North of the River CTSA

Triennial Performance Audit FY 15/16 - 17/18
Kern Council of Governments

Triennial Performance Audit, FY 2015/16 – FY 2017/18

North of the River CTSA

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North of the River CTSA
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Final Report

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In 2018, the Kern Council of Governments (Kern COG) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the twelve transit operators to which it allocates TDA funding. Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to complete an independent audit on a three-year cycle in order to maintain TDA funding eligibility. Audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the North of the River CTSA as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates TDA funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the North of the River CTSA’s public transit program for the period Fiscal Year 2015/16 through Fiscal Year 2017/18.

The North of the River Recreation & Park District (NOR) is the designated Consolidated Transportation Services Agency (CTSA) for the Metropolitan Bakersfield Area, providing door-to-door demand-response transit services for persons over 60 years of age and persons with disabilities. Prospective CTSA riders are required to complete an eligibility determination process.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates believes the evidence obtained provides a reasonable basis for our findings and conclusions.

This audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities.

The Triennial Performance Audit includes five elements:
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- Compliance requirements,
- Follow-up of prior report recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance
With one exception, the North of the River CTSA met the test of compliance with respect to all Transportation Development Act (TDA) regulations.

1. In FY 2017/18, Medi-Cal reimbursements were not allowed as fare revenue, resulting in a farebox recovery ratio below 10 percent.

Status of Prior Recommendations

1. Ensure timely submittal of annual State Controller Financial Transaction Reports.
   
   **Status:** Implemented.

2. Ensure accurate reporting of the TDA Full-Time Equivalent metric.
   
   **Status:** Partially implemented.

3. Ensure the accurate reporting of State Controller Report data.
   
   **Status:** Not implemented.

Findings and Recommendations
Based on discussions with CTSA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. In FY 2017/18, Medi-Cal reimbursements were not allowed as fare revenue, resulting in a farebox recovery ratio below 10 percent.

Moore & Associates has identified two functional findings. While these findings do not affect TDA compliance for the current audit period, we believe they warrant inclusion within this audit:

1. The CTSA reports incorrect Full-Time Equivalent (FTE) Employee data to the State Controller.
2. Given the recent elimination of Medi-Cal revenues, the CTSA must identify alternative revenues that can be applied to the farebox recovery ratio.
### Exhibit 1.1 Summary of Audit Recommendations

<table>
<thead>
<tr>
<th>TDA Compliance Recommendations</th>
<th>Importance</th>
<th>Timeline</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Work with Kern COG and Caltrans to determine whether Medi-Cal reimbursements can be applied to the farebox recovery ratio.</td>
<td>High</td>
<td>FY 2018/19</td>
</tr>
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<table>
<thead>
<tr>
<th>Functional Recommendations</th>
<th>Importance</th>
<th>Timeline</th>
</tr>
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<tbody>
<tr>
<td>1 Ensure accurate reporting of the TDA Full-Time Equivalent metric.</td>
<td>Medium</td>
<td>FY 2018/19</td>
</tr>
<tr>
<td>2 The CTSA should work with Kern COG to identify alternative revenue sources and/or adopt alternative eligibility measures as allowable under Article 4.5.</td>
<td>High</td>
<td>FY 2019/20</td>
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</table>
Chapter 2

Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the North of the River CTSA’s public transit program covers the three-year period ending June 30, 2018. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain TDA funding eligibility.

In 2018, the Kern Council of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the twelve transit operators to which it allocates TDA funding. Moore & Associates is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the North of the River CTSA as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each transit operator to which it allocates TDA funds.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require the audit team plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates believes the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities, as well as Government Audit Standards published by the U.S. Comptroller General.

Objectives
A Triennial Performance Audit has five primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Review the accuracy of data reporting;
4. Evaluate the efficiency and effectiveness of the transit operator; and
5. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.
**Scope**

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the North of the River CTSA included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. An assessment of the implementation of recommendations contained in prior performance audits.
3. A verification of the methodology for calculating performance indicators including the following activities:
   - Assessment of internal controls,
   - Test of data collection methods,
   - Calculation of performance indicators, and
   - Evaluation of performance.
4. Examination of the following functions:
   - General management and organization;
   - Service planning;
   - Scheduling, dispatching, and operations;
   - Personnel management and training;
   - Administration;
   - Marketing and public information; and
   - Fleet maintenance.
5. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator’s major functions.

