

TRIENNIAL PERFORMANCE AUDIT  
of Calaveras Transit for  
Fiscal Years 2004-05 through 2006-07

*Final Report*

*Prepared for the*

Calaveras Council of Governments

*Prepared by*

LSC Transportation Consultants, Inc.



# TRIENNIAL PERFORMANCE AUDIT

## of Calaveras Transit for Fiscal Years 2004-05 through 2006-07

### *FINAL REPORT*

*Prepared for the*

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# Chapter 1

## Executive Summary

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The *California Public Utilities Code* requires that all transit operators that receive funding under Article 4 of the Transportation Development Act (TDA) commission a performance audit every three years. This document presents the findings from the performance audit of Calaveras County's transit operations, which include flex-route and Dial-A-Ride programs. As the Regional Transportation Planning Agency responsible for TDA funding, these audits were performed under the authority of the Calaveras Council of Governments (CCOG).

This audit report covers Fiscal Year 2004-05 through Fiscal Year 2006-07, and was conducted by LSC Transportation Consultants, Inc. The field reviews and data collection efforts were conducted in the beginning of 2008, and telephone interviews were completed in April and May 2008 following receipt of the Fiscal Year 2006-07 fiscal and compliance audit reports. It should be noted that the auditor has sought to assess the compliance of service provided under contract with MV Transportation, Inc. during the audit period as well as current compliance to the extent possible.

### BACKGROUND

The CCOG, doing business as Calaveras Transit, began operating public transit services in October 1999, under contract with Laidlaw Transit Services. Previously, limited transit was provided by the Human Resources Council doing business as Calaveras Stagecoach. However, effective August 30, 2004, the County of Calaveras assumed oversight, monitoring, and management of the Calaveras Transit program, including development of a new contract with MV Transportation. MV Transportation's combined operations and maintenance facility is located in San Andreas at 750 Industrial Way.

### FINDINGS

- Given the demographic characteristics and geographic constraints in Calaveras County, the transit program size and scope appears to be appropriate.
- Transit services provided by Calaveras Transit meet most TDA requirements. The key exception was the system's inability to consistently meet the minimum 10 percent farebox recovery ratio requirement during the audit period. However, it should be noted that it typically takes two full years for a new transit service to reach its full potential in terms of ridership and corresponding farebox revenue targets. This is expressly recognized in TDA law, as new services are exempt from minimum farebox recovery ratio requirements for the first full two years of service. Regardless, the transit program needs to consider revisions to service and/or fare changes in order to achieve the 10 percent farebox recovery ratio in the future to avoid potential penalties.

- Calaveras Transit failed to complete and submit its Fiscal Year 2006-07 annual Fiscal and Compliance Audit within the TDA-required deadline. The base requirement is 180 days after the end of the Fiscal Year. The Calaveras Transit 2006-07 Fiscal and Compliance Audit was completed on May 13, 2008.
- During the audit period, slight discrepancies existed between the internal operating data (ridership, vehicle service hours, and vehicle service miles) maintained by Calaveras Transit and the data reported in the annual State Controller Reports. Given the small differences in the data sets, it would not be beneficial to commit limited staff resources try to reconcile these historical figures.
- Slight discrepancies also existed between the data in annual State Controller Reports and the annual Fiscal and Compliance Audits. This issue is not unique to Calaveras Transit, since the State Controller Report data are due prior to the time when the annual Fiscal and Compliance Audits are typically completed. Again, given the small differences in the data sets, it would not be beneficial to commit limited staff resources to try to reconcile these historical figures.
- Calaveras Transit's contract agreement with MV Transportation does not clearly state the TDA requirements for charter services.
- Calaveras Transit failed to meet the TDA-required 10 percent farebox recovery ratio in any of the three years of the Audit period. However, since Calaveras Transit implemented an entirely new deviated fixed route system design in August 2004, Caltrans officials confirmed that no penalty should be assessed through the end of Fiscal Year 2006-07.
- The Calaveras Transit Marketing Plan was last updated in January 2004. Given the relatively significant changes to Calaveras Transit services implemented in August 2004, the previous comprehensive Marketing Plan is somewhat outdated.
- Nine of the eleven buses currently used by Calaveras Transit have reached the end of their economically useful lives as defined in FTA Circular 5010.1C and are eligible for immediate replacement.

## **RECOMMENDATIONS**

- In the future, local transit officials should annually perform a review of the State Controller Report data, as well as the annual Fiscal and Compliance Audit data, to determine deficiencies (if any) and chronicle any discrepancies in a file so that future Triennial Performance Auditors can use this information to enumerate any discrepancies. Internal data reports should be amended accordingly in the future.
- Calaveras Transit should amend its contract with MV Transportation to include TDA requirements for charter services.

- Calaveras Transit should work closely with the community, CCOG and Caltrans to determine methods to increase farebox revenues and/or minimize operating costs in order to achieve the TDA-mandated 10 percent farebox recovery ratio.
- Given the age of the Calaveras Transit Marketing Plan and the changes to the Calaveras Transit program since flex-route service was implemented in 2004, the marketing plan should be updated.
- Calaveras Transit should continue to work closely with CCOG and Caltrans to replace its aging fleet as soon as feasible.

## Chapter 2

# Triennial Performance Audit Results

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### BACKGROUND

The Transportation Development Act (TDA), also known as the “Mills-Alquist Deddeh Act,” provides two major sources of funding for public transportation providers in California: the Local Transportation Fund (LTF) and the State Transit Assistance (STA). The LTF is derived from 0.25 percent of the 7.25 percent retail sales tax collected statewide and can be used for a variety of transportation purposes according to a set of priorities detailed in the Act. The State Board of Equalization returns the LTF to each county according to the amount of tax collected in that county. STA funds are derived from statewide sales tax on gasoline and diesel fuel, and are allocated to each county based on the following formula: 50 percent according to population, and 50 percent according to operator revenues from the prior fiscal year. STA funds can only be used to pay for transit planning, capital projects, and operations.

The California Public Utilities Code requires that a Triennial Performance Audit be conducted for all transit operators and Regional Transportation Planning Agencies. A performance audit is a systematic process of evaluating an organization’s effectiveness, efficiency, and economy of operations under management control. The objectives of the audit are to provide a means for evaluating an organization’s performance and to enhance the performance by making recommendations for improvements. In addition, the audit evaluates the adequacy of an organization’s systems and the degree of compliance with established policies and procedures. Transit operators who make claims under Article 4 of the TDA in rural counties such as Calaveras County must maintain a minimum farebox recovery ratio of 10 percent, unless they achieved a higher ratio in the Fiscal Year 1978-79 “base year.” The CCOG and Calaveras Transit have adopted the statewide minimum 10 percent farebox recovery ratio for transit services.

### PERFORMANCE AUDIT AND REPORT ORGANIZATION

The performance audit consisted of seven elements, including:

- Review of compliance requirements
- Follow-up review of prior performance audit recommendations
- Initial review of transit operator functions
- Verification and use of performance indicators
- Detailed review of transit operator functions
- Preparation of the draft Audit report
- Preparation and presentation of the final Audit report

### TRANSIT PROGRAM DESCRIPTION

Funds for Calaveras Transit are allocated by the CCOG, which was formed under a joint powers agreement between Calaveras County and the City of Angels. Prior to November 1999, transit services in Calaveras County were provided by the Human Resources Council, doing business as

Calaveras Stagecoach. In November 1999, the CCOG assumed operation of public transit services under the name of Calaveras Transit, providing six flex-route alignments. Following the adoption of the *Calaveras County Short Range Transit Plan* in 2004, Calaveras Transit revised their schedule to initially include five flex-route alignments; this service level was subsequently increased to six flex-routes in August 2004, including one inter-county route to Lodi. This flex-route service is described in detail below.

### **Calaveras Transit Flex-Route Service**

Calaveras Transit currently operates six flex-route services, generally operating between 6:30 AM and 10:30 PM Monday through Friday using a peak of six buses. Buses will deviate up to three-quarters of a mile from the published alignment with advance notice; no additional or premium fare is required for a route deviation. The one-way general public fare is \$1.50, and discounted fares are \$0.75 for students, elderly (age 55 and older), and disabled persons. Transfers between Calaveras Transit routes are free.

The six current Calaveras Transit routes are described below:

- **Route 1:** Begins a loop in Valley Springs then travels eastward to San Andreas, continues southeast to Angels Camp, then returns.
- **Route 2:** Originates in Railroad Flat, passes through Mountain Ranch, San Andreas and Mokelumne Hill, then terminates in Jackson and returns along the same route.
- **Route 3:** Begins in San Andreas, travels through Mokelumne Hill, serves Glencoe and terminates in West Point, and then returns to San Andreas along the same route.
- **Route 4:** Originates in Arnold then travels to Columbia College via Avery, Forest Meadows, Murphys, Douglas Flat and Angels Camp, returning along the same route.
- **Route 5:** Originates in Angels Camp, operates a loop in Copperopolis and returns to Angels Camp.
- **Route 6:** Operates four roundtrips per day from San Andreas to Lodi with scheduled stops in Valley Springs, Wallace, Clements, Lockeford, and Victor. This service began in July of 2002.

Regional connections to Stockton and Sacramento are available with one transfer at the Lodi Station. Calaveras Transit also provides timed transfer points with Amador Regional Transit in Jackson (which provides a link to Sacramento) and Tuolumne County Transit at Columbia College. An additional fare is required for transfers between Calaveras Transit Routes 2, 4, and 6 and other regional transit providers.

## **Bear Valley Ski Resort Bus Service**

Calaveras Transit also operates a Bear Valley Ski Resort bus service during the ski season. This service operates on weekend days throughout the ski season (except Christmas Day), and the round trip fare is \$10 per person. The route departs San Andreas at 7:00 AM, serves two points in Angels Camp, one each in Murphys and Arnold, and arrives at the ski resort (in Alpine County, just east of the Calaveras County line) at 9:00 AM. The return trip departs at 4:15 PM. The service only operates if a minimum of six reservations are confirmed 24 to 48 hours in advance.

## **Calaveras Transit Operating and Financial Statistics**

The following operating statistics presented in Table 1 are based on data taken from annual State Controller Reports, annual Fiscal and Compliance Audits, and data provided by Calaveras Transit and its operations contractor. It should be noted that some data in the internal operating data tables maintained by Calaveras Transit do not coincide exactly with the data reported in the State Controller Reports. This report notes below those instances where discrepancies were discovered.

