



FINAL REPORT
APRIL 2019

County of Nevada Gold Country Stage and Gold Country Lift

Triennial Performance Audits FY 15/16 - 17/18



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Chapter 1

Executive Summary

In 2018, the Nevada County Transportation Commission (NCTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two 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 County of Nevada 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 County of Nevada's public transit program for the period Fiscal Year 2015/16 through Fiscal Year 2017/18.

The County of Nevada directly operates Gold Country Stage, a fixed-route bus service available to the general public. The service operates within Grass Valley, Nevada City, and surrounding communities. Regional service is available to Auburn. Service is available on weekdays from 7:15 a.m. through 8:00 p.m. and limited Saturday service from 7:15 a.m. through 5:30 p.m. The service does not operate on Sunday or designated holidays.

The County of Nevada contracts with Paratransit Services to operate Gold Country LIFT, a door-to-door ADA paratransit service for qualified individuals who cannot use the fixed-route service. The service operates within Western Nevada County. Service is available weekdays from 6:30 a.m. through 8:00 p.m., and limited Saturday service from 7:30 a.m. through 5:00 p.m. The service does not operate on Sunday or designated holidays. Requests for service require a minimum one-day advance notice prior to pick up. Same-day service is not available.

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.



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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:

- 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 County of Nevada met the test of compliance with respect to all Transportation Development Act (TDA) regulations:

1. The County's use of the TDA definition of full-time equivalent (FTE) could not be verified.

Status of Prior Recommendations

1. Ensure that full-time equivalent (FTE) employee hours be calculated and reported to the State Controller in accordance with Public Utilities Code 99247(j) for the specialized transportation service mode.
Status: Unable to determine.
2. Revise farebox recovery inputs to be consistent with the TDA statute.
Status: Implemented.
3. Include tracking and reporting of passenger complaints and compliments in the Annual Operations Report.
Status: Implemented.

Findings and Recommendations

Based on discussions with the County, analysis of program performance, and a review of program compliance and function, Moore & Associates submits one compliance finding for the County of Nevada:

1. The County's use of the TDA definition of full-time equivalent (FTE) could not be verified.

Moore & Associates has identified five functional findings. While these finding do not affect TDA compliance, we believe they warrant inclusion within this audit.

1. Both fixed-route and Dial-A-Ride data reported to the National Transit Database are combined under the category of Bus.
2. While public perception of the program is generally high, the County suffers from limited community awareness regarding Gold Country Stage service.
3. The Transit Services Commission (TSC) has expressed concern regarding ridership decline specific to Gold Country LIFT.

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4. The County does not address complaints received specific to Gold Country LIFT in its Annual Operations Report.
5. Financial data reported to various entities has significant inconsistencies.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Use the TDA definition to calculate and report full-time equivalents and effectively document the methodology used for this calculation.	High	FY 2019/20
Functional Recommendations		Importance	Timeline
1	The County should begin reporting data for Gold Country Stage and Gold Country LIFT separately in its NTD report.	High	FY 2019/20
2	Develop and implement a strategic marketing plan for Gold Country Stage.	Medium	FY 2019/20
3	Assess reasons for the recent ridership decline and identify strategies to mitigate this decline.	Medium	FY 2019/20
4	Begin including a summary of complaints related to Gold Country LIFT in the Annual Operations Report.	Low	FY 2018/19
5	Use a single database for operating data to ensure consistent reporting both internally and externally.	High	FY 2018/19



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Chapter 2

Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the County of Nevada’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 Nevada County Transportation Commission (NCTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two 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 County of Nevada 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.



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Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the County of Nevada 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 County of Nevada included thorough review of documents relevant to the scope of the audit, as well as information contained on the County'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.



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The methodology for this review included a site visit to the County's transit facility (13081 John Bauer Avenue, Grass Valley), contractor operations facility (900 Whispering Pines Lane, Suite 210, Grass Valley), and the Nevada County Public Works Yard (12548 Loma Rica Drive, Grass Valley) on January 14, 2019. The site visit included interviews with Robin Van Valkenburgh (Transit Services Manager), Liz Nielsen (Accounting Technician), and Troy Larsen (Paratransit Services' General Manager).

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.



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Chapter 3

Program Compliance

This section examines the County of Nevada’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 Nevada County Transportation Commission 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 County of Nevada 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 County of Nevada met the test of compliance with respect to all Transportation Development Act (TDA) regulations:

1. The County’s use of the TDA definition of full-time equivalent (FTE) could not be verified.

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.



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Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	In compliance	FY 2015/16: October 17, 2016 FY 2016/17: January 16, 2018 FY 2017/18: January 31, 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: February 2, 2017 FY 2016/17: February 20, 2018 FY 2017/18: February 22, 2019 <i>Assumes 90-day extension.</i>
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	April 15, 2015 April 21, 2016 April 13, 2017 April 13, 2018 (Unsatisfactory) July 24, 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	Gold Country Stage: FY 2015/16: -0.76% FY 2016/17: +14.28% FY 2017/18: +6.83% Gold Country Lift: FY 2015/16: +21.91% FY 2016/17: +23.39% FY 2017/18: +25.81% The large change in operating budget for Gold Country LIFT is due to the County budgeting for the maximum billable amount, then not actually using the entire amount. This results in a more than 15 percent increase year over year. <i>Source: FY 2015 – FY 2017 State Controller Reports.</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	Finding	County states that it now calculates FTE correctly (per the TDA definition) but documentation of this methodology was not provided as part of the audit.