**Methodology**

The methodology for the Triennial Performance Audit of the North of the River CTSA included thorough review of documents relevant to the scope of the audit, as well as information contained on the CTSA’s website. The documents reviewed included the following (spanning the full three-year period):

- Triennial Performance Audit report for the prior audit period;
- Monthly performance reports;
- State Controller Reports;
- NTD reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- Accident/road call logs;
- Customer complaint logs;
- Short Range Transit Plan; and
- Organizational chart.
The methodology for this review included a site visit to the North of the River Recreation & Park District’s headquarters (222 Minner Avenue, Bakersfield) on October 16, 2018. The site visit included interviews with Joe West (CTSA Supervisor) and Debra Rush (CTSA Dispatcher) and a tour of the vehicle storage yard.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
   - Compliance with statutory and regulatory requirements,
   - Progress in implementing prior recommendations,
   - Data analysis,
   - Performance measures and trends,
   - Functional audit, and
   - Findings and recommendations.
Chapter 3
Program Compliance

This section examines the North of the River CTSA’s compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The Kern Council of Governments considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with North of the River CTSA staff as well as a physical inspection of relevant documents including the fiscal audits for each year of the triennium, TDA claim forms, State Controller annual filings, California Highway Patrol terminal inspections, year-end performance reports, and other compliance-related documentation.

With one exception, the North of the River CTSA met the test of compliance with respect to all Transportation Development Act (TDA) regulations.

1. In FY 2017/18, Medi-Cal reimbursements were not allowed as fare revenue, resulting in a farebox recovery ratio below 10 percent.

Recent Changes Regarding Compliance

Two changes specific to the TDA and TDA funding went into effect beginning July 1, 2016. The first change was an amendment to the Public Utilities Code specific to the definition of operating cost and what costs can be excluded. It should be noted that many of the exclusions pertain only to changes in certain costs, either over the prior year or beyond the change in the Consumer Price Index. They do not apply to all costs related to specified exclusion categories.

Senate Bill 508, dated October 9, 2015, amended Section 99268.17 to read as follows:

99268.17 (a) Notwithstanding subdivision (a) of Section 99247, the following costs shall be excluded from the definition of “operating cost” for the purposes of calculating any required ratios of fare revenues to operating cost specified in this article:

(1) The additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 120101 et seq.), as identified in the operator’s paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations that exceed the operator’s costs required to provide comparable paratransit service in the prior year as adjusted by the Consumer Price Index.

(2) Cost increases beyond the change in the Consumer Price Index for all of the following:
(A) Fuel.
(B) Alternative fuel programs.
(C) Power, including electricity.
(D) Insurance premiums and payments in settlement of claims arising out of the
operator’s liability.
(E) State and federal mandates.

(3) Startup costs for new services for a period of not more than two years.

(b) The exclusion of costs from the definition of operating costs in subdivision (a) applies
solely for the purpose of this article and does not authorize an operator to report an
operating cost other than as defined in subdivision (a) of Section 99247 or a ratio of fare
revenue to operating cost other than as that ratio is described elsewhere in this article,
to any of the following entities:

(1) The Controller pursuant to Section 99243.
(2) The entity conducting the fiscal audit pursuant to Section 99245.
(3) The entity conducting the performance audit pursuant to Section 99246.

The second change, also contained within Senate Bill 508, related to the type of funds that can be used
to supplement farebox revenue. Prior to this bill, “local funds” was defined as “revenues derived from
taxed imposed by the operator or by a county transportation commission.” Senate Bill 508 amended
Section 99268.19 to read:

99268.19 If fare revenues are insufficient to meet the applicable ratio of fare revenues to
operating cost required by this article, an operator may satisfy that requirement by
supplementing its fare revenues with local funds. As used in this section, “local funds”
means any non-federal or non-state grant funds or other revenues generated by, earned
by, or distributed to an operator.

This expanded definition opens up new revenue sources that can be used to offset farebox shortfalls.
Applicable revenues include funds received through advertising, interest income, sale of surplus
vehicles, and other such sources. While these funds are no longer limited to those generated by local
taxes, they cannot be state or federal funds.

Another change affected the submittal deadline for the State Controller’s Transit Operators Financial
Transaction Report. Beginning with Fiscal Year 2016/17, the submittal deadline was changed from 110
days following the end of the fiscal year (typically October 18-20) to seven months following the end of
the fiscal year (January 31). The original submittal deadline was in force during reporting for FY
2015/16, while the new deadline was utilized for FY 2016/17 forward.
### Exhibit 3.1 Transit Development Act Compliance Requirements