Table 1 and Figure 1 present annual ridership data for Calaveras County's services during the audit period, as well as data from the previous three-year period for comparison. It should be noted that Dial-A-Ride service was abandoned at the end of Fiscal Year 2003-04 with the full implementation of the flex-route program. Ridership increased substantially in Fiscal Year 2003-04 with the implementation of this revised flex-route service, and significant increases (9.4 percent annually) were also experienced in Fiscal Years 2004-05 and 2005-06. Ridership stabilized somewhat in Fiscal Year 2006-07, with an increase of only 2.1 percent in comparison to the previous year. All data in this table was taken from State Controller Reports. However, slight discrepancies exist between the data maintained in internal Calaveras Transit reports and State Controller Reports. Specifically, annual Fiscal Year 2004-05 ridership was reported at 51,880 in the Calaveras Transit Annual Report, although a total of 52,631 was reported in the State Controller Report. It should be noted, however, that the discrepancy is relatively small and it would not be beneficial to try to reconcile this historical data given recent staff changes at Calaveras County Public Works Department.

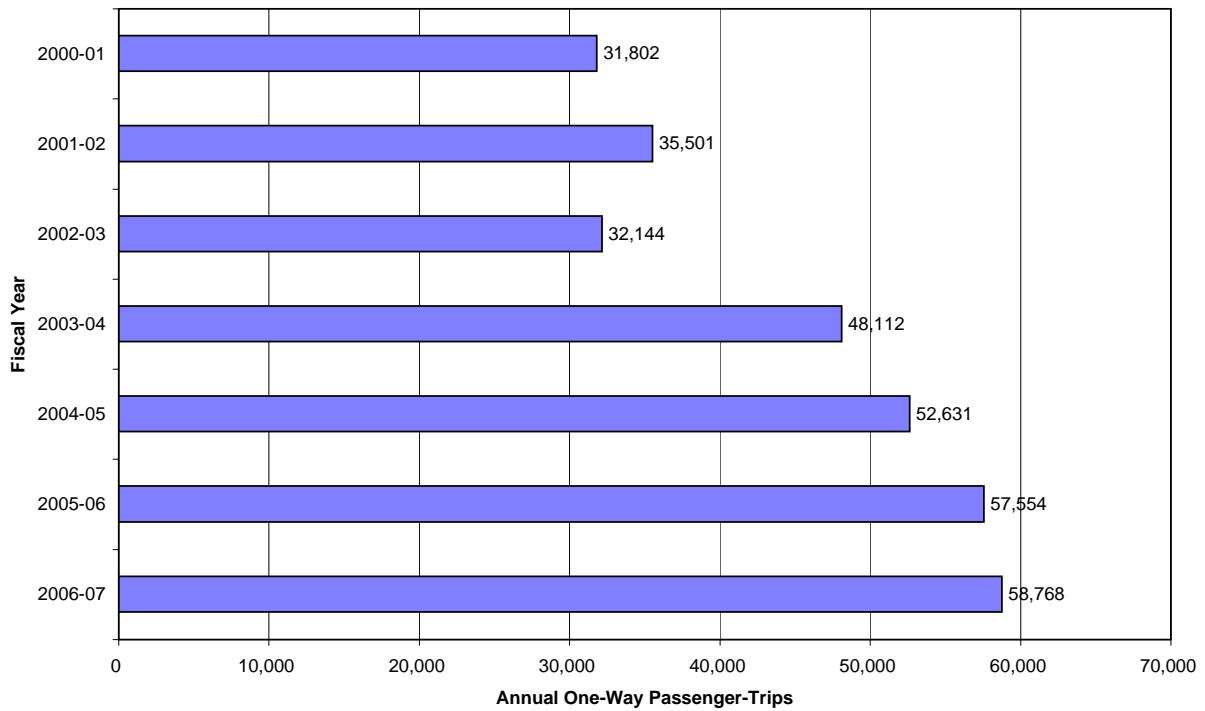
Table 1 and Figure 2 present annual vehicle revenue hour data for Calaveras Transit services as reported in the annual State Controller Reports. As presented, system-wide service levels increased substantially with the implementation of the flex-route service in Fiscal Year 2004-05, although slight downward adjustments were implemented in Fiscal Years 2005-06 and 2006-07. However, discrepancies exist between internal Calaveras Transit reports and State Controller Report data in all three audit period reporting years. Interestingly, the annual vehicle revenue hour data reported in the Fiscal Year 2005-06 State Controller Report appears to have been incorrectly reported as vehicle revenue miles; it is surprising that the State Controller's Office did not catch this misreporting.

Table 1 and Figure 3 present annual vehicle revenue miles data for Calaveras Transit services during the Audit period as reported in the annual State Controller Reports. Similar to the discussion above regarding annual vehicle service hours, Calaveras Transit's annual vehicle

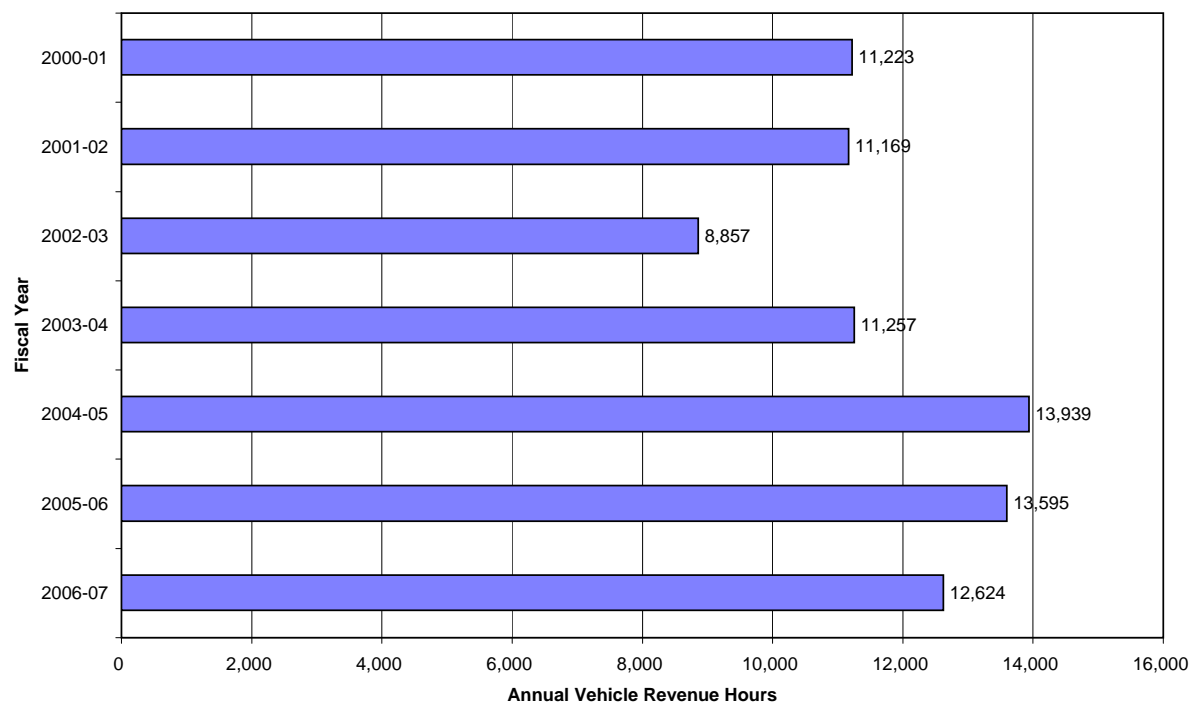
**TABLE 1: Calaveras Transit Operating Data Summary**

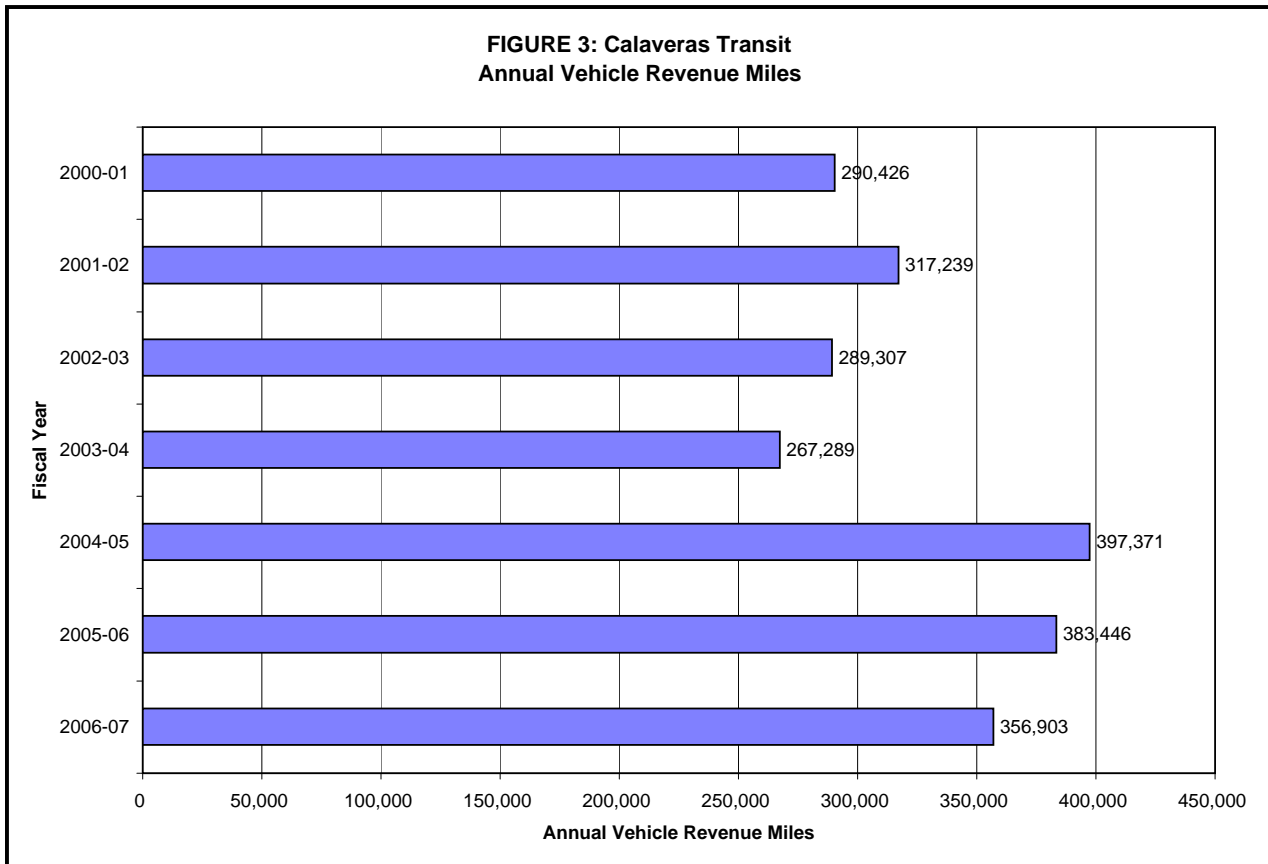
Performance Measure	Fiscal Year						
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
<b>One-Way Passenger-Trips</b>	31,802	35,501	32,144	48,112	52,631	57,554	58,768
% Change from Previous Year	--	11.6%	-9.5%	49.7%	9.4%	9.4%	2.1%
<b>Vehicle Revenue Hours</b>	11,223	11,169	8,857	11,257	13,939	13,595	12,624
% Change from Previous Year	--	-0.5%	-20.7%	27.1%	23.8%	-2.5%	-7.1%
<b>Vehicle Revenue Miles</b>	290,426	317,239	289,307	267,289	397,371	383,446	356,903
% Change from Previous Year	--	9.2%	-8.8%	-7.6%	48.7%	-3.5%	-6.9%