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Compliance Element	Reference	Compliance	Comments
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 or provides only services to elderly and handicapped persons, 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	In compliance	FY 2015/16: 12.53% FY 2016/17: 12.70% FY 2017/18: 11.49% <i>Source: TDA fiscal audits, FY 2016 – FY 2018.</i>
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	County 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)	In compliance	
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	In compliance	
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 city 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 County of Nevada has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in April 2016 by Michael Baker International for the three fiscal years ending June 30, 2015 – included three recommendations:

1. Ensure that full-time equivalent (FTE) employee hours be calculated and reported to the State Controller in accordance with Public Utilities Code 99247(j) for the specialized transportation service mode.

Discussion: The prior audit carried this recommendation over from the previous audit. The County's Transit Operators Financial Transactions Reports sent to the State Controller are prepared by an independent auditor and reviewed by the Transit Services Manager. Separate reports are prepared for each service mode. At the time of the prior audit, FTE data for the fixed-route service appeared to be calculated accurately. The FTE data included in the report for specialized services appeared to reflect an actual head count of employees rather than a calculation of total employee hours worked divided by 2,000. The prior auditor noted, change in paratransit contract operator notwithstanding, the County should continue to work with its independent auditor, contract operator, and internal staff to ensure that the FTEs are being calculated according to the TDA statute.

Progress: The Transit Services Manager noted current FTE calculations are consistent with annual TDA audit recommendations. However, no calculation methodology for FTE was provided as part of this audit. As a result, we were unable to verify whether this recommendation had been implemented.

Status: Unable to determine.

2. Revise farebox recovery inputs to be consistent with the TDA statute.

Discussion: Review of the farebox recovery calculations for Gold Country Stage and discussion with Transit Services Division staff as part of the prior audit indicated that several inputs to the calculation were not consistent with the definitions in the TDA statute. For example, TDA payments from Placer County to help fund Route 5 into Auburn were counted as local support in the farebox recovery for FY 2013-14. Also, vehicle lease payments were included in the calculation although they can be excluded. With passage of SB 508 in October 2015, other local funds can be included in the farebox recovery, including advertising revenue. The prior audit recommended the TSD update its farebox calculation



for consistency with the statute and its use as a primary productivity measure. The independent fiscal audit for the transit system at the end of the prior audit period had begun to reflect this revised calculation.

Progress: The Transit Services Manager confirmed that these recalculations have been fully implemented.

Status: Implemented.

3. Include tracking and reporting of passenger complaints and compliments in the Annual Operations Report.

Discussion: The prior audit noted that performance monitoring is tracked in an annual operations report compiled by the County. During the prior audit period, the operations report detailed productivity, trends, and accomplishments for both the fixed-route and paratransit modes. Various service monitoring standards were included along with a performance indicator data comparison between the current and prior reporting years. The report referenced a passenger complaint standard which sets a minimum of less than one complaint per 5,000 passenger trips with a target objective of no more than one complaint per 10,000 passenger trips. However, there were no actual complaint data contained in the report. Given the County maintains a file of passenger complaints and incidents, it was suggested that this information be enumerated and reported in the Annual Operations Report.

Progress: As of FY 2016/17, the County had begun including details of complaints received in its Annual Operations Report. The FY 2017/18 report detailed 12 complaints specific to Gold Country Stage received throughout the year, including the date the complaint was received and the nature of the complaint. Some complaints included information about the validity of the complaint. No complaints specific to Gold County LIFT were included in the report.

Status: Implemented.



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 County of Nevada 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.

Exhibits 5.1-5.3 provide 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. These exhibits assess the data reporting for Gold Country Stage and Gold Country LIFT separately, as well as at the County's transit program as a whole.

Gold Country Stage

It should be noted that the NTD report contained data for both the Gold Country Stage and Gold Country LIFT under the Bus mode (MB-DO). As a result, data reported to the NTD is significantly higher than that reported elsewhere. Consequently all observations below will exclude comparisons to all NTD reports.

Operational data (Vehicle Service Hours, Vehicle Service Miles, and Passenger) were highly consistent between the monthly performance reports and the State Controller Report.

- **Operating Cost:** Operating costs reported to the State Controller were significantly higher than those reported in the monthly performance reports (as Total Allocated Operating Cost). This discrepancy may be due to additional costs being included in the State Controller Report that are not reflected in the monthly performance reports. This variance ranges from 17.6 percent in FY 2016/17 to 28.6 percent in FY 2017/18.
- **Fare Revenue:** Fare revenues reported to the State Controller were also higher than those reported in the monthly performance report. This discrepancy may be due to additional revenues that are not documented in the monthly performance report. This variance ranges from 19.3 percent in FY 2017/18 to 26.6 percent in FY 2015/16.
- **Full-time Equivalent (FTE) employees:** FTE reported to the State Controller in FY 2015/16 and FY 2016/17 appear to be based on a person-count, while the FY 2017/18 data appears to be more consistent with the TDA definition. However, no additional data or calculation methodology was provided for comparison, so its accuracy could not be verified.



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Exhibit 5.1 Data Reporting Consistency – Gold Country Stage

Performance Measure	Fixed-Route		
	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)			
<i>Monthly Performance Reports</i>	\$1,835,768	\$2,031,623	\$2,094,871
<i>National Transit Database</i>	\$3,369,114	\$3,476,606	\$3,602,896
<i>State Controller Report</i>	\$2,272,629	\$2,389,155	\$2,693,623
Fare Revenue (Actual \$)			
<i>Monthly Performance Reports</i>	\$224,216	\$225,776	\$236,686
<i>National Transit Database</i>	\$319,030	\$307,534	\$307,825
<i>State Controller Report</i>	\$283,750	\$276,352	\$282,255
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	16,456	16,987	20,181
<i>National Transit Database</i>	31,944	32,140	34,915
<i>State Controller Report</i>	16,457	16,987	20,181
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	304,317	307,870	291,821
<i>National Transit Database</i>	496,400	493,720	470,443
<i>State Controller Report</i>	304,317	307,870	291,822
Passengers			
<i>Monthly Performance Reports</i>	183,645	183,654	201,887
<i>National Transit Database</i>	207,062	222,756	239,520
<i>State Controller Report</i>	183,645	183,654	201,887
Full-Time Equivalent Employees			
<i>State Controller Report</i>	24	24	13



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Gold Country LIFT

The NTD report includes data for both the Gold Country Stage and Gold Country LIFT under the Bus mode (MB-DO). As a result, data reported to the NTD was not included in this comparison.

