording transactions) (Johnson County)

The 2015 budget of $5 million is primarily funded by the county service and registration fees and the recently adopted $5 facility fee for in-office registration renewals. These fees, along with the other transaction fees, generally fund the cash outlay to provide these services. A cost allocation of $423,358 was included in the 2015 budget to recognize general fund support.

**Major Transaction Types and Office Operations**

The primary transactions processed are annual registration renewals, titling and registrations of purchased vehicles, and miscellaneous transactions such as disability placards, security interest additions or releases, document replacements and updates, and specialty titles and plates. The 2014 transactions (652,553) by type were:
- Annual registration renewals: 444,807 (68.2%)
- Title and registration: 115,849 (17.8%)
- Miscellaneous: 91,897 (14.1%)

Approximately one-half of the total transactions, 316,654, were completed in the two office locations and include the range of services for individual customers. The Administration office completes the final stages of the online and lockbox transactions and serves the dealer, fleet and commercial customers directly.
Annual Registration Renewals

Renewals are statutorily staggered by month based on the first letter of the registered owner’s last name. The state sends renewal notices for most counties, however, Johnson County has elected to send its own. The purpose for doing so is to be more informative and for compatibility with the third party lockbox vendor, which lowers processing costs. While the statutory deadline for renewal is the end of the month, the County has a due date a few days prior to that to promote timely payment. If the owner is current on his or her property tax obligations and has valid proof of insurance for the vehicle recorded with the State, the renewal notice will contain a personal identification number (PIN) which allows online renewal through the State’s Kansas Web-Tags portal. The County also offers a mail-in option. The processing of both these types of renewals are conducted at the Administration office. The final option is for a customer to renew at the Mission or Olathe office.

2014 renewals completed by service delivery channel are presented below.

Preliminary data for 2015 indicate that approximately 77% of renewals were conducted through self-service options. This translates to almost 30,000 less renewals transacted in the office. Implementation of the $5 facility fee beginning in 2015 may be a factor in the shift in registration renewal processing.

Registration renewals are the least time consuming of the in-person transactions. Unlike titling and the other miscellaneous transactions, registration renewals are not initiated by the registrant. Procrastination can result in a surge at the end of each month. The following graphs present the volume of registration renewals at the Mission and Olathe offices from July 15 through September 18 and show the spikes in renewals at the two month-ends in this time period.
What is not evident from this graph is the number of renewals that were processed in-person which could have been completed online or through the mail. KSMC analyzed these renewals from August 27 through September 1 and found that over three-fourths of the renewals had been issued PINs by the state. This indicates that the customer could have avoided a trip to the motor vehicle office.
While customers may have been eligible to use the mail-in or online options, their preference may have been to pay in cash. Of the 1,947 single registration renewals that had PINs, 34% paid in cash and 66% paid by check or credit card. This presents an opportunity for the County to direct noncash customers to a non-office service channel in the future and mitigate the month-end surge.

**Title and Registration**

Titling and registration of new or used vehicles requires a visit to one of the two office locations. Not surprisingly, the transaction time is over twice the time of a registration renewal. Not only are two transactions being processed, but the titling requires the creation of the owner-vehicle relationship in MOVRS. Also not surprising is the lack of the month-end surge compared to registration renewals. In fact, daily volume is fairly constant at about 200-250 title and registrations at each location but there does appear to be preference for Fridays within the week.
Other Transactions

Miscellaneous transactions represent the smallest percentage of transactions and include a range of special handling processes. These include not only corrections, updates, and replacements of previously issued documents, but also situation-specific cases such as changes in security interest, specialty or personalized plate requests, and disability placards. These non-routine transactions, while smaller in number, can consume a substantial amount of time for processing.
Commercial vehicle titling and registration is conducted at the Administrative Office where the customer generally drops off their paperwork for processing and does not wait. Titling and registration of commercial vehicles requires the use of two state systems which is suboptimal for such a small number of transactions (approximately 10,000).

In 2012, state legislation was adopted which required fees be paid in lieu of property taxes for the registration of commercial vehicles beginning in 2014. This new feature was not configured within MOVRS. KCoVRS, a separate system, was developed for registering the commercial vehicle and the processing of the related fees. MOVRS is still required to title the commercial vehicle.

The transfer of data between the two systems is not seamless. Duplicate entry for certain fields is required for titling in MOVRS after the vehicle has been registered in KCoVRS. All documents are scanned. After the successful completion of the transaction, the county remits the fees to the state and the customer is invoiced through a “due letter” which also notifies the customer the transaction has been completed. Staff stated that there had been no problems with advanced payment of fees and viewed it as a good customer service practice with minimal risk.

**Daily Demand at Office Locations**

Johnson County uses the QLess line management queuing system which allows customers to virtually reserve their spot in line through the use of their phone (mobile or land line), computer or by checking in at the kiosk in the office. The service provides status updates and alerts the customer to proceed to the motor vehicle office when their turn is imminent. Thus, the customer is free to conduct personal activities outside of the motor vehicle office until it is their turn.

The service was implemented in 2009 and has been well received. In the 2015 ETC Institute Community Survey, 34% of respondents, the highest among 16 services polled, “Strongly Agreed” that the system is a good customer service tool. The favorable polling reached 74% when the “Agree” category is added.

Almost 2,100 hourly data points were analyzed for queue length over the first nine months of 2015. A simple average of the difference in the queue length between the two offices indicated there was only a one customer difference. This can be misleading. The intra-day count of customers “in line” by office is presented below:
Olathe appears to have a morning demand which peaks by early to mid-afternoon and then trails off. The Mission queue volume grows steadily during the day and plateaus somewhat later in the afternoon. The Olathe “line” exceeded the Mission “line” by 20 or more customers 26% of the time. The Mission “line” exceeded the Olathe “line” by 20 or more customers 24% of the time. A view of a single day can be illustrative.

Friday, the 29th was the last business day in May 2015. Registrations for vehicle owners with last names starting with E, F or G were due. It was also on this day that the maximum difference in the length of the queue compared to the other office occurred for both locations. At 10 am, Olathe had 153 more customers “in line” than Mission. At 5 pm, Mission had 146 more customers than Olathe.
Flexible, intra-day staff assignment may appear to be a solution but that should be studied as part of more comprehensive planning as discussed in the next section. The loss of productivity due to balancing and closing out work stations at one location and the time and cost of travel between the two offices will also need to be considered.