**FIGURE 1: Calaveras Transit  
Annual One-Way Passenger-Trips**



**FIGURE 2: Calaveras Transit  
Annual Vehicle Revenue Hours**





service miles increased substantially with the implementation of the flex-route system in Fiscal Year 2004-05, although small downward adjustments were implemented in the final two years of the audit period. However, discrepancies exist between internal Calaveras Transit reports and State Controller Report data in all three audit period reporting years.

Date Collection Methods

Six performance measures must be reported in a Triennial Performance Audit report:

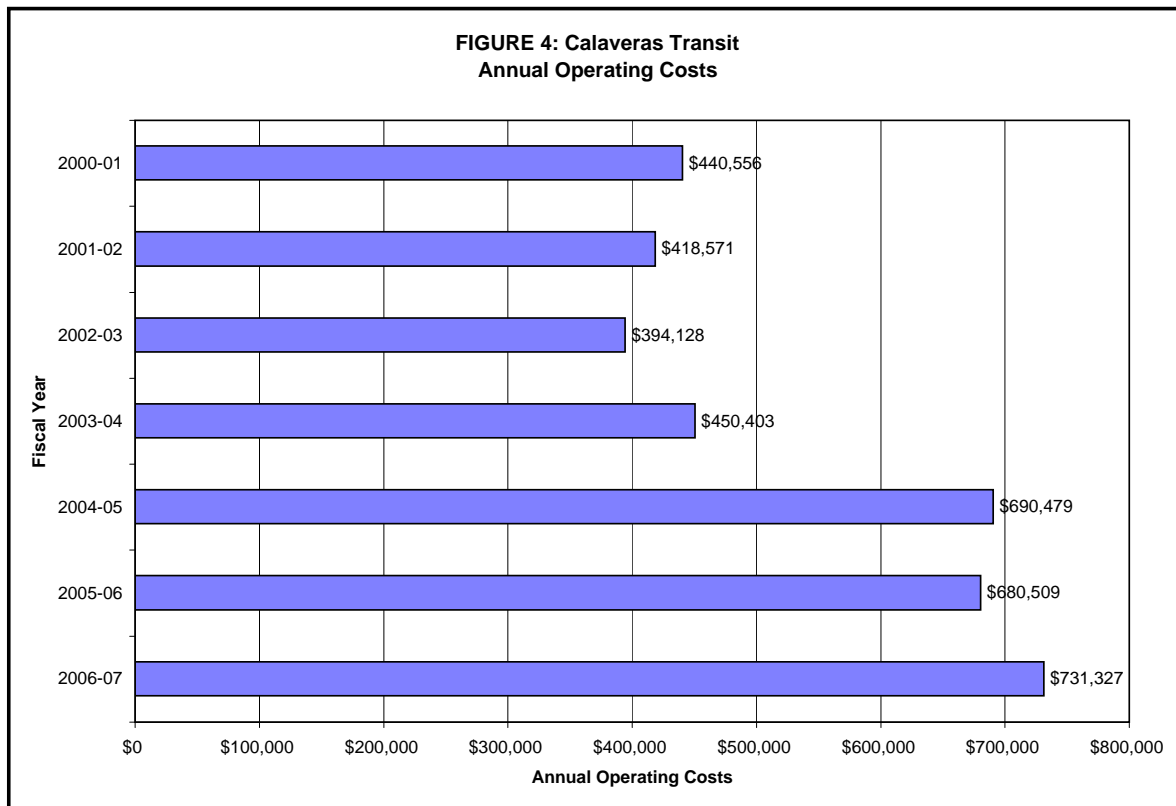
- Annual Operating Cost
- Annual Passenger Count
- Annual Vehicle Revenue Hours
- Annual Vehicle Revenue Miles
- Annual Employee Hours
- Annual Fare Revenue

Data for the current audit period was obtained from State Controller Reports unless noted below. It should be noted that Calaveras Transit maintains an on-going database of operating data collected and reported monthly by its contractor (MV Transportation). The Auditor tested the data reported by MV Transportation.

The **Operating Cost** data is reported in Table 2 and Figure 4. These data were obtained from annual Fiscal Audits and include total operating expenses for each object class as presented in the Chart of Accounts for the Uniform System of Accounts and Records as presented in each of the three Fiscal Audits minus new line services, depreciation costs, and charter expenses. The

**TABLE 2: Calaveras Transit Administrative and Financial Data Summary**

Performance Measure	Fiscal Year						
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
<b>Operating Costs</b>	\$440,556	\$418,571	\$394,128	\$450,403	\$690,479	\$680,509	\$731,327
	--	-5.0%	-5.8%	14.3%	53.3%	-1.4%	7.5%
<b># Employees</b>	16.0	12.0	12.0	12.0	13.0	13.0	14.0
	--	-25.0%	0.0%	0.0%	8.3%	0.0%	7.7%
<b>Farebox Revenues</b>	\$29,741	\$39,288	\$33,022	\$51,623	\$52,093	\$58,774	\$67,983
	--	32.1%	-15.9%	56.3%	0.9%	12.8%	15.7%
		% Change from Previous Year					
		% Change from Previous Year					
		% Change from Previous Year					



fiscal auditor’s tests of the Calaveras Transit’s financial statements disclosed no instance of noncompliance that would be required to be reported under Government Auditing Standards. According to Section 99247(a), operating costs include all costs except depreciation, direct costs for charter services and vehicle lease costs. Extension of service can be excluded per Section 6633.8. It should be noted that the operating cost data presented in Table 2 is inconsistent with the data presented in the State Controller Report and internal Calaveras Transit reports for all three years of the Audit period. This is not especially unusual, since State Controller Report data is due prior to the time that the annual fiscal and compliance audits are typically completed. Nonetheless, internal reconciliation apparently was not completed.

The **Passenger Count** data is presented in Table 1 and Figure 1. These data are currently reported by MV Transportation as unlinked one-way passenger-trips (single boarding and alighting). This data was obtained from State Controller Reports. As an example for clarification, if a passenger boards Route 1 and transfers to Route 3, it is correctly counted as two unlinked one-way passenger-trips. As mentioned above, there was a slight discrepancy for the Fiscal Year 2004-05 data reported in annual State Controller Reports and internal reports.

The **Vehicle Revenue Hour** data was reported in Table 1 and Figure 2. These data were obtained from State Controller Reports. The definition of a Vehicle Revenue Hour as currently used by MV Transportation is consistent with the definition presented in Appendix B of the *Performance Audit Guidebook*. However, as mentioned above, some discrepancies exist between the vehicle revenue hour data maintained in internal Calaveras Transit reports and the data that was reported in the annual State Controller submittals during the Audit period.

The **Vehicle Revenue Mile** data was reported in Table 1 and Figure 3. As noted above, data was obtained from State Controller Reports. The definition of a Vehicle Service Mile as currently used by MV Transportation is consistent with the definition presented in Appendix B of the *Performance Audit Guidebook*. As mentioned above, minor discrepancies exist between the vehicle revenue mile data maintained in Calaveras Transit internal reports and the data that was reported in the annual State Controller Reports during the Audit period.

The **Employee Hours** data presented in Table 2 and Figure 5 was obtained from the State Controller's Reports. The Full-Time Equivalent (FTE) definition currently used by MV Transportation is consistent with the definition presented in Appendix B of the *Performance Audit Guidebook*.

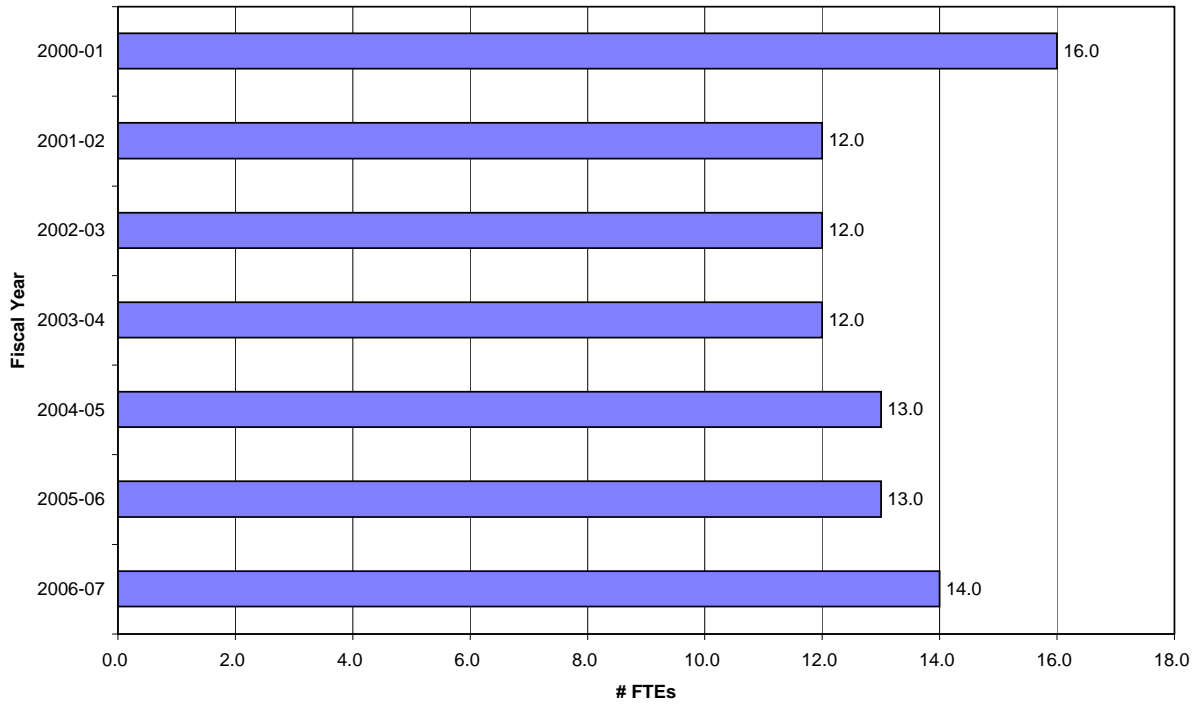
The **Fare Revenue** data presented in Table 2 and Figure 6 was obtained from annual fiscal and compliance audit reports. It should be noted that PUC Section 99205.7 states that fare revenues are defined in revenue object classes 401, 402, and 403, as specified in Section 630.12 of Title 49 of the Code of Federal Regulations:

- Object class 401 revenues include full adult, senior, student, child, handicapped, park & ride lot revenues (must be operated by transit operator), special and reduced fares collected from passengers.
- Object class 402 revenues include guaranteed revenues collected from an organization rather than a rider for rides given along special routes.
- Object class 403 revenues include revenues collected from schools for providing service to children to and from school.