<table>
<thead>
<tr>
<th>Compliance Element</th>
<th>Reference</th>
<th>Compliance</th>
<th>Comments</th>
</tr>
</thead>
</table>
| State Controller Reports submitted on time.                                       | PUC 99243  | In compliance      | FY 2015/16: October 17, 2016  
                               |             |                    | FY 2016/17: January 31, 2018  
                               |             |                    | FY 2017/18: January 30, 2019  |
| Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension). | PUC 99245  | In compliance      | FY 2015/16: March 29, 2017  
                               |             |                    | FY 2016/17: March 27, 2018  
                               |             |                    | FY 2017/18: March 29, 2019  
                               |             |                    | With 90-day extension.      |
| Operator’s terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim. | PUC 99251 B| In compliance      | March 18, 2015  
                               |             |                    | April 7, 2016  
                               |             |                    | May 4, 2018  
                               |             |                    | May 2, 2018  |
| Operator’s claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA. | PUC 99261  | In compliance      |                                                                                             |
| If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA. | PUC 99270.1| Not applicable     |                                                                                             |
| An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA. | PUC 99405  | Not applicable     |                                                                                             |
| The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s). | PUC 99266  | In compliance      | FY 2015/16: +6.07%  
                               |             |                    | FY 2016/17: -5.46%  
                               |             |                    | FY 2017/18: -5.51%  
<p>| The operator’s definitions of performance measures are consistent with the Public Utilities Code Section 99247. | PUC 99247  | In compliance      | While the proper definition for FTE is used, incorrect data is being reported to the State Controller. |
| If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent). | PUC 99268.2, 99268.4, 99268.1 | Not applicable |                                                                                             |
| If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent). | PUC 99268.2, 99268.4, 99268.5 | Not applicable |                                                                                             |</p>
<table>
<thead>
<tr>
<th>Compliance Element</th>
<th>Reference</th>
<th>Compliance</th>
<th>Comments</th>
</tr>
</thead>
</table>
| For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent. | PUC 99268.5, CCR 6633.5 | Finding    | FY 2015/16: 13.85%  
FY 2016/17: 15.80%  
FY 2017/18: 7.41% |
| The current cost of the operator’s retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years. | PUC 99271       | In compliance | NOR CTSA employees are eligible for retirement benefits under CalPERS. |
| If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted. | CCR 6754 (a) (3) | Not applicable | NOR CTSA does not claim STA funds. |
| In order to use State Transit Assistance funds for operating assistance, the operator’s total operating cost per revenue hour does not exceed the sum of the preceding year’s total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year’s total operating cost per revenue hour. An operator may qualify based on the preceding year’s operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for capital purposes. | PUC 99314.6     | Not applicable |                             |
| A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant’s capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a CTSA or county to which the operator has provided services beyond its boundaries. | CCR 6634        | In compliance |                                                                 |
Chapter 4

Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the North of the River CTSA has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in March 2016 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2015 – included three recommendations:

1. **Ensure timely submittal of annual State Controller Financial Transaction Reports.**
   
   **Discussion:** Public Utilities Code Section 99243 requires transit operators in receipt of TDA Article 4 funds to submit annual reports to the State Controller within 90 days following the end of the fiscal year (110 days if filing electronically).

   While the CTSA’s submittals for both years were less than one week late, they still failed to meet the established deadline.

   The prior auditors recommended ensuring State Controller Reports are submitted within the established timeframe

   **Progress:** State Controller Reports were submitted on time in FY 2015/16 and FY 2016/17.

   **Status:** Implemented.

2. **Ensure accurate reporting of the TDA Full-Time Equivalent metric.**

   **Discussion:** The Transit Operators Financial Transaction Report Instructions published by the State Controller state the following with respect to the reporting of Total Employees – Public and Contract:

   \[ \text{Report the number of employee equivalents. Public Utilities Code section 99247(j) defines "Vehicle service hours per employee" as the vehicle service hours divided by the number of employees employed in connection with the public transportation system. Use the assumption that 2,000 person-hours of work in one year constitutes one employee. The number of employees shall also include those individuals employed by the operator which provide services to the agency of the operator responsible for the operation of the public transportation system even though not employed in that agency.} \]

   

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The CTSA determines its number of full-time employee equivalents by adding up the number of staff who spend their time on transit activities (“person-count”). However, TDA regulations require transit operators to account for the total amount of time spent on transit activities, which is then divided by 2,000 to calculate full-time equivalent (FTE). This should include all work hours, regardless of department or title. This calculated figure should be reported in the State Controller Report under Employees.

The prior auditors recommended payroll records be used to document the total amount of time spent on transit, and that figure (divided by 2,000) be used to calculate FTE for reporting to the State Controller.

**Progress:** The CTSA demonstrated use of the TDA definition of Full-Time Equivalent (FTE) Employee as part of this audit. However, the CTSA reported this information incorrectly on its State Controller Report.

**Status:** Partially implemented.

3. Ensure the accurate reporting of State Controller Report data.

**Discussion:** Vehicle Service Miles (VSM) is one of several performance metrics reported to the State Controller. Operators are to “report the total number of miles while in revenue service for the fiscal year for each mode of transportation.”

While the majority of data appeared to be reported accurately, Vehicle Service Miles as reported to the State Controller could not be fully reconciled against internal performance reports.

The prior auditors recommended verifying the accuracy of all performance data before submitting the State Controller or other reports.

**Progress:** There continue to be variances in how data is reported to the State Controller, NTD, and in monthly performance reports.

**Status:** Not implemented.

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Chapter 5

Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data are consistent can be challenging given the differing definitions employed by different agencies as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported by the North of the River CTSA to the State Controller and Federal Transit Administration specific to the audit period. Submissions to these entities were included within the State Controller’s Transit Operators Financial Transactions Report (TOR) and the National Transit Database (NTD) report, respectively.

Exhibit 5.1 provides a comparison between performance data reported within the TOR and NTD reports for the current audit period (ending FY 2015/16 through FY 2017/18) and the data reported via monthly performance reports and TDA fiscal audits.