The related outcome to transaction demand and queue length is customer wait time. As part of the preliminary analysis in Phase I, KSMC recorded the QLess estimated customer wait times on the hour from the County’s website from July 30 through August 6, 2015. The County has also been measuring daily customer wait times for several years. While the KSMC observation period was of short duration and included monthly peak volumes, the times were comparable to those measured and reported by the County. Depending on the day of the month, the County data indicates average wait times could be as short as 10-15 minutes or two hours or more.

**Transaction Capacity**

Twenty-six staff are assigned to the Olathe office and 27 are assigned to the Mission office. The remaining 15 staff are assigned to the Administration office. Twenty-three of the 26 Olathe staff and 20 of the 27 Mission staff are front line customer service representatives. The Olathe and Mission offices processed 316,654 transactions in 2014. The following charts have been constructed from daily transaction and staffing data obtained from the county for a two month period.
The dotted line is the budgeted front line customer service representatives. The actual staffing levels for each day is the solid line. The difference between the two lines represent absences due to training, vacation, illness, etc.

An elapsed time to process title and registration applications, registration renewals and miscellaneous transactions was calculated from one week’s transactions during this period. While each unique transaction will be different, observations from the site visits corroborated these calculations as reasonable benchmarks. Title and registration applications consume over twice the amount of time to process registration renewals (approximately 25 minutes versus 11 minutes). While fewer in number, the miscellaneous transactions (usually corrections, updates, or replacement of titles and registrations but also specific needs such as salvage titles) can equal or exceed the 25 minutes needed to process a
new title and registration. These transaction times and volumes were then translated into full-time equivalents (FTEs) needed to process the demand for all transactions (blue) and specifically titles and registration applications and registration renewals (red), allowing for lunch and breaks.

As previously mentioned, approximately 200-250 title and registration applications are processed at each location daily. Both offices must manage the demand surge at the end of the month. This surge can more than double the volume of daily renewals processed on other days of the month.

During this two month period, both offices experienced transaction demand in excess of authorized and actual customer service staffing levels. The month-end surge due to in-office registration renewals is evident. The extension of the “all transactions” bar (blue) compared to the core transactions of titles and registrations (red) is consistent throughout the period. It should be noted that the magnitude of this trend for the Mission office may be a reflection of the impact from the replacement of personalized plates which is conducted only at Mission and occurs every five years. Furthermore, the time period examined was during the height of summer vacation season which may be a contributing factor to the actual staffing levels. Finally, the time period selected for review are historically higher transaction months of the year. The confluence of these factors may be most acute during the period examined but similar patterns occur throughout the year invoking overtime expense.

This current state of operations when coupled with the continued growth of the County should be viewed as a call to action to plan for future needs. Alternatives are presented in the Operational Considerations section of this report for consideration in the County’s efforts to manage current and future demand and its financial impact.

**COUNTY COMPARISONS**

Motor vehicle operations and financial data was collected directly from four counties and publicly available resources to conduct a high-level comparison. The data was deemed to be accurate but was not audited or independently verified. The four counties were:

- Douglas
- Sedgwick
- Shawnee
- Wyandotte

The county data request and responses are presented in Appendix 2.

**Financial Analysis**

The following charts summarize by county (listed alphabetically) the 2014 transactions and related operating expenditures.
The expenditure data was obtained from county budgets and annual reports. Johnson County allocates county-wide costs for financial management and budgeting purposes. This amount ($371,956 incurred in 2014 from the 2013 cost allocation) was removed for this comparison as similar provisions were not noted by KSMC in the counties’ publicly available budget information. In addition, three counties transferred surplus funds from their motor vehicles division as required by statute. These transfers were also removed from the analysis in an attempt to compare the direct cost of motor vehicles services across the counties.

- Douglas $58,214 (2014 estimate from county 2015 budget document)
- Sedgwick $208,320 (2014 actual from 2016 recommended budget document)
• Shawnee $386,597 (2014 actual from annual report)

The cost per transaction was relatively narrow in four of the five counties, ranging from $6.11 to $6.68. The Shawnee County cost per transaction was substantially below this range at $5.65. The contributing factor on this variance is most likely the personnel expense which is generally the major component of overall operating expenses. The starting pay rate for a Johnson County front-line customer service specialist is $16.05 per hour. The other county pay rates are shown in Appendix 2-County Data Requests and Responses. Other than Wyandotte County, the next closest pay rate is almost 20% lower.

Most transactions include fees for these services which are generally shared between the state and county. The county portions are used to fund motor vehicle operations. These fees are listed in Appendix 1.

The Kansas legislature has authorized the imposition of a fee which is wholly retained by the county for transactions conducted at a county registration facility. The fee can be up to $5 for a registration application or renewal in counties with multiple motor vehicle offices and $2.50 in counties with a single location. The county determines the amount and whether it is applied to new and/or renewal registration. Beginning in 2015, Johnson County adopted the $5 facility for registration renewals transacted in person. The comparison counties impose the facility fee in varying amounts and for different transactions.

### Facility Fee

<table>
<thead>
<tr>
<th>County</th>
<th>Amount</th>
<th>Transactions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Douglas</td>
<td>$2.00</td>
<td>all (1)</td>
</tr>
<tr>
<td>Johnson</td>
<td>$5.00</td>
<td>in-office registration renewals</td>
</tr>
<tr>
<td>Sedgwick</td>
<td>$2.00</td>
<td>all (2)</td>
</tr>
<tr>
<td>Shawnee</td>
<td>$3.00/$5.00</td>
<td>in-office renewals/new titles</td>
</tr>
<tr>
<td>Wyandotte</td>
<td>$5.00</td>
<td>in-office registration renewals</td>
</tr>
</tbody>
</table>

(1) only at satellite locations (not courthouse)
(2) except reprint registrations and decals and only at substations (not main office)

These dedicated fees funded 83% to 133% of the five counties’ 2014 motor vehicles expenditures. Johnson County expenditures were 86% funded by the statutory fees in place at that time. The 2015 adoption of the facility fee is estimated to close the cash operating deficit for Johnson County but is not sufficient to also cover the cost allocation to the motor vehicles division. When the cost allocation is included, the Johnson County general fund subsidy is approximately $420,000.