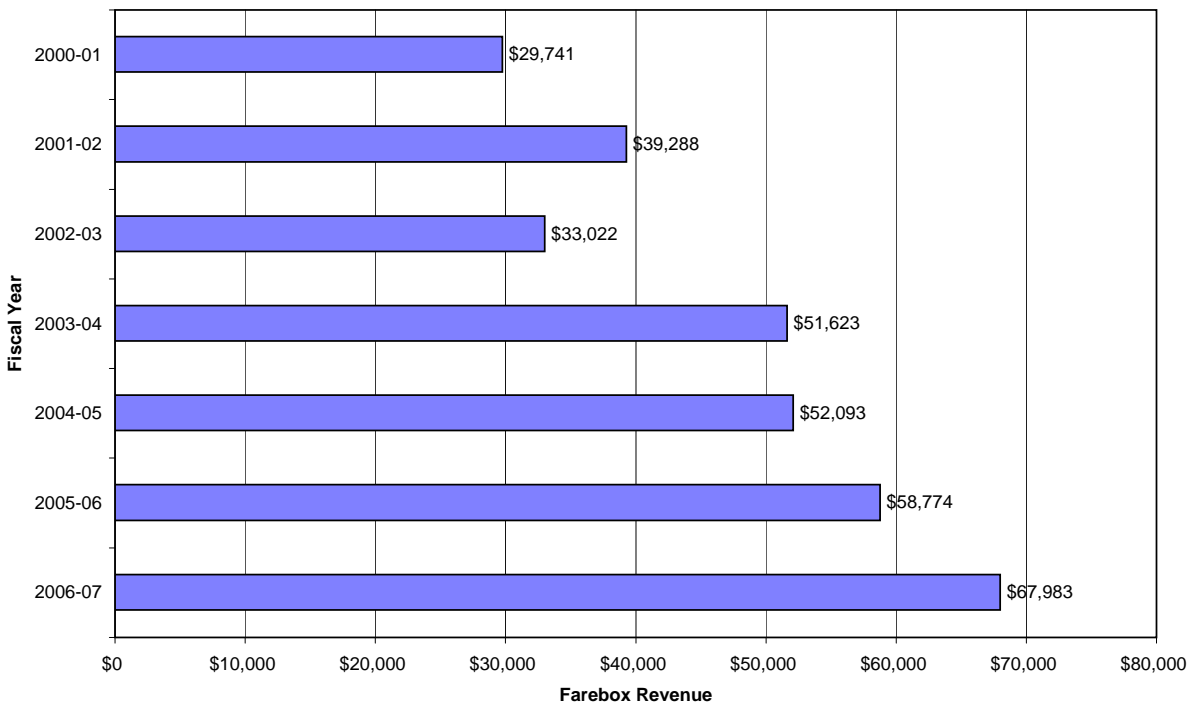
Fare revenue also includes the amount of revenue received by an entity under contract for transit services not yet transferred to the claimant. Additionally, the definition of fare revenues includes fares collected (1) for a specified group of employees, members, or clients, or (2) to guarantee a minimum revenue on a line operated especially for the benefit of the paying entity (e.g. an employer, shopping center, university, etc.), or (3) cash donations made by individual passengers in lieu of a prescribed fare. Fare revenue does not include other donations or general operating assistance, whether from public or private sources. However, neither charter nor advertising revenues can be included in the fare revenue category and neither can count toward the farebox recovery ratio calculation. The farebox revenue data for Fiscal Year 2005-06 was consistent in internal Calaveras Transit reports, the State Controller Report and the annual fiscal and compliance audit. However, inconsistencies exist for farebox revenue reported for Fiscal Year 2004-05 and Fiscal Year 2006-07.

In summary, all operating data included in this audit came from the Transit Operators Financial Transactions Reports, which are submitted annually to the State Controller. Financial data such as fare revenue and operating costs were derived from annual fiscal and compliance audits. As noted above, slight discrepancies exist between the operating data maintained internally by Calaveras Transit and the data reported annually in the State Controller Reports. The financial data was obtained from annual fiscal audits, and discrepancies exist there as well.

**FIGURE 5: Calaveras Transit  
Number of Full-Time Equivalent Employees**



**FIGURE 6: Calaveras Transit  
Annual Farebox Revenues**



## Calculation and Evaluation of Performance Indicators

Using the data described above, the following performance indicators were calculated as required in Section 99246(d) of the Public Utilities Code:

- Operating Cost per Passenger
- Operating Cost per Vehicle Revenue Hour
- Passengers per Vehicle Revenue Hour
- Passengers per Vehicle Revenue Mile
- Vehicle Revenue Hours per Employee

In addition, the Farebox Recovery Ratio is calculated and evaluated herein, as required in Section 99268 *et seq.* of the Public Utilities Code.

The **Operating Cost per (One-way) Passenger Trip** data is presented in Table 3 and Figure 7. This performance measure is a key indicator of a transit system's cost effectiveness. According to the available data, the operating cost per one-way passenger-trip varied considerably, depending largely on the changing service levels operated and ridership achieved in each year of the audit period.

The **Operating Cost per Vehicle Revenue Hour** data is presented in Table 3 and Figure 8. This performance measure is a key indicator of a transit system's cost efficiency. The operating cost per vehicle revenue hour increased almost 17 percent over the Audit period. Nonetheless, these per hour costs are not inconsistent with other rural transit providers in California.

The **Passengers per Vehicle Revenue Hour** (commonly referred to as "productivity") is presented in Table 3 and Figure 9. As presented, productivity increased steadily during the past audit period, despite a decline in the first year in comparison to Fiscal Year 2003-04. To some degree, a reduction in productivity can be expected when a relatively large increase in service levels is implemented; as depicted in Table 1, Calaveras Transit increased the annual number of vehicle revenue hours operated by almost 24 percent in Fiscal Year 2004-05. As small service level reductions were implemented in the following two years, at the same time that ridership increases were experienced, Calaveras Transit enjoyed increasing productivity measures.

The **Passengers per Vehicle Revenue Mile** data is presented in Table 3 and Figure 10. As presented, passengers per vehicle revenue mile increased steadily during the Audit period. Similar to the discussion above, declining annual vehicle revenue miles combined with increasing annual ridership ensures favorable annual passenger per vehicle revenue mile results.

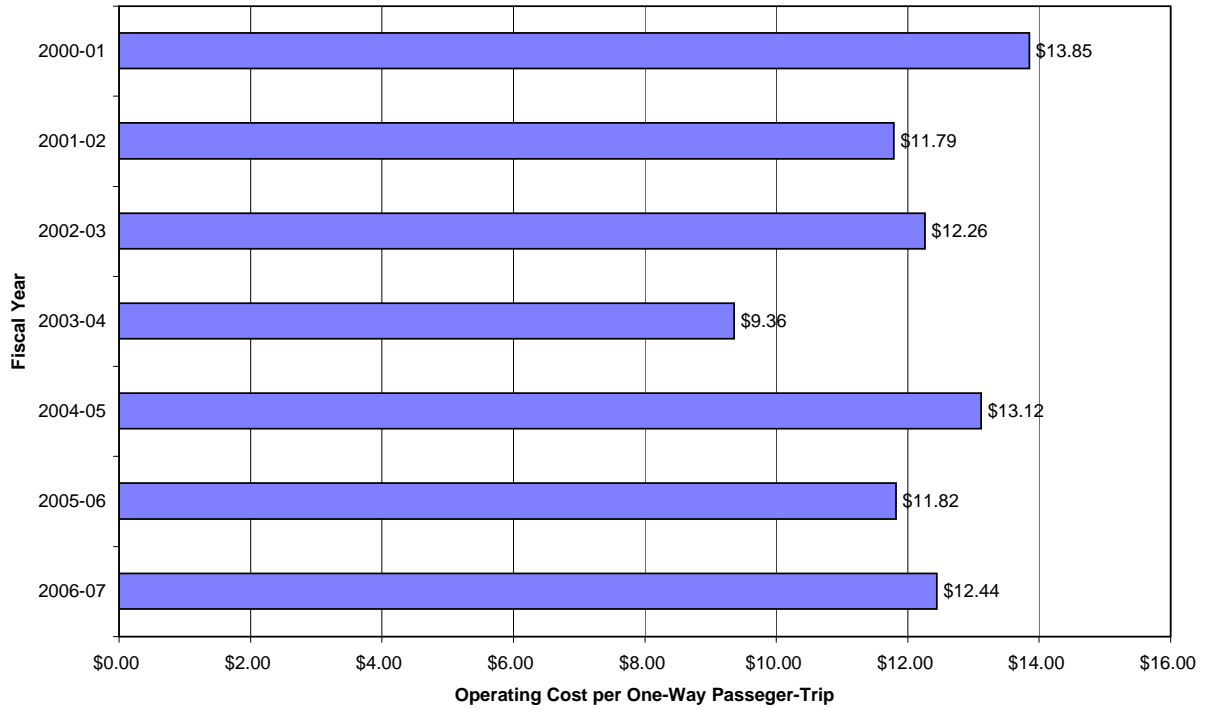
The **Vehicle Service Hours per Employee** data is presented in Table 3 and Figure 11. As presented, the number of vehicle revenue hours per full-time employee equivalent steadily decreased during the audit period.