- **Operating Cost**: Operating cost reported on the monthly performance reports is lower than that reported on the TDA fiscal audit and to the State Controller. This is not a particular concern, as the monthly performance report fiscal data is likely preliminary data. Data reported on the TDA fiscal audit and the TOR is much more consistent in FY 2015/16 and FY 2016/17. However, these figures do not agree in FY 2017/18.
- **Fare Revenue**: Fare revenue reported on the monthly performance reports is farebox revenue only and does not include Medicare reimbursements. Other data is highly consistent.
- **Vehicle Service Hours**: Vehicle service hours data submitted to the NTD is largely consistent with the monthly performance reports. In FY 2015/16, the State Controller Report data was 17.5 percent less than in the other reports. In FY 2016/17 and FY 2017/18, this variance was not observed.
- **Vehicle Service Miles**: Vehicle service miles data lacks consistency among all three reports reviewed. Data reported to the State Controller contains the least number of hours; the NTD report contains the most. The variance between these was 51.7 percent in FY 2015/16 and 26.8 percent in FY 2016/17. In FY 2017/18, the monthly performance report and State Controller Report were more consistent, but were 6.9 percent lower than the NTD report.
- **Passengers**: In FY 2015/16, the data reported to the State Controller was 17.4 percent lower than that reported elsewhere. In FY 2016/17 and FY 2017/18, all data was generally consistent.
- **Full-Time Equivalent Employees**: Data reported to the State Controller was higher than that calculated using the TDA methodology.
### Exhibit 5.1 Data Reporting Consistency

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>FY 2015/16</th>
<th>FY 2016/17</th>
<th>FY 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Cost (Actual $)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TDA fiscal audit</td>
<td>$1,169,866</td>
<td>$1,194,078</td>
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<td>Monthly Performance Reports</td>
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<td>$1,176,388</td>
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<td>State Controller Report</td>
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<td><strong>Fare Revenue (Actual $)</strong></td>
<td></td>
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<td>TDA fiscal audit</td>
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<td><strong>Vehicle Service Hours (VSH)</strong></td>
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<td><strong>Vehicle Service Miles (VSM)</strong></td>
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<td><strong>Passengers</strong></td>
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<tr>
<td>Per TDA methodology</td>
<td>19</td>
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</tbody>
</table>
Chapter 6
Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator’s activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between major functions is revealed.

The Transportation Development Act (TDA) requires recipients of TDA funding to track and report five performance indicators:

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

To assess the validity and use of performance indicators, the audit team performed the following activities:

- Assessed internal controls in place for the collection of performance-related information,
- Validated collection methods of key data,
- Calculated performance indicators, and
- Evaluated performance indicators.

The procedures used to calculate TDA-required performance measures for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller and Federal Transit Administration).

Operating Cost
The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. Operating cost – as defined by PUC Section 99247(a) – excludes the following:

---

3 CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.
Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

Vehicle Service Hours and Miles

Vehicle Service Hours (VSH) and Miles (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability. For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

Passenger Counts

According to the Transportation Development Act, total passengers is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

Employees

Employee hours is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media. (Fare revenue does not include additional local revenues that can be used to supplement the farebox recovery ratio.)

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4 A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.
TDA Required Indicators

To calculate the TDA indicators for the North of the River CTSA, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via State Controller Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that in the TDA fiscal audit and was determined to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare Revenue data were obtained via State Controller Reports for each fiscal year covered by this audit. Fare revenue from the reports is consistent with TDA guidelines.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the CTSA’s monthly performance data summary reports. The CTSA’s calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via State Controller Reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the CTSA’s monthly performance data summary reports. This methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via State Controller reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the CTSA’s monthly performance data summary reports. The CTSA’s calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) methodology was provided by the CTSA and is consistent with the TDA definition (hours worked divided by 2,000).

System Performance Trends

Since FY 2012/13, operating cost experienced a net increase of 21.7 percent, though it declined slightly in FY 2017/18. Fare revenue has steadily increased, due in part to Medicare reimbursements. In FY 2017/18, however, the Medicare reimbursement program ended. Payments continued to come in, but were no longer classified as fare revenue by the NOR’s Finance Department. This resulted in a 52.5 percent decrease in fare revenue between FY 2016/17 and FY 2017/18.

Vehicle Service Hours (VSH) experienced a net increase of 23 percent between FY 2012/13 and FY 2017/18. Vehicle Service Miles (VSM) experienced a net increase of 17.9 percent during the same time period. However, the significant variance in how VSM was reported should be taken into account with respect to this observation. Passengers experienced a net increase of 7.2 percent between FY 2012/13 and FY 2017/18.