The cost allocation plan was not part of the scope of this project but a cursory review was performed. A significant portion, 40%, was noted for postage. The plan’s notes indicated actual general fund postage expense was included, however, postage was budgeted and being expensed as a line item in the 2015 motor vehicles division budget provided to the project team. KSMC understands that the research has been initiated and continued with the cost allocation consultant. Preliminary findings indicate an adjustment of approximately $115,000 is warranted which would reduce the fiscal year 2016 budget gap from $485,000 to $370,000.
**Transaction Processing**

Prior to authorization of the facility fee, approximately 70% of Johnson County registration renewals were already transacted by mail or online. The next highest percentage of the counties reviewed was 59%. Johnson County had the highest percentage of transactions processed by mail (39%) and for online renewals (31%).

![Registration Renewals](image)

It appears the facility fee is having a positive impact of continuing to move customers to the “self-service” options. Through June 2015, the percentage of online and mail-in registration renewals has increased to 78% from 71% in the first six months of 2014.

**Staffing and Office Operations**

Total staffing by county ranges from 21 to 68 and is scaled similar to the transaction volume by county. Similar to Johnson County, the other counties added staff following the MOVRS implementation in 2012. The additions ranged from one part-time staff to six full time positions.

Office locations range from two to four. Several counties cut off the processing of certain transactions at set times of the day or on specific days of the week. While not corroborated, a likely purpose could be to constrain daily customer and transaction volume to that which can be handled within posted business hours and thus limit overtime expense. Overtime expenses in the other counties ranged from $12,000 to $67,000 in 2014 which also tracks the volume of transactions processed. One county does not pay overtime but awards comp time in its place.
STAKEHOLDER INPUT

Surveys

Johnson County is very intentional in seeking stakeholder input to its services. The 2015 Johnson County Survey, mentioned earlier in this report, showed the overwhelming recognition and use of motor vehicle services in the county. Sixty-three percent of survey respondents were satisfied or very satisfied with the services. Fourteen percent were dissatisfied or very dissatisfied and the remaining 23% were neutral. KSMC conducted two customer surveys as part of this project.

Dealer and fleet services have dedicated customer service staff. Surveys were sent to 36 dealer or fleet customers which represented 85% of dealer and fleet transaction activity. The survey and results are presented in Appendix 3. Seventeen responses were returned which included 12 licensed dealers, 3 fleets, and 1 third-party title service company. (Two individuals from the same company completed the survey.) Eleven respondents were satisfied or very satisfied with the drop-off/pick-up service. One respondent was neutral and three respondents did not provide a service level rating. Two respondents were very dissatisfied. The dissatisfaction seemed to be related to transaction turnaround time.

Much of the project transaction analysis was conducted during August and September 2015 time frame. Requests to complete an online survey were sent to almost 400 customers who conducted transactions between August 17 and September 18. Sixteen responses were received (4% return rate). The survey and responses are summarized in Appendix 4.

Mailed surveys generally have a poor response rate, often less than 2%. The circumstances with this effort most likely adversely impacted the return rate further. Some of these factors were:

- The request was originated from an unfamiliar source (KSMC based in Indiana)
- Customer was asked to access the survey through the internet and type in the website address
- There were no incentives, other than being civic-minded, to complete the survey

Seven respondents were titling and registering a new or used car; three respondents renewed their registration at an office location; and, six respondents renewed their registrations through the mail (3) or online (3).

Board of County Commissioners Interviews

Six of the seven county commissioners were interviewed in an effort to ascertain their thoughts of the motor vehicle operation and their expectations for the project. The KSMC project team is appreciative of their time and input. The commissioners generally had a positive view of the motor vehicle services but also expressed their responsibilities as fiscal stewards of the county to ensure services are delivered in a cost effective manner. It was expressed by several commissioners that fiscal responsibility had become more important with the recent passage of legislation which introduced controls to the mill levy in funding local government. The relationship between state and county government, and the recent system conversion and its related ongoing costs were discussed. In some interviews, the topic of outsourcing was discussed as an alternative. Overall, the discussions reflected
the spirit of the Board of County Commissioners (BOCC) Mission Statement and guiding principles, “to provide the best possible mandatory and discretionary services” and “seeking always to improve our organization.”

SUMMARY AND RECOMMENDATIONS

Johnson County’s population has grown over 2% per year over the last 40 years. The county’s motor vehicle division conducts over 650,000 transactions each year.

Johnson County has met this demand for state services with a well-run and managed motor vehicle division. It sets high customer service standards and invests in and offers services not found in other counties, such as dedicated phone staff and county-originated, customized registration renewal notices. The staff’s professionalism is evident in the extensive new-hire and ongoing training, as well as the continual development of the procedures manual. Office design and special handling for certain transactions at specific locations have been pursued to promote customer service. While having the highest cost per transaction, Johnson County is still competitive with the other counties analyzed.

The BOCC has taken a measured approach in imposing discretionary fees. The facility fee was imposed in 2015 and is limited to transactions in which the customer has other options besides coming into a motor vehicles division office. The combination of statutory fees and the adopted discretionary fees were estimated to fund the expenditures (cash outlays) for providing the service. However, a deficit of almost $400,000 results when indirect, central service department costs are allocated.

Operationally, a strain on the system occurs each month-end as customers seek to renew their vehicle registrations. Outstanding taxes or fees and automobile insurance matters may influence this trend but human nature as well as an individual’s personal financial situation may also be contributing factors. As mentioned earlier, a large portion of the in-office renewals observed could have been processed online or through the mail. These transactions crowd out the time for the other transactions which may be fewer in number but take more time per transaction, sometimes in excess of two times. This leads to overtime expenses in order to serve the customers who have entered the queue prior to the day’s cut-off.

The growth of the County has placed constant processing demands on the system. Similar to the population patterns, title and registrations processing has increased over 2% per year for the last 25 years. Authorized staffing for the same time period has increased less than 1% per year for the same time period with the net increase of two FTEs since the mid 2000’s. The introduction of new processes and technology to streamline operations has helped to increase productivity levels over this time. A view of combined operations may be helpful.