The **Farebox Recovery Ratio** data is presented in Table 3 and Figure 12. The farebox recovery ratio increased steadily during the Audit period. This indicates that the service was operated in an increasingly cost-effective manner during the Audit period. It should be noted that new transit

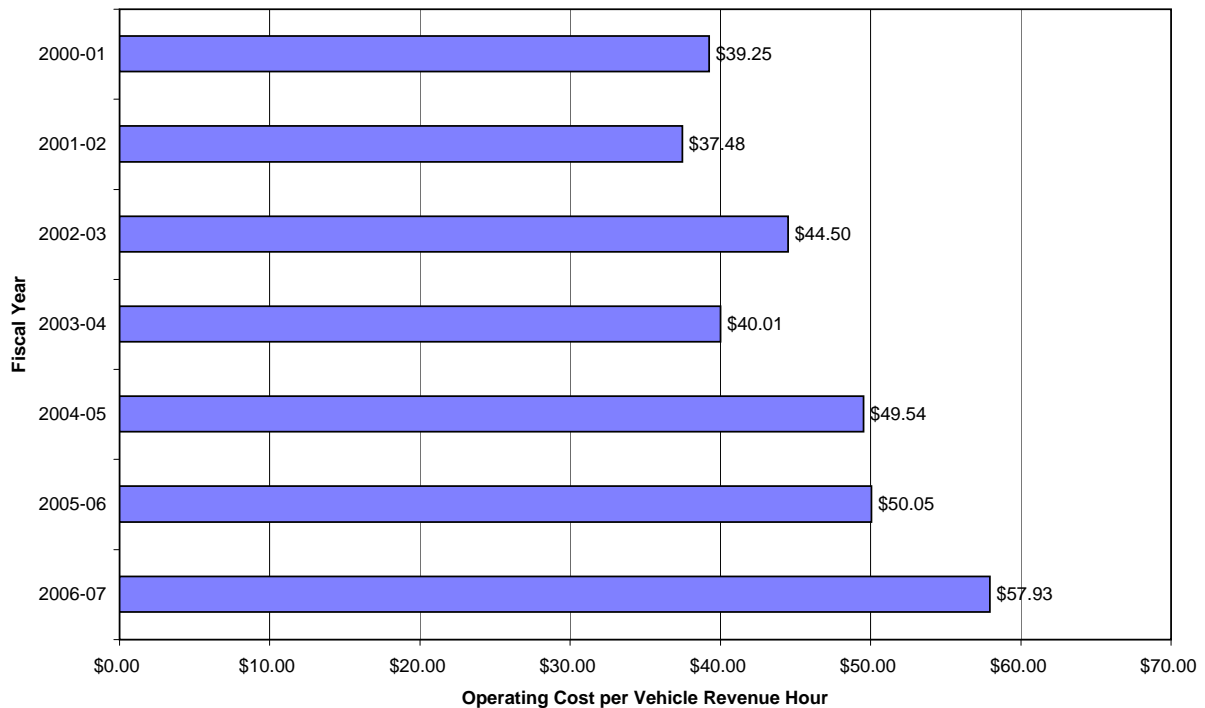
**TABLE 3: Calaveras Transit Performance Indicators Summary**

Performance Measure	Fiscal Year						
	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
<b>Operating Cost per One-Way Passenger-Trip</b>	\$13.85	\$11.79	\$12.26	\$9.36	\$13.12	\$11.82	\$12.44
<i>% Change from Previous Year</i>	--	-14.9%	4.0%	-23.6%	40.1%	-9.9%	5.2%
<b>Operating Cost per Vehicle Revenue Hour</b>	\$39.25	\$37.48	\$44.50	\$40.01	\$49.54	\$50.05	\$57.93
<i>% Change from Previous Year</i>	--	-4.5%	18.7%	-10.1%	23.8%	1.0%	15.7%
<b>Passengers per Vehicle Revenue Hour</b>	2.83	3.18	3.63	4.27	3.78	4.23	4.66
<i>% Change from Previous Year</i>	--	12.2%	14.2%	17.8%	-11.7%	12.1%	10.0%
<b>Passengers per Vehicle Revenue Mile</b>	0.110	0.112	0.111	0.180	0.132	0.150	0.165
<i>% Change from Previous Year</i>	--	2.2%	-0.7%	62.0%	-26.4%	13.3%	9.7%
<b>Vehicle Revenue Hours per Employee</b>	701	931	738	938	1,072	1,046	902
<i>% Change from Previous Year</i>	--	32.7%	-20.7%	27.1%	14.3%	-2.5%	-13.8%
<b>Farebox Recovery Ratio</b>	6.8%	9.4%	8.4%	11.5%	7.5%	8.6%	9.3%
<i>% Change from Previous Year</i>	--	39.0%	-10.7%	36.8%	-34.2%	14.5%	7.6%

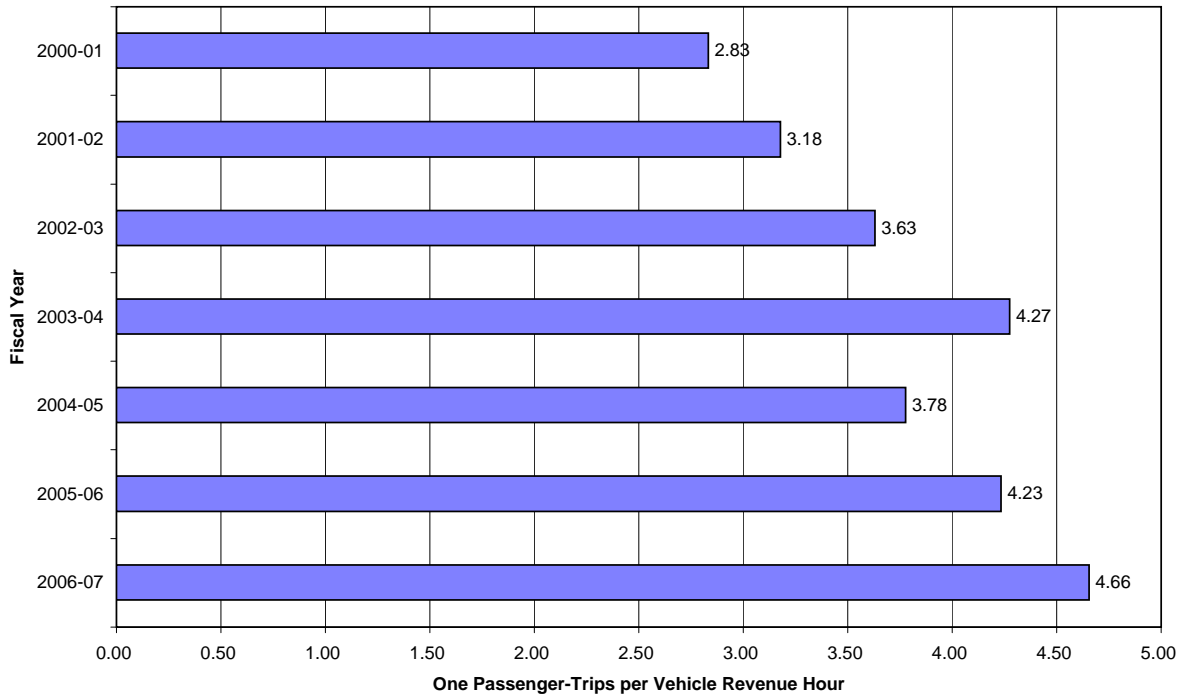
**FIGURE 7: Calaveras Transit  
Operating Cost per One-Way Passenger-Trip**



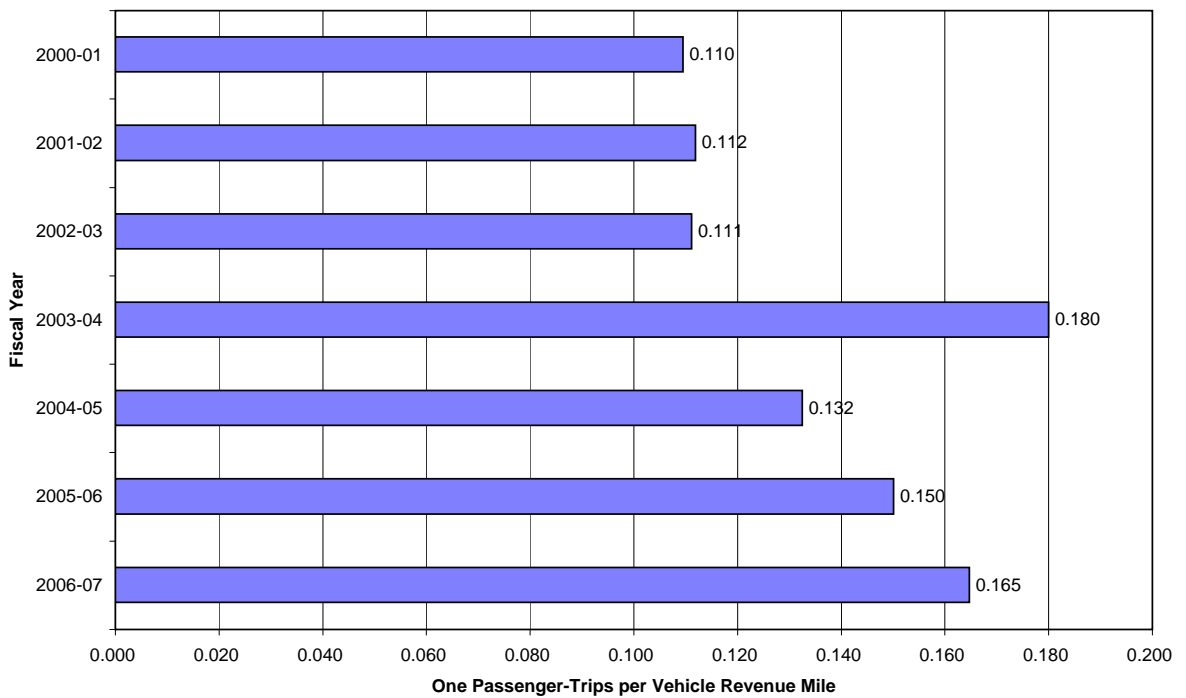
**FIGURE 8: Calaveras Transit  
Operating Cost per Vehicle Revenue Hour**