Operating cost per passenger appeared to peak in FY 2015/16; however, the number of passengers reported to the State Controller in FY 2015/16 was less than that reported elsewhere. If the other figure ($47,911) is used for this calculation, then the operating cost per passenger drops to $24.14. Productivity indicators remained fairly static.
## Exhibit 6.1 System Performance Indicators

<table>
<thead>
<tr>
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<tr>
<td><strong>Operating Cost (Actual $)</strong></td>
<td>$973,949</td>
<td>$1,032,788</td>
<td>$1,099,282</td>
<td>$1,156,794</td>
<td>$1,194,076</td>
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<td><strong>Annual Change</strong></td>
<td>6.0%</td>
<td>6.4%</td>
<td>5.2%</td>
<td>3.2%</td>
<td>-0.7%</td>
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<td><strong>Fare Revenue (Actual $)</strong></td>
<td>$117,948</td>
<td>$119,237</td>
<td>$142,247</td>
<td>$162,009</td>
<td>$188,680</td>
<td>$89,640</td>
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<td><strong>Annual Change</strong></td>
<td>1.8%</td>
<td>19.3%</td>
<td>13.9%</td>
<td>16.5%</td>
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<td><strong>Vehicle Service Hours (VSH)</strong></td>
<td>18,539</td>
<td>19,791</td>
<td>21,313</td>
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<td>23,203</td>
<td>22,808</td>
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<td><strong>Annual Change</strong></td>
<td>6.8%</td>
<td>7.7%</td>
<td>-11.9%</td>
<td>23.5%</td>
<td>-1.7%</td>
<td></td>
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<tr>
<td><strong>Vehicle Service Miles (VSM)</strong></td>
<td>299,679</td>
<td>269,807</td>
<td>292,573</td>
<td>246,728</td>
<td>305,014</td>
<td>353,333</td>
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<td><strong>Annual Change</strong></td>
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<td>8.4%</td>
<td>-15.7%</td>
<td>23.6%</td>
<td>15.8%</td>
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<tr>
<td><strong>Passengers</strong></td>
<td>42,905</td>
<td>43,567</td>
<td>46,385</td>
<td>39,534</td>
<td>48,247</td>
<td>46,015</td>
</tr>
<tr>
<td><strong>Annual Change</strong></td>
<td>1.5%</td>
<td>6.5%</td>
<td>-14.8%</td>
<td>22.0%</td>
<td>-4.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>17</td>
<td>17</td>
<td>22</td>
<td>19</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td><strong>Annual Change</strong></td>
<td>0.0%</td>
<td>29.4%</td>
<td>-13.6%</td>
<td>5.3%</td>
<td>0.0%</td>
<td></td>
</tr>
</tbody>
</table>

### Performance Indicators

- **Operating Cost/VSH (Actual $)**
  - $52.54
  - Annual Change: -0.7%
- **Operating Cost/Passenger (Actual $)**
  - $22.70
  - Annual Change: 4.4%
- **Passengers/VSH**
  - 2.31
  - Annual Change: -4.9%
- **Passengers/VSM**
  - 0.14
  - Annual Change: 12.8%
- **Farebox Recovery**
  - 12.1%
  - Annual Change: -4.7%
- **Hours/Employee**
  - 1090.5
  - Annual Change: 6.8%

### TDA Non-Required Indicators

- **Operating Cost/VSM**
  - $3.25
  - Annual Change: 17.8%
- **VSM/VSH**
  - 16.16
  - Annual Change: -15.7%
- **Fare/Passenger**
  - $2.75
  - Annual Change: -0.4%

Sources: FY 2012/13 – FY 2014/15 data from prior Triennial Performance Audit. FY 2015/16 – FY 2017/18 data from State Controller Reports. FY 2015/16 – FY 2017/18 FTE data provided by CTSA.
Exhibit 6.2 System Ridership

Exhibit 6.3 System Operating Cost/VSH

Exhibit 6.4 System Operating Cost/VSM

Exhibit 6.5 System VSM/VSH
Exhibit 6.6 System Operating Cost/Passenger

Exhibit 6.7 System Passengers/VSH

Exhibit 6.8 System Passengers/VSM

Exhibit 6.9 System VSH/FTE
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Chapter 7

Functional Review

A functional review of the North of the River CTSA’s public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the CTSA’s transit services, this chapter addresses seven functional areas. The list, taken from Section III of the Performance Audit Guidebook published by Caltrans, reflects those transit services provided by the North of the River CTSA through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

Service Overview

The North of the River Recreation & Park District (NOR) is the designated Consolidated Transportation Services Agency (CTSA) for the Metropolitan Bakersfield Area, providing door-to-door demand-responsive transit services for people over 60 years of age and persons with disabilities. Prospective CTSA riders are required to complete an eligibility determination process.

The service area extends as far as Rio Bravo in the eastern part of the metro area, and to Taft Highway in the south. Hours of operation are Monday through Friday from 8:00 a.m. to 5:00 p.m. The CTSA does not operate on the weekends and designated holidays. The most common destinations are the Alzheimer’s Day Care Center and other healthcare destinations.

Exhibit 7.1 illustrates the CTSA service area. CTSA service boundaries are outlined in blue.
Most scheduled trips are for medical appointments and shopping, yet trips can be scheduled for any purpose. Trips are scheduled 45 minutes to one hour prior to appointment times, which allow for other pick-ups and drop-offs. Vehicles may arrive up to 20 minutes before or 20 minutes after the scheduled pick-up time. The majority of the ridership is comprised of regular passengers, with about 50 percent of these being subscription riders. Wheelchairs must be in proper working condition and drivers are not allowed to push wheelchairs up or down steep inclines.