The aggregation of the Mission and Olathe data presented earlier indicates that the current front-line customer service staffing would generally address the core transaction volume (titles and registrations) except for the month end surge. However, these levels are insufficient when the miscellaneous transactions are included. (As a reminder, some of the demand at Mission may be cyclical in nature due to personalized plates processing being reflected in those transaction volumes.) Absences due to training, illness and vacation also impacts transaction processing capacity. Available front-line staffing
averaged 84% of authorized staff during the time period examined. This is the difference between the dotted and solid lines in the chart and averaged seven FTEs each day.

Recent Census Bureau estimates indicate that population growth has diminished from its 40-year 2% annual pace but is still well in excess of 1%. Motor vehicle transaction volumes have approximated 114% of population and approximately half of these transactions are conducted in person. If these relationships continue, the motor vehicles division could be processing almost 750,000 transactions for a population of 650,000 (growing on average 8,200 residents per year) by 2024.

The following table estimates in-office transaction volumes and staffing needs through 2024. Actual data is presented for 2014 and 2015. The impact on staffing of the customer transition away from in-office registration renewals in 2015, the year in which the $5 facility was first imposed, is evident. The estimates of future in-office transactions are based the historical relationships between population growth, the volume of motor vehicle transactions and the ratio of those transactions conducted in motor vehicle offices versus online or mail.

The estimated staffing levels were based on in-office transactions, average transaction time and available staff hours, adjusted for historical use of leave (holidays, vacation, illness, training, etc.). Even after the significant reduction of in-office registration renewals during 2015, the current staffing level is less than that determined by the mathematical model (59). The current authorized staff who could directly serve or support in-person transactions is 53. This number should be considered the maximum practical staffing capacity as it includes staff who are not fully available each day because their primary responsibilities are not transaction processing, such as the phone pod. As a result, the variance between estimated staffing needs and actual staffing is not static and will fluctuate depending on daily circumstances. As noted previously in this report, part of the differential is offset by overtime hours by existing staff which has approximated two FTEs in recent years.
As the system approaches its operating capacity, the County should initiate planning efforts to set its course to meet this future demand, maintain customer service levels and manage the budgetary impact. The following section identifies options to consider in this endeavor and fall into these general categories:

- Operational changes to manage demand
- Alternative business models and processes
- Revenue generation
- Improvement opportunities with state government

**Operational Considerations**

**Demand Management**

Johnson County has made great strides in meeting current demand while maintaining high customer service standards. The QLess system helps manage those customer expectations. The Kansas Web-Tags online and the popular mail-in options have alleviated some of the in-office system pressure from the most routine transaction, registration renewals. Still, a month-end surge continues which, when coupled with other in-office transactions, requires staff overtime to close out the day. It appears that a high percentage of in-office transactions could have been completed through alternative service channels.

Moving customers to the alternative service channels and mitigating the demand surge are two strategies that may reduce overtime expense. Some of these initiatives would require actions by state government.
Encouraging Use of Alternative Service Channels

1. Ongoing customer education of the $5 facility and the ways it can be avoided.
   • Conduct a 2016 campaign targeted to those 2015 renewals registrations that appeared eligible for mail or online processing.
2. Place self-service “kiosks” in the Olathe and Mission offices and direct customers who have registration renewal PINs to those processing stations.
3. Recommend the KDOR augment the Kansas Web-Tags software to calculate late fees so the customer can still complete their renewal online after the month’s deadline.

Mitigating Transaction Demand

1. Seek authorization for multiple registration deadlines in a month instead of the last day of the month.
2. Create daily cut-offs or priority service days for specific transaction types.
3. Convert the current overtime expense into full-time customer service representatives to the extent the preceding actions do not achieve the desired outcome or not feasible to implement.

Migrate to One Office Location

Having a single retail customer location could facilitate improved staff resource assignments, coordination and consistency in service delivery. In addition, cost savings could be achieved through a reduction in management positions, support services (security systems, armored car service, etc.), and consolidated management of the plates and decals. Additional costs that could offset these savings include office related expenses (rent, utilities) for expanded space. A non-financial factor to consider would be the additional distance and time citizens in certain parts of the county may incur for transactions that must be conducted in person.

Success for a single office location may be dependent upon the incorporation of other operational recommendations in order to reduce the volume of and time to complete in-office transactions. Such coordination should be mindful of the 2019 Olathe office lease expiration and escalated lease amount beginning in the fall of 2017.

Alternative Business Models

Additional Business Partners-Title and Registration Applications

An American Association of Motor Vehicle Administrators (AAMVA) summary from March 2010 indicated that, at that time, seventeen states reported permitting some combination of dealers, financial institutions and local municipalities to perform new title and registration transactions. Expanding the number of channels where titling and registration applications can occur has the potential to redirect the number of transactions that the Olathe and Mission offices need to process on a daily basis to the Administrative Office. The result could be improved demand management and reduced overtime or possibly reduced staffing.
Because the county serves as the agent for state vehicle functions, the incorporation of additional business partners would mostly likely require coordination with the KDOR. The controls over service fees compensating the dealers for processing the transaction must also be considered. The operation of a pilot program with an interested Johnson County auto dealer would be a worthwhile approach to work through these operational intricacies and implement a business partner program.

**Outsourced Operations**

Another more transformative business model is the complete outsourcing of county motor vehicle operations. Several factors seem to have prompted some of this discussion. The most obvious is the system in which motor vehicle operations is conducted. Policy and regulations are set at the state level but county government is responsible for its execution. Recently, KDOR has expressed its desire to standardize operating expectations by proposing a contract between themselves and the county. The attainment of that objective will be challenging as, like in all states, the demographic differences across 100+ jurisdictions warrant different service levels.

Many of the transaction fees charged to the customer are split with the county to compensate for the performance of these regulatory services. The statutory fees, in some cases including Johnson County, may not be sufficient to cover the costs of the desired levels of services. Discretionary fees may be charged for new and renewed registrations conducted at a registration facility. Johnson County recently imposed the maximum fee of $5 this year but only for registration renewals. It has closed the funding gap but a shortfall still exists when indirect county costs are allocated. In addition, recent legislation which caps the growth (except that which may be attributed new development) in mill levies takes effect for budget year 2018. The impact to growing communities such as Johnson County is uncertain but prompts greater focus on general fund expenditures.

Finally, selected counties in Missouri have outsourced their operations and this has also increased interest in this business model.