Operational data (Vehicle Service Hours, Vehicle Service Miles, and Passenger) were highly consistent between the monthly performance reports and the State Controller Report, as were fare revenues.

- **Operating Cost:** Operating costs reported to the State Controller were lower than those reported in the monthly performance reports. The reason for this is unclear. This variance ranges from 4.7 percent in FY 2017/18 to 10.3 percent in FY 2015/16.
- **Full-time Equivalent (FTE) employees:** FTE data appears to be consistent with the TDA definition. However, no additional data or calculation methodology was provided for comparison, so its accuracy could not be verified.

Exhibit 5.2 Data Reporting Consistency – Gold Country LIFT

Performance Measure	Demand-Response		
	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)			
<i>Monthly Performance Reports</i>	\$1,210,022	\$1,233,570	\$1,217,354
<i>National Transit Database</i>	Not reported	Not reported	Not reported
<i>State Controller Report</i>	\$1,097,373	\$1,123,861	\$1,163,118
Fare Revenue (Actual \$)			
<i>Monthly Performance Reports</i>	\$111,669	\$109,709	\$107,937
<i>National Transit Database</i>	Not reported	Not reported	Not reported
<i>State Controller Report</i>	\$111,670	\$109,709	\$107,937
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	15,487	15,229	14,685
<i>National Transit Database</i>	Not reported	Not reported	Not reported
<i>State Controller Report</i>	15,487	15,153	14,685
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	192,083	185,850	181,236
<i>National Transit Database</i>	Not reported	Not reported	Not reported
<i>State Controller Report</i>	192,083	185,850	181,236
Passengers			
<i>Monthly Performance Reports</i>	40,202	39,102	37,633
<i>National Transit Database</i>	Not reported	Not reported	Not reported
<i>State Controller Report</i>	40,202	39,102	37,633
Full-Time Equivalent Employees			
<i>State Controller Report</i>	13	13	10

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County (System)

The TDA fiscal audits and NTD reports included combined data for both Gold Country Stage and Gold Country LIFT. Data from monthly performance reports and State Controller Reports adds together the mode-specific data contained in each.

Operational data (Vehicle Service Hours, Vehicle Service Miles, and Passenger) were generally consistent between the monthly performance reports, NTD reports, and the State Controller Report. Slight variances were noted with respect to VSH (monthly performance report in FY 2016/17 and NTD in FY 2017/18), VSM (NTD in FY 2017/18), and Passengers (NTD in FY 2015/16).

- **Operating Cost:** Operating cost was inconsistently reported among all reports. In FY 2015/16, the variance ranged from 12.3 percent to 24.3 percent. In FY 2016/17, the variance ranged from 2.4 percent to 10.2 percent. In FY 2017/18, the variance ranged from 0.8 percent to 17.4 percent.
- **Fare Revenue:** Fare revenues reported among the various entities are quite diverse. The cause of these variances is unclear.
- **Full-time Equivalent (FTE) employees:** FTE data for FY 2015/16 and FY 2017/18 may reflect a person-count for Gold Country Stage. FTE data for FY 2017/18 appears to be consistent with the TDA definition. However, no additional data or calculation methodology was provided for comparison, so its accuracy could not be verified.



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Exhibit 5.3 Data Reporting Consistency – County (System-Wide)

Performance Measure	System-Wide		
	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)			
<i>Monthly Performance Reports</i>	3,045,790	3,265,193	3,312,225
<i>TDA fiscal audit</i>	2,711,841	3,189,022	3,887,325
<i>National Transit Database</i>	3,369,114	3,476,606	3,602,896
<i>State Controller Report</i>	3,370,002	3,513,016	3,856,741
Fare Revenue (Actual \$)			
<i>Monthly Performance Reports</i>	335,885	335,485	344,623
<i>TDA fiscal audit</i>	319,030	382,461	389,517
<i>National Transit Database</i>	319,030	307,534	307,825
<i>State Controller Report</i>	395,420	386,061	390,192
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	31,943	32,216	34,866
<i>National Transit Database</i>	31,944	32,140	34,915
<i>State Controller Report</i>	31,944	32,140	34,866
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	496,400	493,720	473,057
<i>National Transit Database</i>	496,400	493,720	470,443
<i>State Controller Report</i>	496,400	493,720	473,058
Passengers			
<i>Monthly Performance Reports</i>	223,847	222,756	239,520
<i>National Transit Database</i>	207,062	222,756	239,520
<i>State Controller Report</i>	223,847	222,756	239,520
Full-Time Equivalent Employees			
<i>State Controller Report</i>	37	37	23



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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 6667¹. 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:

¹ 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.

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- 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.² 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.)

² A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.

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TDA Required Indicators

To calculate the TDA indicators for the County of Nevada, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via TDA fiscal audits for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported to the State Controller and NTD 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 TDA fiscal audits 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 County's monthly performance data summary reports. The County'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 County'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 County's monthly performance data summary reports. The County's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) methodology was not provided by the County. Use of the TDA definition (hours worked divided by 2,000) could not be verified.