There is a suggested two-week notice required for wheelchair transportation due to limited availability. While all CTSA vehicles are ADA-compliant, there are limited wheelchair spaces available on each vehicle (and therefore for each trip). Given the limited number of spaces, same-day appointments for wheelchairs are difficult to book.

The one-way fare is two dollars and multi-ride punch passes are available for purchase through the CTSA office. Personal Care Attendants (PCAs) may accompany their clients at no charge, while companions pay the regular one-way fare.
General Management and Organization

The CTSA supervisor, who reports to the Executive Director and Board of Directors of the North of the River Recreation and Park District, has direct oversight of the transit program. He monitors monthly reports on trips counts, which are generated electronically by Trapeze. Monthly reports are provided to the Executive Director, with quarterly reports provided to the Board. The CTSA supervisor attends all SSTAC and TTAC meetings, as well as other steering committee or project-related meetings. There is no rider/user advisory committee.

Service Planning

Kern COG handles transit planning for the CTSA through the periodic development of a Short Range Transit Plan (SRTP) or Transit Development Plan (TDP). At present, there is an issue with capacity due to endless demand. In September 2018, CTSA denied nearly 350 trips, all due to capacity issues. The service area itself is geographically constrained. The CTSA has vehicles available, as well as possible staff, but needs additional funding in order to stay within budget. TDA funding has decreased in the last few cycles. In order to account for these losses, the CTSA has been using Section 5310 funding (approximately $400,000 over the next three years).

Ride requests are accepted up to two weeks in advance. Four staff members take about 400-500 calls a week using a new headset system, Monday through Friday from 8:00 a.m. to 5:00 p.m. “Same day” requests are handled on a “space available” basis. Subscription reservations make up almost 50 percent of trips. There is a big demand for dialysis trips.
Scheduling, Dispatch, and Operations

CTSA is staffed by four full-time and 18 part-time staff. This staffing level is appropriate. Drivers are assigned routes based on a seniority system. Vehicle assignments are based on driver licensing; Class B vehicles require drivers with Class B licenses with a passenger endorsement. Such a license is not required for vans.

CTSA office hours are Monday through Friday, 8:00 a.m. to 5:00 p.m., and riders may call to make a reservation any time during these hours. When the CTSA office is closed an answering service is available. However, riders are instructed not to request reservations using the service.

Customer service calls are routed to dispatch, where it is verified that the customer is in the system. Anyone age 60 and older is automatically qualified. Customers who are under 60 years of age must be certified by a physician/healthcare provider. The application process takes three to five business days.

Dispatch functions are conducted with the Trapeze Pass software program. No calls, clients, or reason for ride receives prioritization. In the event a requested ride time is not available, dispatchers attempt to negotiate alternative times. Given that this is not always possible, trip denials are recorded and tracked.

Fares are collected and kept in pouches. Drivers typically collect less than $300 in cash through fares each day. Three office staff members are involved in the counting and reconciliation process, using driver manifests to compare fare revenue with ridership. Once a pouch is counted, it is placed in an overnight safe. Deposits are made daily via an in-house courier. Through October 2017, passenger fare revenue was supplemented by Medicare billings. Some trips are billed directly to the Kern Regional Center and an Alzheimer’s organization. Punch passes are collected with the last punch and tracked on driver manifests.

Personnel Management and Training

New CTSA drivers undergo two weeks of training, which consists of online and in-classroom training, with a senior driver. New drivers complete two weeks of cadetting. In addition, drivers undergo nine hours of fleet program training annually and also receive CPR/First Aid training on a biannual basis. Drivers attend monthly safety meetings.

Drivers are subject to random drug screenings through American Safety Drug Testing in Bakersfield. The CTSA participates in the DMV’s pull-notice program.

Part-time employees accrue personal time off as well as medical insurance. The rate of PTO accrual is approximately half that of a full-time employee.

Administration

CTSA Supervisor prepares the budget and meets with the Executive Director and the Finance Director. The budget is then presented to the Board. There is no dedicated grant writer; grant preparation is shared between two individuals.

Risk management is the responsibility of the Human Resources department. CTSA is self-insured under the California Association for Park and Recreation Insurance (CAPRI).
Vehicle purchasing is handled by the CTSA supervisor. Approximately 75 percent of vehicles are funded through FTA Section 5310. The Finance department is responsible for the completion of State Controller Reports.

Payroll is handled under the Finance department. Timecards are computerized using Black Mountain Services and verified every two weeks. A majority of employees use direct deposit.

The CTSA has separate accounts payable and accounts receivable functions within Finance. It does not have an internal auditor function.

Marketing and Public Relations
Due to high demand, the CTSA does not conduct much marketing other than outreach to senior centers, health/resource fairs, and aging/adult services. Marketing materials include English and Spanish brochures (service information and rider information) as well as a bilingual application. All vehicles are branded with the phone number and website. No advertising is conducted on the buses. Vehicle wraps (exterior advertising) were tried at one time, but were unsuccessful. Riders are typically surveyed as part of the TDP/SRTP planning process.