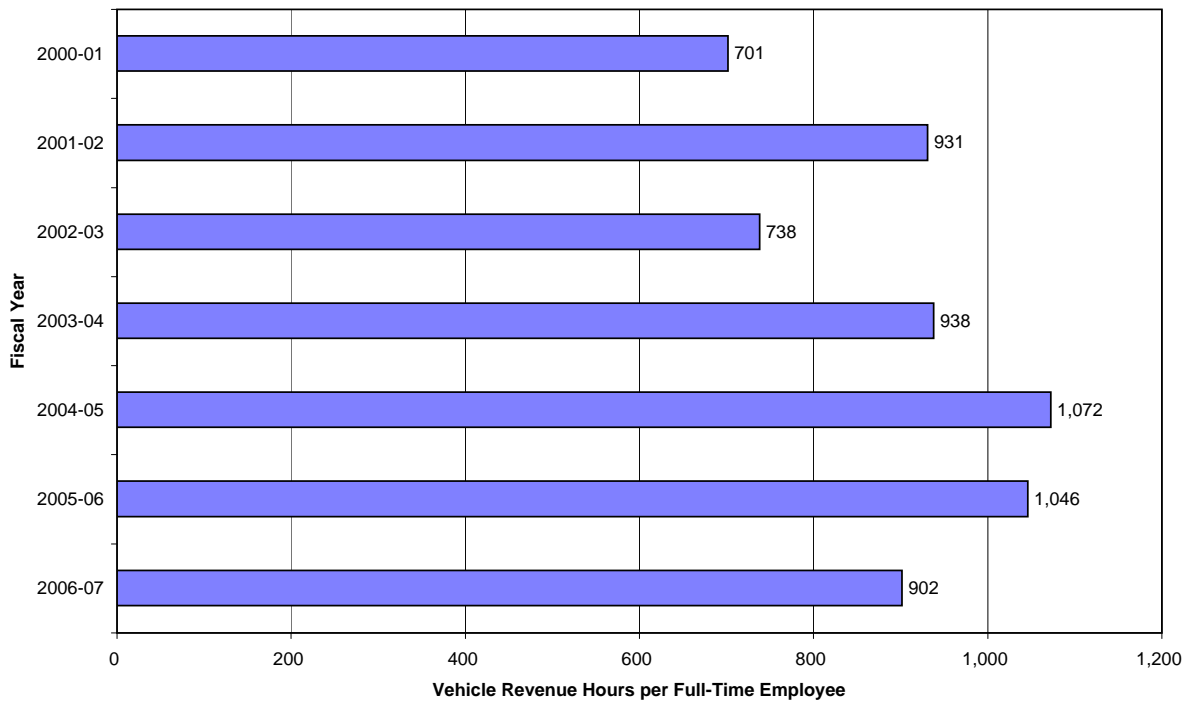
**FIGURE 9: Calaveras Transit  
One-Way Passenger-Trips per Vehicle Revenue Hour**



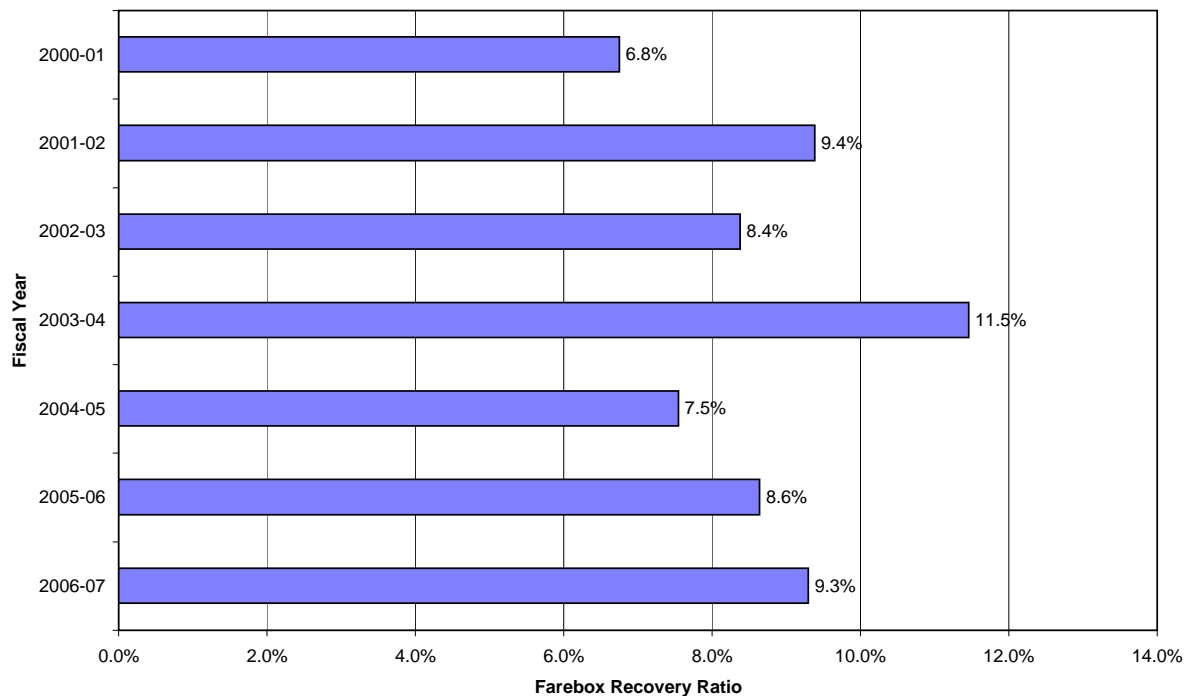
**FIGURE 10: Calaveras Transit  
One-Way Passenger-Trips per Vehicle Revenue Mile**



**FIGURE 11: Calaveras Transit  
Vehicle Revenue Hours per Full-Time Employee**



**FIGURE 12: Calaveras Transit  
Farebox Recovery Ratio**



services in rural areas are expressly eligible under TDA law for exemption from the minimum 10 percent farebox recovery ratio during the first two years of service. Specifically, the TDA regulations permit a grace period for the first year that a transit operator does not meet the required farebox recovery ratio. The second year the ratio is not achieved is considered the noncompliance year. Failure to meet the requirement in the third year (also known as the determination year) would subject Calaveras Transit to reduced funding in the fourth (penalty) year, equating to the difference between the required 10 percent amount and the actual farebox revenues collected.

### Recommendations on Data Collection

As noted above, slight discrepancies exist between the operational data maintained in internal Calaveras Transit reports and the data reported in the annual State Controller Report submittals. Discrepancies also existed between fiscal data maintained in internal Calaveras Transit reports and the annual fiscal and compliance audits. In the future, any revisions to the operational and/or financial data that are required subsequent to the submittal to the State Controller's office should be noted in writing and maintained in a file so that subsequent Triennial Performance Auditors can determine the reasons for discrepancies (if any) in the data. The auditor worked with Calaveras Transit during the audit process to establish methods to correctly track these data so that future Triennial Performance Audits can be used as effective planning and evaluation tools.

Given the relatively minor differences in the data sets, it is the auditor's opinion that it would not be beneficial to commit limited staff resources to research and reconcile the slight differences between the data reported to the State Controller and internal operating reports during the audit period.

## **TDA REQUIREMENTS**

As an entity receiving TDA funds for transit purposes, Calaveras County is required to comply with the state's financial and reporting guidelines detailed in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities* pursuant to TDA requirements. The following is a compilation of the financial and reporting requirements applicable to the operating procedures of Calaveras Transit services.

## **REVIEW OF COMPLIANCE REQUIREMENTS**

Below is a discussion of each compliance section required in Public Utilities Code 99246 as part of the Triennial Performance Audit:

- In accordance with Public Utilities Code Section 99243, Calaveras Transit has submitted annual reports to the CCOG based upon the Uniform System of Accounts and Records established by the State Controller.

- In violation of Public Utilities Code Section 99245, Calaveras Transit did not submit annual fiscal and compliance audits to the CCOG and to the State Controller within 180 days following the end of the fiscal year for Fiscal Year 2006-07. However, the annual fiscal and compliance audits for Fiscal Years 2004-05 and 2005-06 were submitted within the 180 day requirement. An independent auditor completed these fiscal and compliance audits, as required.
- In accordance with Public Utilities Code Section 99251, Calaveras Transit has submitted evidence that the California Highway Patrol has certified compliance with Vehicle Code Section 1808.1 within the 13 months prior to each TDA claim submitted.
- In accordance with Public Utilities Code Section 99261, Calaveras Transit's claims for TDA funds are submitted in compliance with rules and regulations adopted by the CCOG for such claims.
- In accordance with Public Utilities Code Section 99264, Calaveras Transit does not routinely staff public transportation vehicles with two or more persons designed to be operated by one person.
- Public Utilities Code Section 99266 requires that Calaveras Transit's operating budgets not increase by more than 15 percent over the preceding year, and no substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities be realized unless the operator has reasonably supported and substantiated the change(s). See Table 2 and Figure 4 for actual operating costs between Fiscal Years 2004-05 and 2006-07. During the Audit period, annual operating costs for all Calaveras Transit services did not increase by more than 15 percent over the preceding year.
- Since Calaveras County is a rural area and is also not subject to the TDA clause requiring maintenance of farebox revenue at the time the legislation was enacted, it is required to maintain a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent) as detailed in Public Utilities Code Sections 99268.2, 99268.4, and 99268.5. As presented in Table 3, Calaveras Transit did not meet the minimum 10 percent farebox recovery ratio requirement in any fiscal year during the audit period.
- The operations contractor, MV Transportation, does not offer a pension plan to their employees. Although MV Transportation does offer a 401(k) plan to its employees, the company does not match the employee's contributions to the program. Calaveras County offers a retirement plan to its transportation employees through the California Public Employees Retirement System.
- In accordance with Public Utilities Code, Section 99314.5(c), MV Transportation was not precluded by contract from employing part-time drivers or from contracting with common carriers. In fact, during the Audit period, MV Transportation employed (and continues to employ) part-time employees.

- In accordance with California Code of Regulations Section 6754(a)(3), Calaveras Transit makes full use of funds if available to it under the Urban Mass Transportation Act of 1964 (in particular, FTA Section 5311 Non-Urbanized Area Formula Program funds and FTA Section 5310 Elderly Individuals and Individuals with Disabilities Program funds administered by Caltrans) before TDA claims are granted.

## STATUS OF PRIOR AUDIT RECOMMENDATIONS

The previous audit was completed by LSC Transportation Consultants, Inc., and the recommendations from that effort are enumerated below.