Several factors must be considered when contemplating outsourcing. Because the function to be outsourced is a state responsibility, there will most likely be a loss of control in both the market solicitation process and the ongoing contract management. This was confirmed in the meeting with KDOR at the start of the project.

The transfer of control could limit the county’s influence on service levels which in turn could impact the citizenry’s perception. As evidenced by the 2015 citizen survey, the awareness of motor vehicle operations as a county delivered function is significant and would most likely remain so even if the services are contracted.

The assessment and collection of property taxes is a primary county government function. Vehicles are subject to personal property tax. It is unlikely that this responsibility would be passed on to a private sector provider and would need to be separated from any arrangement. (The separation of the property tax function from the motor vehicle financial transactions, which may shorten the time to process transactions, may be worth pursuing if the county retains vehicle functions.)

Additional research would be needed to determine if there is additional value to be derived from outsourcing other than the avoidance of the cost allocation subsidy from the general fund. Included in
this analysis would be whether the cost allocation would be eliminated or merely shifted to the other county departments.

Revenue Considerations

Fee Structure

Another option is additional fee revenue. Johnson County has been very deliberate and thoughtful in its application of discretionary fees. Other counties apply the facility fee to a more broad range of transactions where the customer must come into the facility. As a point of reference, the application of the $5 facility fee to title and registration applications would generate over $500,000 but this would appear to contradict the county’s policy of imposing the fee for those transactions in which the customer has no alternative means than coming into an office.

The other motor vehicle fees are set by statute. Setting the fee amounts can be influenced by many factors including the expected total revenue to be generated and the cost of the service or activity, however, these factors do not always align.

An example of this is the title and registration application compared to the registration renewal. Registrations renewals generate significant annual fee revenue for both the state and county due to the volume of transactions and the fee per transaction. The title and registration application, adds $2.00 for the titling portion. This is where the fee setting concepts can diverge. Title and registration applications are significantly less in volume compared to registration renewals perhaps carrying less importance in overall fee production. However, the title application consumes as much or more staff time to process than the registration. Furthermore, the cost of the title review on its own consumes a significant portion of this $2.00 fee. While this specific example was used primarily for illustration purposes, it could become an important factor if dealers were included as business partners in the titling process.

Appendix 1 – Common Motor Vehicle Fees also identifies several transactions which are performed at county locations but have no fees associated with them. As discussed earlier, the volume of these transaction types is not as great as the core transactions of titles and registration but can take as much or more time to transact. In addition, the incidence of these types of transactions probably varies significantly depending on the county demographics.

While there remains some local flexibility for the County to revise the application of the facility fee, changes to the other fees would require action by the state legislature. The dual responsibility for vehicle functions between state and county governments and the sharing of fee revenue contributes to the challenges of setting appropriate fees. The diversity across the counties can further complicate the matter. The periodic review of fee levels along with opportunities for local flexibility, similar to the facility fee, may be appropriate to promote ongoing alignment with operating conditions.
Opportunities with State of Kansas

License Plate Management

KDOR has maintained a long-running relationship with Center Industries for the manufacturing of embossed license plates. The plates are distributed to the counties who are then responsible for intra-county distribution and inventory management. Included as a minimum standard in the proposed contract with counties is the requirement to maintain a 90 day supply of plates and decals and to provide a 10 week delivery lead time for orders of these materials.

During the stakeholder interview, KDOR indicated that it has conducted some limited research into transitioning to flat plates. The digital technology allows for more on-demand production instead of advance, large-production. This can result in more economical production across standard, special and personalized plates and reduction in waste. Distribution and inventory management efficiencies could be achieved at both the state and county levels.

There are many issues that the state must consider including transition costs and investment, public safety matters as well as its current contractual relationship which supports public policy initiatives. Because of the range of issues and the impact to both state and county motor vehicle operations, a thorough vetting of alternative plate production, distribution and management should be encouraged.

Insurance Verification

County treasurer motor vehicle functions include the verification of effective liability insurance at the time of vehicle registration. While this requirement is understandably a desired public policy outcome, this point-in-time verification is not an effective control to ensure continual maintenance of insurance coverage. This deficiency is common across the country. Johnson County along with the other Kansas counties should work with the appropriate state government entities to research and implement enhanced procedures and technology to improve this control mechanism.

Web-Tag Payment Acceptance for Delinquent Accounts

As mentioned earlier in the strategies to encourage alternative service channels for registration renewals, Johnson County should encourage and work with the KDOR to enhance the Kansas Web-Tags system to process late registration renewals that have no other deficiencies other than their delinquency. It would continue the customer convenience and promote efficiencies at the county motor vehicle office.
Commercial Vehicle Transaction Systems

Beginning in 2014, commercial vehicles were no longer subject to personal property tax which was replaced with an annual fee. The local portion of this fee is then remitted back to the county of the vehicles' tax situs. This transition was estimated to affect approximately 20,000 commercial vehicles based on a 2012 KDOR analysis.

A new system (KCoVRS) was developed to transact these registrations and related fees instead of incorporating these tasks into MOVRS, which is used for the other motor vehicles transactions. The titling of commercial vehicles must still occur through MOVRS.

As noted previously, the two systems are not seamless in the transfer of key information and require the re-entry of that information to complete the titling process. In addition, corrections cannot be made after the day's transactions are batched and require the state to back out the original entry. While a small volume of overall transactions, these inefficiencies most likely affect other counties. Johnson County, possibly in collaboration with other Kansas counties, should engage with the KDOR to seek process or system improvements to mitigate or eliminate the inefficiencies from using two systems for a single transaction type.