The NOR website (norfun.org/recreationprograms/ctsa-transportation) provides general information about the CTSA including links to Title VI documentation, the program brochure, and eligibility application. These documents are provided in both English and Spanish, though the physician’s report is available in English only. Because NOR is primarily a recreation and parks district, links to recreation programs dominate the website, making locating the link for transit more challenging than might be desired by some users. Specifically, the direct link to the Transportation area is located in the drop-down menu for Recreation/Programs.

Complaints are routed to dispatchers, who complete a complaint form. Forms are reviewed by the CTSA supervisor. After contacting the client for further investigation, discipline is issued equally across all positions.

Maintenance
North of the River CTSA operates a fleet of 18 active vehicles with three additional vehicles serving as backups. Active-service vehicles range in model years from 2013 through 2018, with capacities ranging from six to fifteen. All vehicles have capacity for at least one wheelchair, and more than half have space for two wheelchairs. Ownership of the vehicles is split between CTSA and CalTrans. All vehicles are gasoline-fueled.

CTSA contracts for its vehicle maintenance with local vendors. Preventative maintenance such as oil and filter changes along with belt and hose checks for wear is performed by Thiemann's Fleet and Auto Repair located at 3004 Antonino Ave in Bakersfield. Tire maintenance and purchases take place at Country Tire and Wheel, while Rincon and Braun perform any necessary repairs to vehicle wheelchair lifts. CTSA does not have any issues with prioritization of getting CTSA vehicles serviced.

CTSA vehicles are subject to a 4,000-mile preventative maintenance inspection (formerly 3,000 miles, but changed after the service mechanic changed fleet to synthetic engine oil), which is OEM compliant. In addition, vehicles undergo daily pre- and post-trip inspections.
A vehicle replacement program is in place. FTA Section 5310 useful life criteria specifies a useful life of 5 years or 100,000 to 150,000 miles.

CHP annual terminal inspections, including DMV pull notice records, maintenance and lubrication records, periodic safety inspections, drivers’ time records, and daily vehicle inspection reports, are conducted on the driver records and vehicles.

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<th>Vehicle ID#</th>
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<th>Make</th>
<th>Capacity</th>
<th>Status</th>
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<td>2016</td>
<td>Braun/Dodge</td>
<td>5 + 1 WC</td>
<td>Active</td>
</tr>
<tr>
<td>042</td>
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<td>Braun/Dodge</td>
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<td>Active</td>
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<tr>
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<tr>
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<td>El Dorado/Amerivan</td>
<td>5 + 2 WC</td>
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</tr>
<tr>
<td>398</td>
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North of the River recreation and park district building.

North of the River CTSA van.

North of the River CTSA gas-powered van.

North of the River CTSA office.
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Chapter 8

Findings and Recommendations

Conclusions
With one exception, Moore & Associates finds the North of the River CTSA to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings and Recommendations
Based on discussions with CTSA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. In FY 2017/18, Medi-Cal reimbursements were not allowed as fare revenue, resulting in a farebox recovery ratio below 10 percent.

Moore & Associates has identified two functional findings. While these findings do not affect TDA compliance for the current audit period, we believe they warrant inclusion within this audit:

1. The CTSA reports incorrect Full-Time Equivalent (FTE) Employee data to the State Controller.
2. Given the recent elimination of Medi-Cal revenues, the CTSA must identify alternative revenues that can be applied to the farebox recovery ratio.

Program Recommendations
In completing this Triennial Performance Audit, Moore & Associates submits the following recommendations for the North of the River CTSA. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance.

Compliance Finding 1: In FY 2017/18, Medi-Cal reimbursements were not allowed as fare revenue, resulting in a farebox recovery ratio below 10 percent.

Criteria:

Condition: Prior to FY 2017/18, both the NOR Finance Department and TDA fiscal audit allowed Medi-Cal reimbursements to be applied to the farebox recovery ratio. In FY 2017/18, these funds were no longer allowed. As a result, the TDA fiscal audit assessed the farebox recovery ratio as 7.41 percent, rather than the 16 percent that would have resulted from inclusion of the funds. The issue is whether these can be used for farebox supplementation given they are received from the state.

While the rules regarding Medi-Cal reimbursement have changed, significantly reducing the amount of the reimbursement NOR CTSA receives, in mid-FY 2017/18, CTSA continued to receive payments for the prior year throughout FY 2017/18.
While this funding does come from the state, it is not a grant provided to the CTSA, but instead provides a reimbursement to subsidize the cost of travel for eligible recipients. Therefore it is directly generated by operations. Other California operators, such as Gold Coast Transit District, continue to successfully apply Medi-Cal reimbursements to the farebox recovery ratio. It is our opinion that these funds should be applied to the farebox recovery ratio, which would negate this finding.

**Cause:** Different interpretations of the TDA can result in revenues that were previously considered eligible farebox revenues to be considered ineligible.