System Performance Trends

Operating cost experienced more significant cost increases during the prior audit period, followed by more modest increases during the current audit period. Overall, the system-wide operating cost increased 58.9 percent between FY 2012/13 and FY 2017/18. Fare revenue saw its most significant increases in FY 2013/14 and FY 2014/15. Fare revenue then declined through FY 2016/17 before rebounding slightly in FY 2017/18. Overall, there was a 20.7 percent net increase in fare revenue across the six-year period.

System-wide Vehicle Service Hours (VSH) saw a net increase of 16.7 percent over the six-year period, despite two years of declines in revenue hours. Vehicle Service Miles (VSM) increased during the prior audit period and decreased during the current audit period. Overall, VSM saw a net increase of 0.5 percent. System-wide, ridership saw a net increase of 29.8 percent across the six-year period. The largest increase was in FY 2017/18.

Cost-related performance indicators increased during the audit period, while system-wide unaided farebox recovery declined. Passengers/VSH and VSM/VSH decreased, while Passengers/VSM increased.



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Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)	\$2,426,508	\$3,118,580	\$3,461,831	\$3,366,002	\$3,513,016	\$3,856,741
<i>Annual Change</i>		28.5%	11.0%	-2.8%	4.4%	9.8%
Fare Revenue (Actual \$)	\$323,201	\$356,374	\$413,630	\$395,420	\$386,061	\$390,192
<i>Annual Change</i>		10.3%	16.1%	-4.4%	-2.4%	1.1%
Vehicle Service Hours (VSH)	29,873	32,974	32,291	31,944	32,140	34,866
<i>Annual Change</i>		10.4%	-2.1%	-1.1%	0.6%	8.5%
Vehicle Service Miles (VSM)	470,916	479,355	496,942	496,400	493,720	473,058
<i>Annual Change</i>		1.8%	3.7%	-0.1%	-0.5%	-4.2%
Passengers	184,507	214,642	227,516	223,847	222,756	239,520
<i>Annual Change</i>		16.3%	6.0%	-1.6%	-0.5%	7.5%
Employees	37	37	48	37	37	23
<i>Annual Change</i>		0.0%	29.7%	-22.9%	0.0%	-37.8%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$81.23	\$94.58	\$107.21	\$105.37	\$109.30	\$110.62
<i>Annual Change</i>		16.4%	13.4%	-1.7%	3.7%	1.2%
Operating Cost/Passenger (Actual \$)	\$13.15	\$14.53	\$15.22	\$15.04	\$15.77	\$16.10
<i>Annual Change</i>		10.5%	4.7%	-1.2%	4.9%	2.1%
Passengers/VSH	6.18	6.51	7.05	7.01	6.93	6.87
<i>Annual Change</i>		5.4%	8.2%	-0.5%	-1.1%	-0.9%
Passengers/VSM	0.39	0.45	0.46	0.45	0.45	0.51
<i>Annual Change</i>		14.3%	2.2%	-1.5%	0.1%	12.2%
Farebox Recovery	13.3%	11.4%	11.9%	11.7%	11.0%	10.1%
<i>Annual Change</i>		-14.2%	4.6%	-1.7%	-6.5%	-7.9%
Hours/Employee	807.4	891.2	672.7	863.4	868.6	1515.9
<i>Annual Change</i>		10.4%	-24.5%	28.3%	0.6%	74.5%
TDA Non-Required Indicators						
Operating Cost/VSM	\$5.15	\$6.51	\$6.97	\$6.78	\$7.12	\$8.15
<i>Annual Change</i>		26.3%	7.1%	-2.7%	4.9%	14.6%
VSM/VSH	15.76	14.54	15.39	15.54	15.36	13.57
<i>Annual Change</i>		-7.8%	5.9%	1.0%	-1.1%	-11.7%
Fare/Passenger	\$1.75	\$1.66	\$1.82	\$1.77	\$1.73	\$1.63
<i>Annual Change</i>		-5.2%	9.5%	-2.8%	-1.9%	-6.0%

Sources: FY 2012/13 – FY 2014/15 data from prior Triennial Performance Audit.
FY 2015/16 – FY 2017/18 data from State Controller Reports.

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Exhibit 6.2 System Ridership