Reporting

Over the course of our analysis, differences were noted between summary reports and detailed transaction reports from MOVRS. Discussions with Johnson County motor vehicles staff indicated that this was a symptom of the MOVRS conversion. Confidence in the integrity of reporting is critical to any operation but it is even more amplified within a complex system of different government stakeholders with a statutory responsibility for policy and the delivery of services. Other counties may have similar concerns. Again, it may behoove Johnson County to identify and prioritize its systems concerns and present to KDOR for consideration in their systems improvement planning and scheduling.
APPENDIX 1-COMMON MOTOR VEHICLE FEES

<table>
<thead>
<tr>
<th>MOVRS TRANSACTION TYPE</th>
<th>MOVRS Fee Amount</th>
<th>State</th>
<th>County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title and Registration-Antique Vehicle</td>
<td>$59.00</td>
<td>$51.25</td>
<td>$7.75</td>
</tr>
<tr>
<td>Title Fee</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>49.00</td>
<td>43.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Title and Registration-over 4500 lbs</td>
<td>59.00</td>
<td>51.75</td>
<td>7.75</td>
</tr>
<tr>
<td>Title Fee</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>49.00</td>
<td>43.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Title and Registration-under 4500 lbs</td>
<td>49.00</td>
<td>41.25</td>
<td>7.75</td>
</tr>
<tr>
<td>Title Fee</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>39.00</td>
<td>33.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Registration Renewal over 4500 lbs</td>
<td>49.00</td>
<td>43.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Registration Renewal under 4500 lbs</td>
<td>39.00</td>
<td>33.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Order Special Plate-Personalized Plates</td>
<td>45.50</td>
<td>39.75</td>
<td>5.75</td>
</tr>
<tr>
<td>Title and Registration-CMV</td>
<td>19.00</td>
<td>8.75</td>
<td>10.25</td>
</tr>
<tr>
<td>Registration Renewal-CMV</td>
<td>15.50</td>
<td>6.00</td>
<td>9.50</td>
</tr>
<tr>
<td>Wildlife Park Permits-part of renewal</td>
<td>15.50</td>
<td>15.00</td>
<td>0.50</td>
</tr>
<tr>
<td>Add/Release SI</td>
<td>11.50</td>
<td>8.00</td>
<td>3.50</td>
</tr>
<tr>
<td>Replace Title</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Salvage Title</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Recreate Title</td>
<td>10.00</td>
<td>8.00</td>
<td>2.00</td>
</tr>
<tr>
<td>Issue Permit</td>
<td>8.00</td>
<td>2.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Manage Permit</td>
<td>8.00</td>
<td>2.25</td>
<td>5.75</td>
</tr>
<tr>
<td>Facility Fee</td>
<td>5.00</td>
<td>-</td>
<td>5.00</td>
</tr>
<tr>
<td>SI Application</td>
<td>2.50</td>
<td>2.50</td>
<td>-</td>
</tr>
<tr>
<td>Reprint Registration</td>
<td>1.00</td>
<td>-</td>
<td>1.00</td>
</tr>
<tr>
<td>Cancel Title</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Corrected Title</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Issue Disabled Placard</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Refund Vehicle Registration</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Update Registration</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Void Title</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
APPENDIX 2- COUNTY DATA REQUESTS AND RESPONSES

The answers to the questions below, except where noted, are the actual responses recorded by county.

<table>
<thead>
<tr>
<th>Question 1: How many positions are dedicated to providing motor vehicle services in your county?</th>
<th>Douglas</th>
<th>Sedgwick</th>
<th>Shawnee</th>
<th>Wyandotte</th>
<th>Johnson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front-Line CSR</td>
<td>10</td>
<td>40</td>
<td>16</td>
<td>19</td>
<td>43</td>
</tr>
<tr>
<td>Back Office Processors</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>8.5</td>
</tr>
<tr>
<td>Title Approvers</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Accounting Clerks/BK</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>included in mgrs</td>
</tr>
<tr>
<td>Managers/Leads</td>
<td>2</td>
<td>11</td>
<td>6</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td>Phone Pod</td>
<td>additional detail requested</td>
<td>0</td>
<td>additional detail requested</td>
<td>2.5</td>
<td>4</td>
</tr>
<tr>
<td>Total Full-Time</td>
<td>20</td>
<td>60</td>
<td>27</td>
<td>23</td>
<td>67.5</td>
</tr>
<tr>
<td>Total Part-Time/Seasons</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>0.5</td>
</tr>
<tr>
<td>Total FTE added by KSMC</td>
<td>3 full-time</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>1 part time-1 week per month admin</td>
<td></td>
<td>admin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question 2: How many vehicle office locations do you have?</td>
<td>6</td>
<td>39 at main</td>
<td>17 at Courthouse</td>
<td>16 at Courthouse</td>
<td>27 Mission</td>
</tr>
<tr>
<td>Question 3: How many employees are assigned to each location?</td>
<td>2</td>
<td>7 at satellite</td>
<td>10 at Annex</td>
<td>11 at Annex</td>
<td>26 Olathe</td>
</tr>
<tr>
<td>Question 4: Based on your MOVRS Transaction Report</td>
<td>a.) How Many Title and Registration transactions were processed between January 1, 2014 to December 31, 2014?</td>
<td>21,814</td>
<td>111,111</td>
<td>40,050</td>
<td>34,827</td>
</tr>
<tr>
<td>b.) How Many Registration Renewal transactions were processed between January 1, 2014 to December 31, 2014?</td>
<td>76,007</td>
<td>384,522</td>
<td>137,612</td>
<td>103,262</td>
<td>444,807</td>
</tr>
<tr>
<td>c.) How many other transactions were processed between January 1, 2014 to December 31, 2014?</td>
<td>19,120</td>
<td>127,392</td>
<td>30,883</td>
<td>23,281</td>
<td>91,897</td>
</tr>
<tr>
<td>Adjusted by KSMC based on additional information</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Question 5: Of the 2014 Registration Renewal transactions noted in 4b,</td>
<td>a.) how many were processed online through KS Webtags?</td>
<td>16,198</td>
<td>105,398</td>
<td>40,670</td>
<td>9,295</td>
</tr>
<tr>
<td>b.) how many were processed through the mail or lock box?</td>
<td>22,800</td>
<td>121,621</td>
<td>34,403</td>
<td>12,391</td>
<td>171,907</td>
</tr>
<tr>
<td>c.) how many were processed in person?</td>
<td>37,009</td>
<td>157,503</td>
<td>62,539</td>
<td>81,576</td>
<td>133,099</td>
</tr>
<tr>
<td>Question 6: Does your county send its own renewal notice to customers?</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Question 7: For in-person transactions, please indicate the following:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a.) What is the average wait time in minutes?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b.) What is the average processing transaction time in minutes for Registration Renewal transactions?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c.) What is the average processing transaction time in minutes for Title and Registration transactions?</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Douglas</td>
<td>Sedgwick</td>
<td>Shawnee</td>
<td>Wyandotte</td>
<td>Johnson</td>
</tr>
<tr>
<td>a.)</td>
<td>7</td>
<td>30</td>
<td>20</td>
<td>120</td>
<td>70</td>
</tr>
<tr>
<td>b.)</td>
<td>5</td>
<td>10</td>
<td>5</td>
<td>5</td>
<td>11</td>
</tr>
<tr>
<td>c.)</td>
<td>10</td>
<td>25</td>
<td>15</td>
<td>25</td>
<td>25</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 8: What type of line management system does your county provide to customers?</th>
</tr>
</thead>
<tbody>
<tr>
<td>None-Supervisors</td>
</tr>
<tr>
<td>(in process)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 9: What was the total revenue collected in 2014 which was related to motor vehicle transactions?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>personal property tax, sales tax, county fees, state fees</td>
</tr>
<tr>
<td>personal property tax, sales tax, county fees, state fees</td>
</tr>
<tr>
<td>personal property tax, sales tax, county fees, state fees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 10: What amount of the 2014 collections was personal property tax?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 11: How many tax subdivisions receive personal property tax distributions paid on motor vehicles?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Question 12: What is your starting pay rate for a front-line motor vehicle specialist?</td>
</tr>
<tr>
<td>$13.08</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 13: What challenges or obstacles impact the delivery of motor vehicle services in your county?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondent 1</td>
</tr>
<tr>
<td>Respondent 2</td>
</tr>
<tr>
<td>Respondent 3</td>
</tr>
<tr>
<td>Respondent 4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question 14: What changes or improvements could be made to improve motor vehicle services in your county?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondent 1</td>
</tr>
<tr>
<td>Respondent 2</td>
</tr>
<tr>
<td>Respondent 3</td>
</tr>
<tr>
<td>Respondent 4</td>
</tr>
</tbody>
</table>
APPENDIX 3-DEALER/FLEET SURVEY AND RESPONSE SUMMARY