- Local transit officials should annually perform a review of the State Controller Report data, as well as the annual Fiscal and Compliance Audit data, to determine deficiencies (if any) and chronicle any discrepancies in a file so that future Triennial Performance Auditors can use this information to enumerate any discrepancies. Internal data reports should be amended accordingly in the future.

Status: **Implementation Not Begun** – The Auditor was unable to obtain a determination from Calaveras Transit officials as to why this recommendation was not implemented, since the County staffperson who would have been responsible for implementing this recommendation is no longer employed by the County. It appears that the current staffperson overseeing the Calaveras Transit program understands the importance of completing this annual reconciliation and has verbally committed to doing so in the future.

- Local transit officials should take measures to correctly report operating and financial data in the annual State Controller Report by mode (i.e., motor bus versus demand response) if two or more separate modes continue to be operated in the future.

Status: **Implementation No Longer Pertinent** – Calaveras Transit only operated motor bus service during the Audit period (as well as subsequently).

- Calaveras Transit should amend its contract with MV Transportation to include TDA requirements for charter services.

Status: **Implementation Not Begun** – Although the contract with MV Transportation was executed during the Audit period, TDA charter requirements were not included. Regardless, the Auditor worked closely with Calaveras Transit officials to provide a better understanding of the Federal Transit Administration Charter Rule that was implemented on April 30, 2008. These new regulations are far stricter than the ones identified in TDA law, and the Auditor is hereby suggesting that Calaveras Transit work closely with MV Transportation to develop a comprehensive charter policy and procedures document.

## **INITIAL REVIEW OF TRANSIT OPERATOR FUNCTIONS**

This section discusses activities of the Calaveras Transit program during the audit period under contract to MV Transportation, and provides a series of recommendations for improving operations and/or maintaining compliance with state regulations.

### Verification and Use of Performance Indicators

Performance indicators are frequently used to quantify and review the efficiency and effectiveness of a transit operator's activities. Such indicators can provide insight on current operations as well as on the operator's performance over a period of time. This section will assess the internal controls of each operator, test data collection methods, calculate performance indicators, and evaluate performance indicators.

### Assessment of Internal Controls

To ensure that the information gathered as part of this audit is reliable and valid, a review of internal controls is necessary. A transit operator's internal controls are intended to do the following:

- Provide reasonable assurance that program goals and objectives are met
- Ensure that resources are adequately safeguarded and efficiently used
- Ensure that reliable data are obtained, maintained and fairly disclosed in reports
- Ensure that the transit operator complies with laws and regulations

Calaveras County and its contractor appear to have a reasonably well-developed system of internal controls appropriate to the size of the transit system. This statement is echoed in each of the three annual Independent Auditor's Reports completed by R.J. Ricciardi Certified Public Accountants.

## **DETAILED REVIEW OF TRANSIT OPERATOR FUNCTIONS**

This section presents a review of the various functions of Calaveras Transit. Since functions of each transit operator in California will vary depending upon the scope and breadth of its operations, not all parts of this section will apply to Calaveras Transit. In general, transit operator functions can be divided into the following areas:

- General Management and Organization
- Service Planning
- Scheduling, Dispatch and Operations
- Personnel Management and Training
- Administration
- Marketing and Public Information
- Maintenance

## General Management and Organization

MV Transportation assumed operation of Calaveras Transit in July 2003, following its successful bid in response to Calaveras Transit's procurement solicitation. MV Transportation currently reports to the County Public Works Transit Manager, who is charged with oversight of the Calaveras Transit program. MV Transportation's combined operations and maintenance facility is located in San Andreas at 750 Industrial Way. MV Transportation's current local staff consists of a general manager, an operations assistant, one utility worker, one mechanic, seven full-time drivers and eight part-time drivers. The general manager has been with MV Transportation since 2002.

Calaveras Transit has an appropriately well-defined program of administrative oversight. It regularly receives, reviews and acts upon performance and financial information compiled internally and by the contractor's staff. As part of its operating agreement, the contractor is required to submit monthly management reports to Calaveras Transit.

During the audit period, the operations contractor met at least weekly with Calaveras Transit staff and attended department and public meetings as appropriate. The current operations contractor regularly compiles, reviews, and acts upon performance data. Contractor subordinates are included in the decision-making process regarding internal operating issues (as appropriate), and written notices are posted as needed in the operating facilities to inform all employees of operational or policy changes.

Given the size of the Calaveras Transit program, its internal organization structure is appropriate. The managerial authority is well defined within both Calaveras Transit and the contractor's organization. Lines of reporting are clearly defined and appropriate. MV Transportation's internal structure is appropriate, effective and reasonably efficient given the distance of its operations to its district oversight offices in Fairfield. MV Transportation's local General Manager meets quarterly with MV Transportation senior staff to assure consistency and an appropriate level of support. During the Audit period, the Calaveras County Public Works Director was responsible for transit-related communications with other government agencies, including state and federal agencies.

## Service Planning

The effectiveness of a transit system is highly dependent upon the continued development of short- and long-range transit plans. MV Transportation works with Calaveras Transit staff as needed to assist in service planning and evaluation.

The CCOG commissioned the *Calaveras Council of Governments Short Range Transit Plan* (SRTP), which was completed by Moore and Associates in February 2004. This document covers Fiscal Years 2004-05 through 2008-09, and recommended the following elements:

- Revise the six intra-county flex-routes by implementing four intra-county routes (Route 1 to Valley Springs, Route 2 to Railroad Flat, Route 3 to West Point, and Route 5 to Copperopolis) and two inter-county routes (Route 4 to Columbia and Route 6 to Lodi).

- Match service schedules to high trip generators such as the Government Center in San Andreas and Columbia College.
- Discontinue the Dial-A-Ride service.

These three elements were implemented in August 2004.

In terms of strategic planning, Calaveras Transit has set clear, reasonable goals and objectives in the SRTP and the RTP. Calaveras Transit regularly reviews performance and financial data monthly to determine progress toward meeting its goals and objectives. Monthly reports are currently posted on the Calaveras Transit website for review by interested parties.

In terms of short-range planning, the SRTP identified standards to assure that service planning includes land use and demographic analysis on an on-going basis. As presented above, the SRTP also included a service plan that recommended focusing on service productivity by combining the flex-routes and changing schedule times. Other efforts to minimize costs while maintaining service to important areas were also included in the plan. As mentioned above, route recommendations stated in the SRTP were implemented in August 2004. Calaveras Transit informally evaluates existing flex-routes according to the goals and objectives identified in the SRTP, as well as performance measures identified in its operating agreement with MV Transportation and direction from the CCOG Governing Board. The CCOG uses the TDA provision that exempts a new service from farebox recovery ratio standards for the first two years of service.

As part of the SRTP process, an on-board survey of Calaveras Transit's riders was conducted to determine how services were perceived and to ascertain what shortcomings, if any, were present. Calaveras Transit's current fleet of eleven minibuses is wheelchair accessible, and each bus features a bicycle rack on the front of the bus that accommodates two bicycles. Calaveras Transit has recently acquired five new 30-foot International buses designed to transport 20 ambulatory passengers and two wheelchair users. These medium-heavy duty buses were procured using partial FTA funding.

All Calaveras Transit meetings are open to the public, and are conducted in an accessible facility per the requirements of the Americans with Disabilities Act (ADA). Public hearings are not necessarily conducted before adopting route changes, service hour changes, fare increases or other important changes of public concern, but these issues are included as part of the unmet needs process and on-going Calaveras Transit/CCOG meetings. Calaveras Transit also publishes legal notices and sends press releases to local newspapers and radio stations. In addition, transit service revision notices are posted on Calaveras Transit vehicles, in passenger facilities and on its website. The Calaveras Transit Social Services Transportation Advisory Council also acts as an important conduit for soliciting public input.

## Scheduling, Dispatch and Operations

This functional area concerns the short-term scheduling of routes, drivers, and vehicles, the daily coordination and assurance that each customer is served, and the specific function of providing transportation service. Scheduling and dispatching for Calaveras Transit is provided by MV Transportation staff as identified in the operating contract.

The ADA requires agencies that provide general public fixed-route service to also offer complementary paratransit service for those individuals with transportation disabilities who cannot otherwise use the fixed route service. The complementary paratransit service must be offered during the same hours and days as the fixed route service. Because Calaveras Transit operates a flex-route program (which the ADA considers “demand response” service) that serves the required minimum ADA service area, it is currently in compliance with the ADA on this issue.

MV Transportation drivers are appropriately certified for the types of vehicles operated for Calaveras Transit. Drivers choose shifts based on seniority and are trained to operate each vehicle in the fleet. Drivers are not represented by a labor union. Full-time MV Transportation employees are eligible for vacation, sick leave, and any other employer-paid benefits, although part-time employees are not. MV Transportation’s *Employee Handbook* details procedures regarding vacation, absences, and sick leave to ensure driver shifts are adequately covered. No incentives or rewards are given for good attendance. As mentioned above, MV Transportation employs a total of 15 drivers – 8 of whom are part-time employees. This relatively high percentage of part-time drivers facilitates covering unscheduled absences. Driver breaks and lunch reliefs for full-time drivers are provided by overlapping shifts (no “cover” drivers or standby drivers are employed). Vehicles are assigned to specific routes according to anticipated passenger loads.

## Personnel Management and Training

MV Transportation recruits through a variety of means including Caljobs and the Calaveras Enterprise newspaper. Drivers can earn monetary rewards for safe driving, as identified in MV Transportation’s *Employee Handbook*. Driver performance evaluations are conducted by MV Transportation’s training staff on an on-going basis. Turnover at MV Transportation is relatively low, and the quality of staff appears to be high. According to MV Transportation’s records, average tenure of their current driving staff is 2.6 years.

MV Transportation provides all initial and on-going driver training on-site using MV Transportation staff. Drivers are trained on all aspects of each type of vehicle in the fleet, including training on first aid, accident procedures, wheelchair procedures, and driver empathy. MV Transportation’s *Employee Handbook & Employment Guidelines* details its formalized employee discipline program. All safety-sensitive employees are covered by the *Substance Abuse and Alcohol Misuse Policy and Procedures* handbook, which appears to meet all applicable state and federal requirements.

## Administration

Calaveras Transit has a well-developed budget and reporting system that is appropriate to the size and scope of the transit program. During the audit period, Calaveras Transit possessed a management information system which provided accurate and timely performance and financial data to management and the CCOG.