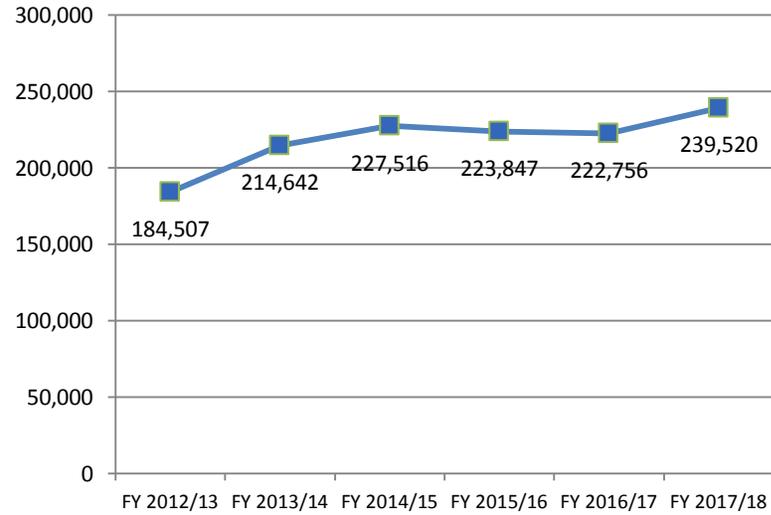


Exhibit 6.3 System Operating Cost/VSH

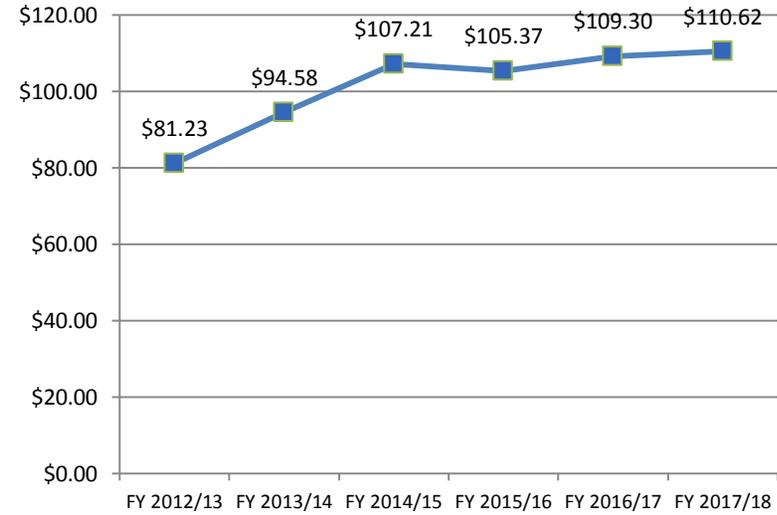


Exhibit 6.4 System Operating Cost/VSM

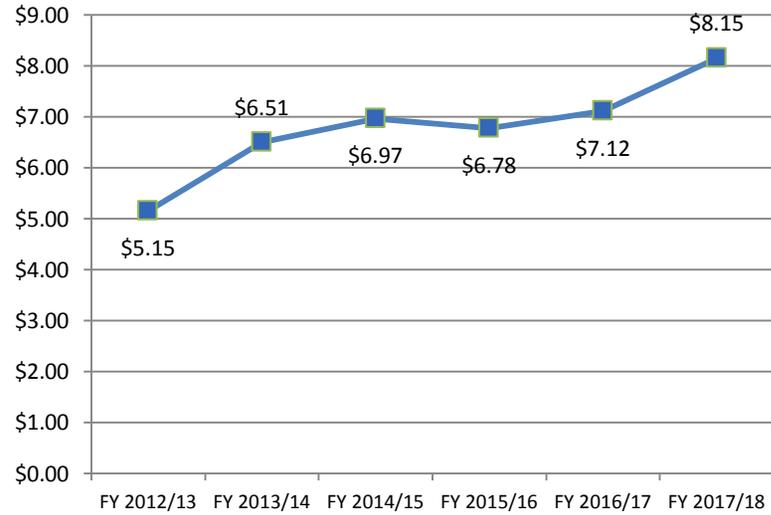
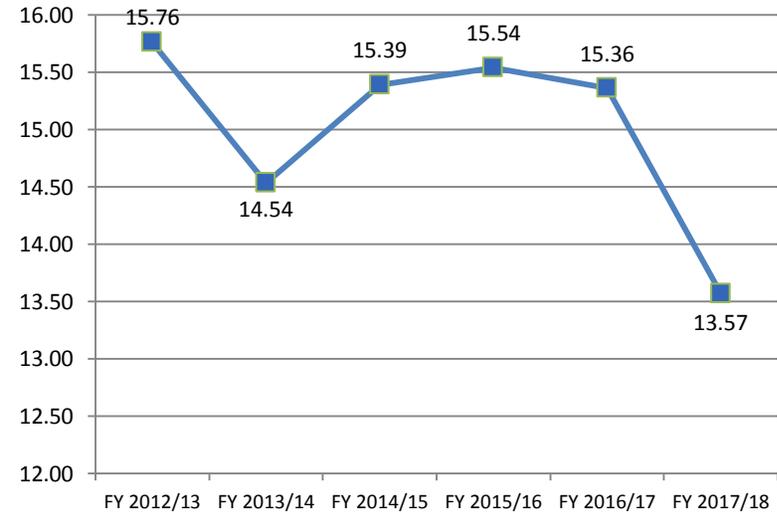


Exhibit 6.5 System VSM/VSH



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Exhibit 6.6 System Operating Cost/Passenger