Surveys were sent to 36 dealer or fleet customers which drive approximately 85% of dealer and fleet transaction activity. Seventeen complete responses were received from:
- 16 different companies (Two individuals from the same company completed the survey.)
  - 12 licensed dealers
  - 3 businesses that own fleets
  - 1 third party title service company

The survey questions (in bold) and a summary of the responses for each are presented below:

1. Does the Division of Vehicles provide adequate training and resources to support title and registration services?
   - 5 responded “no”:
     - Not enough training and inefficient resources
     - No training and no resources
   - 8 responded “yes”
   - 2 individuals from the same company provided different responses

2. What is the frequency at which you drop off and pick up work with Johnson County? How many transactions do you typically process on each visit?
   - Duplicate responses:
     - 2 respondents from the same third party dealer make daily interactions with 15-20 interactions on each visit
     - 2 respondents from the same licensed dealer varied a little
   - Licensed Dealers
     - 5 make weekly visits ranging between about 4-10 transactions per visit
     - 2 make weekly visits claiming either 3-10 or 10 transaction at each
     - 2 make weekly visits with 10 or 12 transactions
     - 1 makes bi-weekly visits with 5 transactions
   - Fleet Owners
     - 1 conducts as needed interactions with 50-60 transactions
     - 1 holds as needed interactions with 4 transactions
     - 1 communicates through email and FedEx

3. Do you communicate via phone and email?
   - 7 responded that they do as needed
   - 6 responded that they do weekly
   - 1 responded that it does so monthly

4. Do you utilize Johnson County’s online renewal upload system?
   - 6 companies do not use it and are not aware of it
• Duplicate response from the same licensed dealer claimed this
  o 2 companies were aware of the system but did not use it
    ▪ 1 from the duplicate third party dealer claimed this
  o 5 companies were aware of the system and did use it
    ▪ 1 from the duplicate third party dealer claimed this

5. Do you find any processes or regulations to demonstrate a lack of value, or do you find them challenging?
   o 1 licensed dealer mentioned that the rules were always changing, which made it difficult to deal with taxes and fees
   o 1 client from a third party dealer claimed to never know when the portal processes
   o 1 client from the same third party dealer expressed frustration on turnaround time
   o 1 fleet dealer did not see the value in requiring a police report for a lost/stolen car/plate

6. How satisfied are you with the drop-off/pickup service?
   o 7 are very satisfied
   o 4 are satisfied
   o 1 is neutral
   o 3 provided no response
   o 0 are dissatisfied
   o 2 are very dissatisfied
     ▪ Wait time is too long or unclear
     ▪ Customer service is rude

7. How does Johnson County compare to other jurisdictions?
   o 6 respondents claimed the County was great, fast, and/or efficient
   o 2 licensed dealers provided negative comments
     ▪ Johnson county is rude and does the bare minimum
     ▪ There is little to no help when help is needed

8. Do you have any additional feedback?
   o 6 responses
     ▪ The organization is great
     ▪ 10-14 days is too long to have to wait for work back
     ▪ The county has bad leadership at the top
     ▪ Better customer service training is needed
     ▪ Wait times could be more accurate
     ▪ There should be a better rush service where clients can wait in line to complete a transaction
APPENDIX 4-INDIVIDUAL CUSTOMER SURVEYS AND RESPONSES

Requests to complete an online survey were mailed to 385 customers who conducted transactions between August 17 and September 18. Sixteen responses were received. The questions (in bold) and the responses are presented below and are organized by the type of transaction conducted.

- Title New or Used Car: 7 respondents
- Registration Renewal-Visited Motor Vehicle Office: 3 respondents
- Registration Renewal-Mail or Online: 6 respondents

**Title New or Used Car**

1. Did you have everything required to title the vehicle during your visit?
   - 3 responded “no”
     - Needed wife’s signature for title, which the agent patiently got via fax
     - I called first and got a bored and impatient female employee. She wasn't willing to explain all the papers I needed so I went to register it. I waited 2 hours only to find out I didn't have everything I needed.
     - I was applying for title using a Landlords affidavit, and needed proof showing Nissan had no interest in the vehicle.
   - 4 responded “yes”