**Effect:** This can result in a farebox recovery ratio that does not meet the TDA threshold, putting CTSA out of compliance with the TDA. In addition, this affects the budgeting process as well, and results in the FY 2017/18 farebox revenues being well below what was estimated in the budget and TDA claim.

**Recommendation:** Work with Kern COG and Caltrans to determine whether Medi-Cal reimbursements can be applied to the farebox recovery ratio.

**Recommended Action(s):** NOR CTSA should consult with Kern COG and Caltrans to determine whether Medi-Cal reimbursements can be applied to the farebox recovery ratio. If the funds are determined to be allowable, the farebox recovery ratio for FY 2017/18 should be reassessed to show compliance audit. If it is ultimately determined that these funds cannot be applied to the farebox recovery ratio, then other local supplementation must be identified to ensure NOR CTSA can meet the 10 percent threshold. Alternately, Kern COG has the authority to designate an alternative compliance measure (such as performance criteria, local match requirement, or alternative farebox recovery ratio) for the CTSA under Article 4.5 (as discussed in Functional Finding 2).

**Timeline:** FY 2018/19.

**Anticipated Cost:** Negligible.

**Functional Finding 1:** The CTSA reports incorrect Full-Time Equivalent (FTE) Employee data to the State Controller.

**Criteria:** The Transit Operators Financial Transaction Report Instructions published by the State Controller state the following with respect to the reporting of Total Employees – Public and Contract:

> Report the number of employee equivalents. Public Utilities Code section 99247(j) defines "Vehicle service hours per employee" as the vehicle service hours divided by the number of employees employed in connection with the public transportation system. Use the assumption that 2,000 person-hours of work in one year constitutes one employee. The number of employees shall also include those individuals employed by the operator which provide services to the agency of the operator responsible for the operation of the public transportation system even though not employed in that agency.\(^5\)

**Condition:** While the CTSA demonstrated as part of this audit an understanding of the TDA definition (and calculation) for Full-Time Equivalent (FTE) Employees, this information is not being reported accurately on the State Controller Report.

**Cause:** There may be a disconnect between the individual responsible for preparation of the State Controller Report and those who review the Triennial Performance Audit findings, or a lack of understanding of how the FTE metric is defined by the State Controller.

**Effect:** When wrong data is reported in one category, it may call into question the accuracy of all reported data.

**Recommendation:** Ensure accurate reporting of the TDA Full-Time Equivalent metric.

**Recommended Action(s):** Ensure that the person completing the State Controller Report is aware of the proper calculation methodology for FTE and that the proper data is reported.

**Timeline:** FY 2018/19.

**Anticipated Cost:** Negligible.

**Functional Finding 2:** Given the recent elimination of Medi-Cal revenues, the CTSA must identify alternative revenues that can be applied to the farebox recovery ratio.

**Criteria:** PUC Section 99268.5 sets forth a minimum farebox recovery ratio of 10 percent for transit operators which provide service exclusively to elderly and disabled persons.

**Condition:** Prior to FY 2017/18, CTSA has had little trouble meeting its required farebox recovery ratio, due largely to reimbursement for Medi-Cal trips. However, such reimbursement was eliminated in October 2017. As a result, CTSA faces an uncertain future with respect to achieving farebox recovery goals under PUC Section 99268.5. However, Article 4.5 (PUC Section 99275.5) allows the RTPA (Kern COG) to establish an alternative compliance criteria, which can be farebox recovery ratio, local match requirements, or performance measures.

**Cause:** Elimination of a revenue source causes a significant decrease in fare revenue, resulting in a lower farebox recovery ratio.

**Effect:** Lack of sufficient fare revenue can result in CTSA not being able to meet its farebox recovery ratio requirements.

**Recommendation:** The CTSA should work with Kern COG to identify alternative revenue sources and/or adopt alternative eligibility measures as allowable under Article 4.5.

**Recommended Action(s):** Pursuant to Senate Bill 508, which updated the TDA in July 1, 2016, allows additional local revenues to be counted toward the farebox recovery ratio. In addition, the CTSA should
discuss with Kern COG potential opportunities to use alternative performance measures in lieu of farebox recovery ratio to evaluate compliance with the TDA.

**Timeline:** FY 2019/20.

**Anticipated Cost:** Negligible.

<table>
<thead>
<tr>
<th>Exhibit 8.1 Summary of Audit Recommendations</th>
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<tbody>
<tr>
<td><strong>TDA Compliance Recommendations</strong></td>
</tr>
<tr>
<td>1. Work with Kern COG and Caltrans to determine whether Medi-Cal reimbursements can be applied to the farebox recovery ratio.</td>
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<tr>
<td><strong>Functional Recommendations</strong></td>
</tr>
<tr>
<td>1. Ensure accurate reporting of the TDA Full-Time Equivalent metric.</td>
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<tr>
<td>2. The CTSA should work with Kern COG to identify alternative revenue sources and/or adopt alternative eligibility measures as allowable under Article 4.5.</td>
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