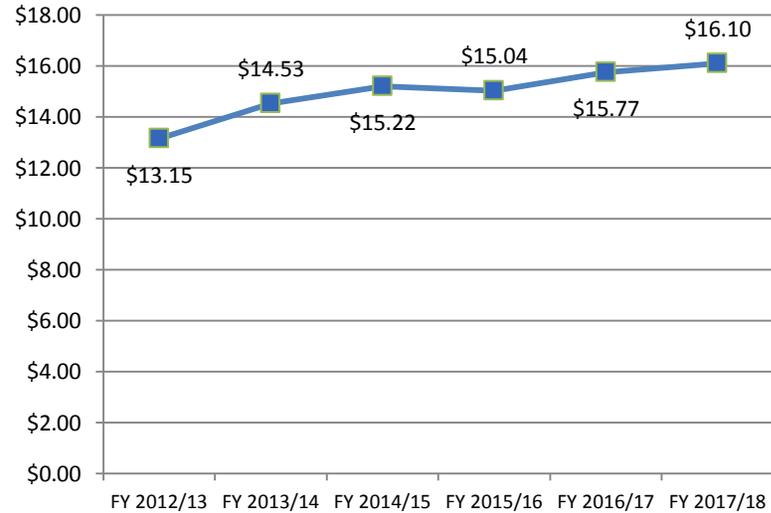


Exhibit 6.7 System Passengers/VSH

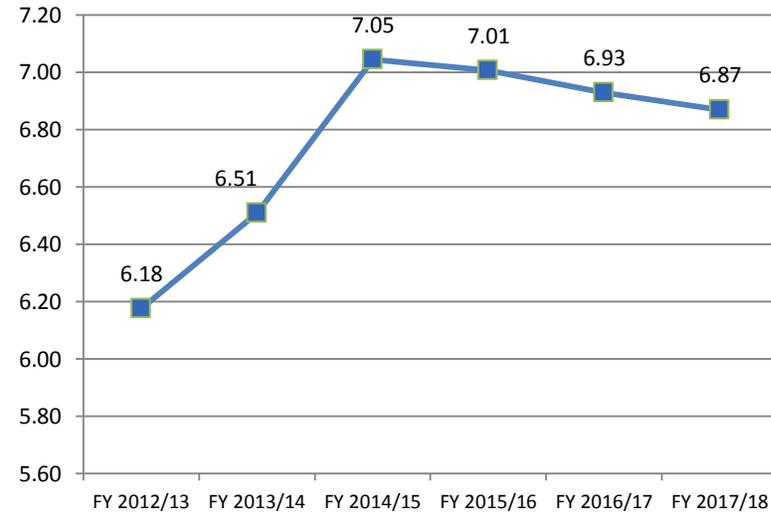


Exhibit 6.8 System Passengers/VSM

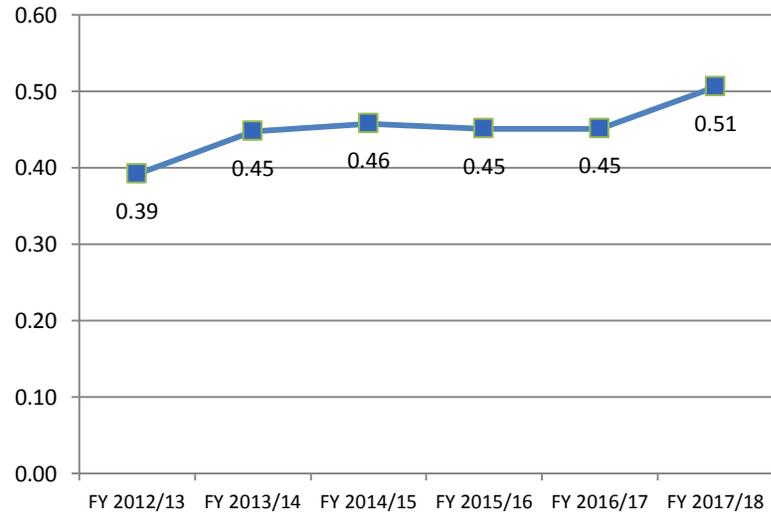
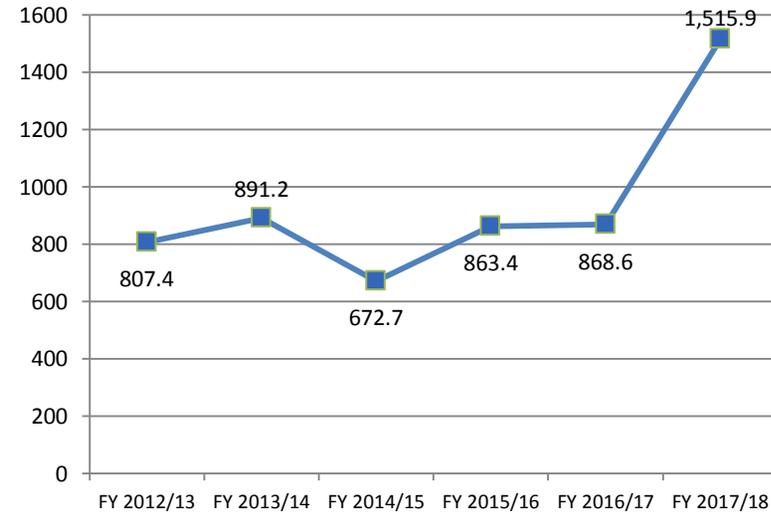


Exhibit 6.9 System VSH/FTE



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Exhibit 6.10 System Farebox Recovery

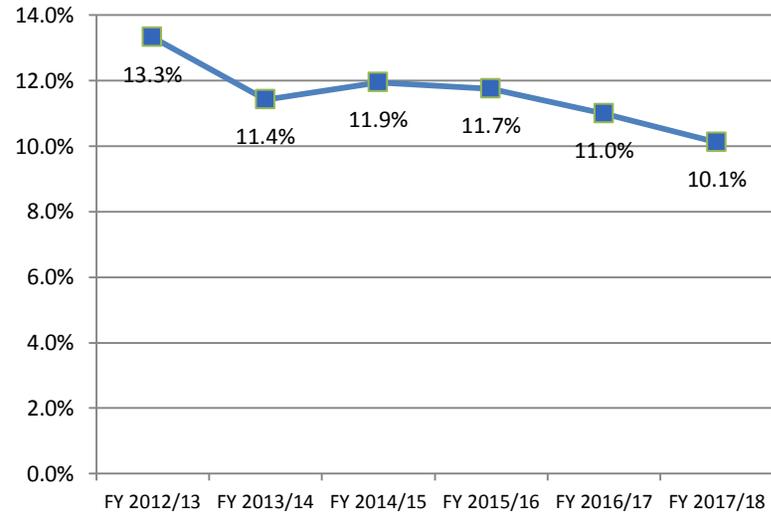
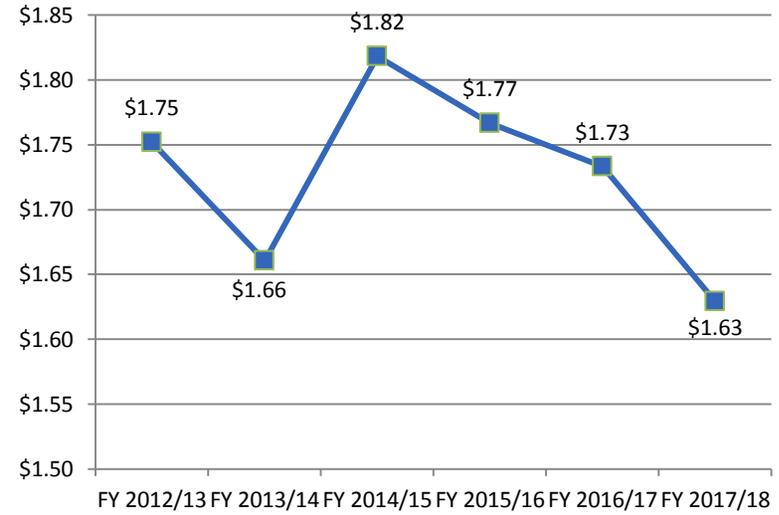