2. Did the Qless Line Management System with text messaging meet your needs and expectations?
   - 4 responded “no”
     - Although I kept track of my status on my cell phone, I was initially told the wait would be about 1 1/2 hours -- so I stayed at DMV. It turned out to be about a 3-hour wait.
     - It seemed to add people that arrived after me, to those in front of me. A woman took a “number” approx 15 minutes after I entered my phone number. That number was 6 positions above me.
     - It was down the day I went for the second time. I kept calling and it said the offices weren't open but I knew it wasn’t a holiday. After being put on hold for 40 minutes I found the offices were open. I went to the Olathe office and was there for 6 hours.
     - I didn’t use the text messaging system. I stood in a short line and they took care of me immediately.
   - 3 responded “yes”

3. How accurate was your estimated wait time for service?
   - 2 responded “not accurate”
   - 2 responded “somewhat accurate”
   - 1 responded “accurate”
   - 2 skipped the question
4. How long did you wait to be called for service from the time that you put yourself in line?
   - 1 responded “over 6 hours”
   - 4 responded “more than 2 hours”
   - 1 responded “30 minutes to 1 hour”
   - 1 responded “less than 30 minutes”

5. Do you feel that the time you waited for service was:
   - 5 responded “unreasonable”
     - As explained above, the wait time was ridiculous
     - There is a need for more employees and stations. 3 1/2 hr wait upon arriving at 0800 is too long.
     - Are you kidding? Waiting over 6 hours. I almost didn’t make it to work at 3:30 and I got there in the morning.
     - There were over 20 windows available, but at any given time there were only 6-10 people working those windows.
   - 2 responded “reasonable”

6. What did you do while you waited for the service?
   - 5 responded “waited in office”
   - 2 responded “conducted personal business or worked until closer time for service”

7. During your transaction did the Motor Vehicle Specialist provide professional and knowledgeable service? What could be improved?
   - 1 responded “no”
     - At first I was told that I needed additional paperwork, then she checked with someone else and it turned out the paperwork I had was sufficient.
   - 6 responded “yes”
     - She was terrific

8. How would you rate your overall experience at the Motor Vehicle Office
   - 1 responded “very dissatisfied”
   - 1 responded “dissatisfied”
   - 3 responded “neutral”
   - 2 responded “very satisfied”

9. Is motor vehicle information easy to locate on the county website www.jocogov.org?
   - 1 responded “no”
     - I had to go back and forth through many links to try to find information on what info I should bring with me. The information wasn’t necessarily clear either.
   - 2 responded “I don’t use the website”
   - 4 responded “yes”

10. If you have called the motor vehicle customer service phone line in the past how would you rate your experience?
    - 3 responded “I have not called motor vehicle customer service”
    - 1 responded “average”
11. How does the Johnson County Motor Vehicle operation compare to other federal, state or local agencies that you interact with?
   - 2 responded “worse”
   - 4 responded “same”
   - 1 responded “better”

12. Please provide additional feedback that you feel would be beneficial.
   - 4 responses
     - Huge improvement over years ago. I was commenting to others how well the system works. The person waiting on me was able to take care of another matter for me as well
     - I hope I move from the state of KS before I ever have to register a new car again. We're getting close to retiring and I would think twice about retiring in this state. Over 20 windows at the Olathe office and only 3-5 windows were open at one time. The employees were not wearing professional clothes and ordering food brought in. How about all the people waiting? They could have taken a later lunch break and got the people moved through the lines faster.
     - I'm not sure how the wait time could be reduced, but it seems like 2 hours is excessive. I'm glad there is the Qless system, which allows one to get in line without having to actually show up at the office.
     - Don't penalize people getting new tags with the $5 service fee. New Tags don't have a choice but to come to the MV Office, they aren't allowed to register online like renewals.
• Registration Renewal-Visited Johnson County Motor Vehicle Office

1. Was the information on your renewal notice helpful?
   o 1 responded “I did not receive a renewal notice”
   o 2 responded “yes”

2. What is your preferred method for renewing your annual vehicle registration?
   o 2 responded “online via WebTags”
   o 1 responded “in office”

3. What caused you to come into the office to renew this year?
   o 1 responded “didn’t receive a renewal notice”
   o 1 responded “wanted a special license plate”
   o 1 responded “name was incorrect for the first vehicle, and insurance information was not available for the second vehicle”

4. Did the QLess Line Management System with text messaging meet your needs and expectations?
   o 1 responded “no”
     ▪ The system was unavailable during my visit. It has worked extremely well in the past though.
   o 2 responded “yes”

5. How accurate was your estimated wait time for service?
   o 1 responded “somewhat accurate”
   o 2 responded “accurate”

6. How long did you wait to be called for service from the time that you put yourself in line?
   o 1 responded “more than 2 hours”
   o 1 responded “1 to 2 hours”
   o 1 responded “less than 30 minutes”

7. Do you feel that the time you waited for service was:
   o All responded “reasonable”
     ▪ I was able to continue to work and wait to head until it was closer to my time
     ▪ Large amount of people on a Friday, so the wait time was reasonable considering all of the circumstances

8. What did you do while you waited for service?
   o 2 responded “waited in office”
   o 1 responded “conducted personal business or worked until closer to time for service”
9. During your transaction did the Motor Vehicle Specialist provide professional and knowledgeable service?
   o All responded “yes”

10. How would you rate your overall experience at the Motor Vehicle office?
    o All responded “very satisfied”

11. Is motor vehicle information easy to locate on the county website www.jocogov.org?
    o All responded “yes”

12. If you have called the motor vehicle customer service phone line in the past how would you rate your experience?
    o 1 responded “I have not called vehicle customer service”
    o 2 responded “good”

13. How does the Johnson County Motor Vehicle operation compare to other federal, state or local agencies that you interact with?
    o 2 responded “same”
    o 1 responded “better”

14. Please provide additional feedback that you feel would be beneficial
    o 1 response
      ▪ The service is greatly improved
• Registration Renewal- Used Mail or Online Service (Kansas Web-Tags)

1. Which service did you use to renew your registration?
   o 3 responded “mail”
   o 3 responded “online (Web-Tags)”

2. Is this your first experience using a registration renewal service other than visiting a Johnson County Motor Vehicle office?
   o 6 responded “no”

3. Was the service easy to use?
   o 2 responded “no”
   o 4 responded “yes”

4. How would you rate this service?
   o 2 responded “dissatisfied”
   o 1 responded “neutral”
   o 3 responded “very satisfied”

5. How likely is it that you would recommend this service to a friend or colleague?
   o 1 responded “3/10”
   o 2 responded “5/10”
   o 3 responded “10/10”