The County Board of Supervisors must approve substantial changes in the budget and/or spending, while the CCOG must approve revenue allocations. According to State Controller Reports, operating expenses did not exceed the budget during the audit period. The County's Transit Manager had primary oversight of grants management duties, service planning, and public information during the audit period. Day-to-day operations and maintenance management continues to be provided by the contractor's local manager. Calaveras Transit and MV Transportation primarily use the same software package (Microsoft Office) to aid in the transfer of data.

Ace American Insurance Company provides liability coverage on MV Transportation-operated vehicles and facilities. MV Transportation's local General Manager, who works closely with MV Transportation's claims agent in Fairfield, California, assumes primary risk management responsibilities. Established procedures for processing and investigating accident/injury claims are currently in place. MV Transportation maintains \$5 million of liability coverage with a \$1,000 deductible per preventable occurrence. MV Transportation's Corporate Safety Manager reviews monthly loss reports, and the local General Manager is responsible for pro-active safety/loss prevention initiatives.

According to MV Transportation's contract, the transit fleet can be utilized in the event of a disaster or emergency evacuation. The County's Transit Manager is responsible for contract management, most notably oversight of the operating contract with the transit operations contractor. The CCOG also monitors monthly reports submitted by the contractor, and occasionally makes service recommendations to the County to meet the requirements of the operations contract. The County Board of Supervisors executes all contracts after considering the recommendation of staff. All Calaveras Transit contracts must have a limited and defined term, a clearly specified scope of work, and an explicit price for goods and services.

MV Transportation's facility management (grounds keeping, and building maintenance and repair) is provided by a part-time utility worker. The Calaveras Transit and CCOG facilities are maintained using a combination of in-house staff and third-party contractors. As part of its operating contract, MV Transportation currently provides an operating facility at 750 Industrial Way. This building provides adequate office space for administrative and dispatching functions, and vehicles are parked outside in a fenced and partially paved lot (no other security is provided).

On-vehicle fare collection mechanisms are appropriately secure on Calaveras Transit buses. All buses use a locked vault farebox system. During the audit period, two senior MV Transportation staff members completed the fare counting process and deposited the cash directly with the County's internal cash-handling process.

Payroll services for Calaveras Transit are provided through the County's internal payroll system, which uses a secure database of employee records, pay rate, benefits and other key data. Employees submit timesheets as a basis for payroll, and direct payroll deposit is available for County employees. MV Transportation provides its own payroll system, which includes a secure database of employee records. MV Transportation employees submit timesheets as a basis for payroll, and direct payroll deposit is offered. Paychecks are signed by the president of MV Transportation.

Calaveras Transit has a formal procurement policy detailed in the County Code. This policy details procedures for competitive bids, quotes and contracting. Calaveras Transit has used the state bid process as well as the local procurement process to procure vehicles in the past. Operational items (i.e. tools, parts and supplies) are provided by MV Transportation as part of the operating contract. The County provides vehicles, radio equipment, and fuel. The activities of Calaveras Transit and its contractor are also reviewed by the CCOG as part of the annual TDA Fiscal Audit and Triennial Performance Audit processes.

### Marketing and Public Information

In January 2004, Calaveras Transit adopted a comprehensive marketing plan. The plan includes specific marketing activities such as system identity development, expansion of passenger information, Testimonial Ad campaign, and an annual Try Transit Promotion with merchants. Given the age of that document and the changes to the Calaveras Transit program since flex-route service was implemented in 2004, it would be appropriate to update the marketing plan.

Any complaints received by the contractor are included in the monthly management reports submitted to Calaveras Transit. MV Transportation employees effectively respond to telephone inquiries regarding service in the community. During the audit period, the primary responsibility for responding to complaints and commendations was assigned to the local MV Transportation General Manager. Surveys of riders are typically completed during the SRTP update process, although the County continually solicits input. In fact, the Calaveras Transit brochure includes a tear-off Customer Comment Card. The public's perception of Calaveras Transit's services is seemingly favorable, as evidenced by comments received during the general public telephone and on-board passenger surveys completed as part of the SRTP update. A large number of respondents stated that they were unfamiliar with transit services, demonstrating the potential need for increased marketing in the area.

### Maintenance

A preventive maintenance schedule is in place that meets the requirements of the bus manufacturers, and preventive maintenance services are provided by MV Transportation staff. Major repairs are the responsibility of the contractor, but may be completed by third-party vendors at MV Transportation's expense. MV Transportation's consolidated operations/maintenance facility appears to be sufficient for the varied types of vehicles operated. MV Transportation's facility includes two service bays, a bus washing bay, and adequate storage space for maintenance equipment. It also includes administrative space and customer service offices.

Calaveras Transit has a fleet of eleven active buses that are currently in service; as mentioned above, five new buses were recently procured and will replace the oldest of the current buses using funds from the FTA funds.<sup>2</sup> Nine of the eleven buses currently used by Calaveras Transit have reached the end of their economically useful lives as defined in FTA Circular 5010.1C and are eligible for immediate replacement. Specifically, FTA Circular 5010.1C provides service life standards for buses. Calaveras Transit has assigned a service life of 7 years or 200,000 miles, whichever comes first. However, as of June 30, 2008, the average fleet mileage was 298,813, and three vehicles have accumulated over 430,000 miles. Calaveras Transit should work closely with CCOG and Caltrans to replace its aging fleet as soon as practicable.

Vehicles are inspected daily by the MV Transportation drivers, and defects are noted on MV Transportation's Daily Vehicle Inspection Report. If a safety-related defect is discovered, the vehicle is "red-tagged" until the vehicle is repaired. MV Transportation's dispatch staff then contacts the staff mechanic to inform him of the problem and seek advice on how to proceed. To ensure vehicle availability, the mechanic seeks to complete simple repairs first and then concentrate on more labor-intensive repairs next. This priority system seems to work well, since there is not typically a backlog of repairs. MV Transportation's on-site General Manager has ultimate responsibility for deciding whether or not in-house staff or an outside vendor will repair a defective vehicle.

#### Other Pertinent Information and Recommendations

An issue that needs further consideration is how charter services are provided. Section 99250 of the TDA allows charter services to be offered as long as normal operations are not adversely affected, the services contribute financially to the program, and charter services do not unfairly compete with private operators where private operators are willing and able to provide charter services. In addition, rates must be reviewed and adjusted not less than semiannually. Finally, the FTA recently published a new Charter Rule that might significantly reduce public transit operators' ability to provide charter services. Calaveras Transit's contract agreement with MV Transportation does not clearly state TDA or FTA requirements for charter services. As such, Calaveras Transit should amend its contract with MV Transportation to include TDA and FTA requirements for charter services.

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<sup>2</sup> One of the five buses was procured using FTA Section 5309 funds passed through the San Joaquin Regional Transit District, while the remaining four were procured using FTA Section 5320 funds.

## Conclusions and Recommendations

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The Auditor's analysis of Calaveras Transit and its contractor indicates that, in terms of operations, the system was efficiently run and well managed during the audit period. Changes in the oversight structure of the transit program were implemented shortly after the audit period. No indications were discovered by the Auditors that suggest that transit service quality has suffered.

### FINDINGS

- Given the demographic characteristics and geographic constraints in Calaveras County, the transit program size and scope appears to be appropriate.
- Transit services provided by Calaveras Transit meet most TDA-requirements. The key exception was the system's inability to consistently meet the minimum 10 percent farebox recovery ratio requirement during the audit period. However, it should be noted that it typically takes two full years for a new transit service to reach its full potential in terms of ridership and corresponding farebox revenue targets. This is expressly recognized in TDA law, as new services are exempt from minimum farebox recovery ratio requirements for the first full two years of service. Regardless, the transit program needs to consider revisions to service and/or fare changes in order to achieve the 10 percent farebox recovery ratio in the future to avoid potential penalties.
- Calaveras Transit failed to complete and submit its Fiscal Year 2006-07 annual Fiscal and Compliance Audit within the TDA-required deadline. The base requirement is 180 days after the end of the Fiscal Year. The Calaveras Transit 2006-07 Fiscal and Compliance Audit was completed on May 13, 2008.
- During the audit period, slight discrepancies existed between the internal operating data (ridership, vehicle service hours, and vehicle service miles) maintained by Calaveras Transit and the data reported in the annual State Controller Reports. Given the small differences in the data sets, it would not be beneficial to commit limited staff resources try to reconcile these historical figures.
- Slight discrepancies also existed between the data in annual State Controller Reports and the annual Fiscal and Compliance Audits. This issue is not unique to Calaveras Transit, since the State Controller Report data are due prior to the time when the annual Fiscal and Compliance Audits are typically completed. Again, given the small differences in the data sets, it would not be beneficial to commit limited staff resources to try to reconcile these historical figures.
- Calaveras Transit's contract agreement with MV Transportation does not clearly state the TDA requirements for charter services.

- Calaveras Transit failed to meet the TDA-required 10 percent farebox recovery ratio in any of the three years of the Audit period. However, since Calaveras Transit implemented an entirely new deviated fixed route system design in August 2004, Caltrans officials confirmed that no penalty should be assessed through the end of Fiscal Year 2006-07.
- The Calaveras Transit Marketing Plan was last updated in January 2004. Given the relatively significant changes to Calaveras Transit services implemented in August 2004, the previous comprehensive marketing plan is somewhat outdated.
- Nine of the eleven buses currently used by Calaveras Transit have reached the end of their economically useful lives as defined in FTA Circular 5010.1C and are eligible for immediate replacement.

## **RECOMMENDATIONS**

- In the future, local transit officials should annually perform a review of the State Controller Report data, as well as the annual Fiscal and Compliance Audit data, to determine deficiencies (if any) and chronicle any discrepancies in a file so that future Triennial Performance Auditors can use this information to enumerate any discrepancies. Internal data reports should be amended accordingly in the future.
- Local transit officials should take measures to correctly report operating and financial data in the annual State Controller Report by mode (i.e., motor bus versus demand response) if two or more separate modes continue to be operated in the future.
- Calaveras Transit should amend its contract with MV to include TDA requirements for charter services.
- Calaveras Transit should work closely with CCOG and Caltrans to determine methods to increase farebox revenues and/or minimize operating costs in order to achieve the TDA-mandated 10 percent farebox recovery ratio.
- Given the age of the Calaveras Transit Marketing Plan and the changes to the Calaveras Transit program since flex-route service was implemented in 2004, it is recommended that the marketing plan be updated.
- Calaveras Transit should continue to work closely with CCOG and Caltrans to replace its aging fleet as soon as feasible.