Exhibit 6.11 System Fare/Passenger



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Fixed-Route Service (Gold Country Stage)

Fixed-route operating cost saw its greatest increase (25.1 percent) in FY 2014/15, which was prior to the current audit period. While operating cost saw a net increase of 55.7 percent between FY 2012/13 and FY 2017/18, it only increased 14.1 percent during the current audit period. Fare revenue experienced a net increase of 11 percent across the six-year period, but declined 5.6 percent during the current audit period, despite a slight increase in FY 2017/18.

Fixed-route Vehicle Service Hours (VSH) increased throughout the six-year period, resulting in a 46.9 percent increase between FY 2012/13 and FY 2017/18. FY 2017/18 saw the greatest single-year increase in VSH. Vehicle Service Miles (VSM) also increased throughout the six-year period, resulting in an 8.6 percent increase. VSM declined in FY 2017/18, which resulted in a net decrease of 3.8 percent during the audit period. Ridership experienced a net increase of 33.3 percent between FY 2012/13 and FY 2017/18. The only year to demonstrate a decrease was FY 2015/16, though there was virtually no change between FY 2015/16 and FY 2016/17.

Operating Cost/VSH decreased between FY 2014/15 and FY 2017/18, despite a modest increase in FY 2016/17. Operating Cost/VSM and Operating Cost/Passenger both increased during the audit period. Unaided farebox recovery has decreased steadily since FY 2013/14. Passengers/VSH decreased during the audit period while Passengers/VSM increased.



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Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)	\$1,730,453	\$1,887,098	\$2,361,610	\$2,272,629	\$2,389,155	\$2,693,623
<i>Annual Change</i>		9.1%	25.1%	-3.8%	5.1%	12.7%
Fare Revenue (Actual \$)	\$254,189	\$282,822	\$299,801	\$283,750	\$276,352	\$282,255
<i>Annual Change</i>		11.3%	6.0%	-5.4%	-2.6%	2.1%
Vehicle Service Hours (VSH)	13,740	16,012	16,450	16,457	16,987	20,181
<i>Annual Change</i>		16.5%	2.7%	0.0%	3.2%	18.8%
Vehicle Service Miles (VSM)	268,655	288,231	303,403	304,317	307,870	291,822
<i>Annual Change</i>		7.3%	5.3%	0.3%	1.2%	-5.2%
Passengers	151,402	176,928	187,891	183,645	183,654	201,887
<i>Annual Change</i>		16.9%	6.2%	-2.3%	0.0%	9.9%
Employees	24	24	26	24	24	13
<i>Annual Change</i>		0.0%	8.3%	-7.7%	0.0%	-45.8%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$125.94	\$117.86	\$143.56	\$138.09	\$140.65	\$133.47
<i>Annual Change</i>		-6.4%	21.8%	-3.8%	1.8%	-5.1%
Operating Cost/Passenger (Actual \$)	\$11.43	\$10.67	\$12.57	\$12.38	\$13.01	\$13.34
<i>Annual Change</i>		-6.7%	17.8%	-1.5%	5.1%	2.6%
Passengers/VSH	11.02	11.05	11.42	11.16	10.81	10.00
<i>Annual Change</i>		0.3%	3.4%	-2.3%	-3.1%	-7.5%
Passengers/VSM	0.56	0.61	0.62	0.60	0.60	0.69
<i>Annual Change</i>		8.9%	0.9%	-2.6%	-1.1%	16.0%
Farebox Recovery	14.69%	14.99%	12.69%	12.49%	11.57%	10.48%
<i>Annual Change</i>		2.0%	-15.3%	-1.6%	-7.4%	-9.4%
Hours/Employee	572.5	667.2	632.7	685.7	707.8	1552.4
<i>Annual Change</i>		16.5%	-5.2%	8.4%	3.2%	119.3%
TDA Non-Required Indicators						
Operating Cost/VSM	\$6.44	\$6.55	\$7.78	\$7.47	\$7.76	\$9.23
<i>Annual Change</i>		1.6%	18.9%	-4.1%	3.9%	18.9%
VSM/VSH	19.55	18.00	18.44	18.49	18.12	14.46
<i>Annual Change</i>		-7.9%	2.5%	0.3%	-2.0%	-20.2%
Fare/Passenger	\$1.68	\$1.60	\$1.60	\$1.55	\$1.50	\$1.40
<i>Annual Change</i>		-4.8%	-0.2%	-3.2%	-2.6%	-7.1%

Sources: FY 2012/13 – FY 2014/15 data from prior Triennial Performance Audit.
FY 2015/16 – FY 2017/18 data from State Controller Reports.

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Exhibit 6.13 Fixed-Route Ridership

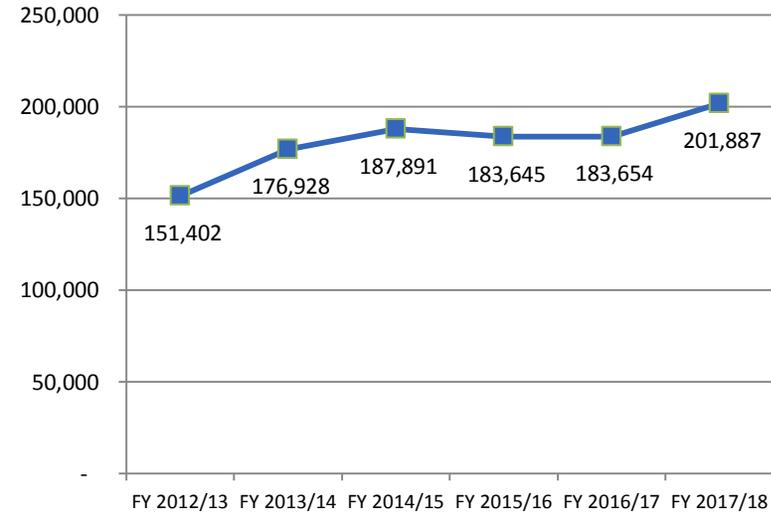


Exhibit 6.14 Fixed-Route Operating Cost/VSH

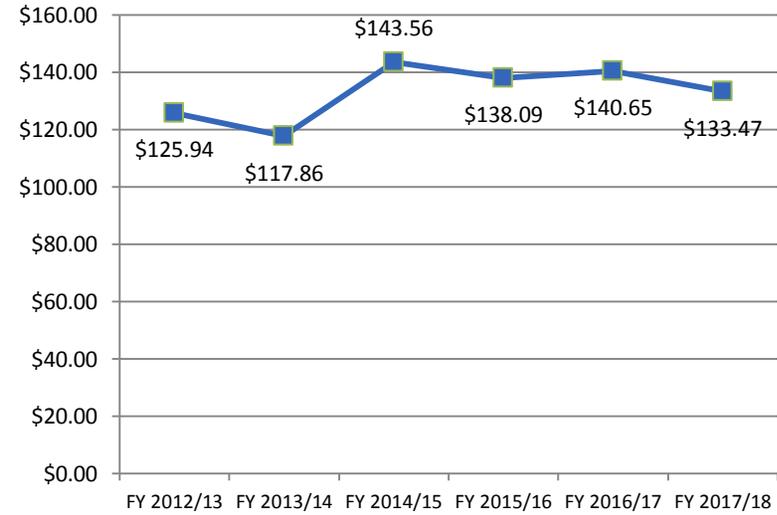


Exhibit 6.15 Fixed-Route Operating Cost/VSM

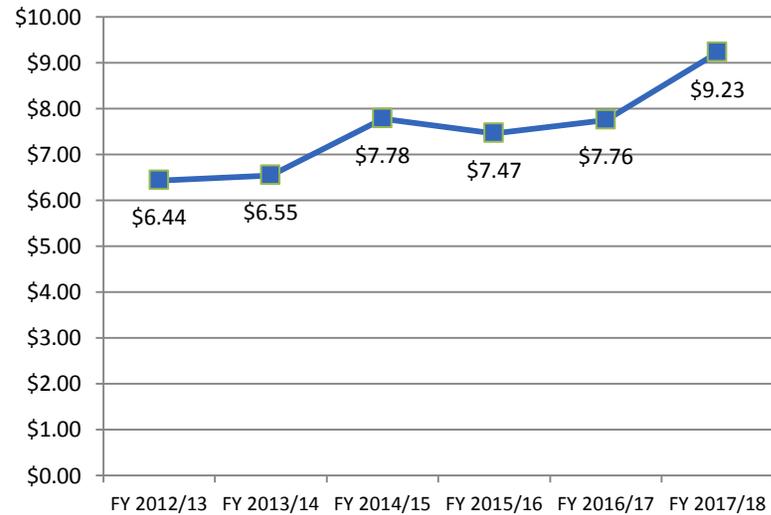
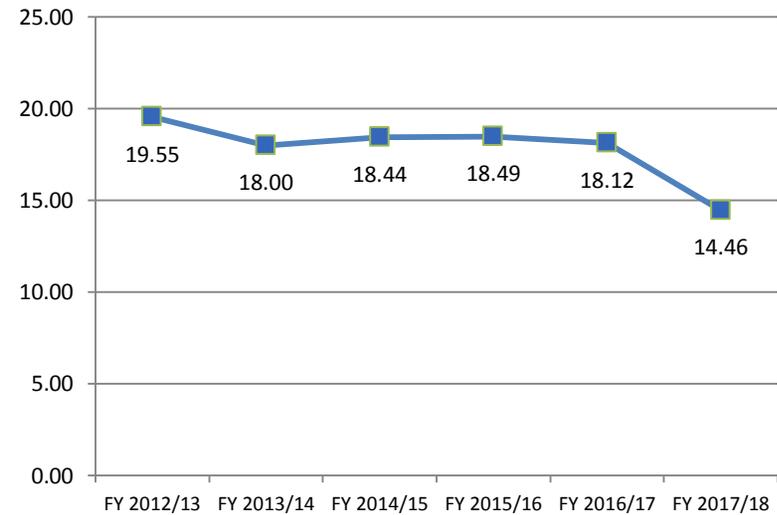


Exhibit 6.16 Fixed-Route VSM/VSH



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Exhibit 6.17 Fixed-Route Operating Cost/Passenger

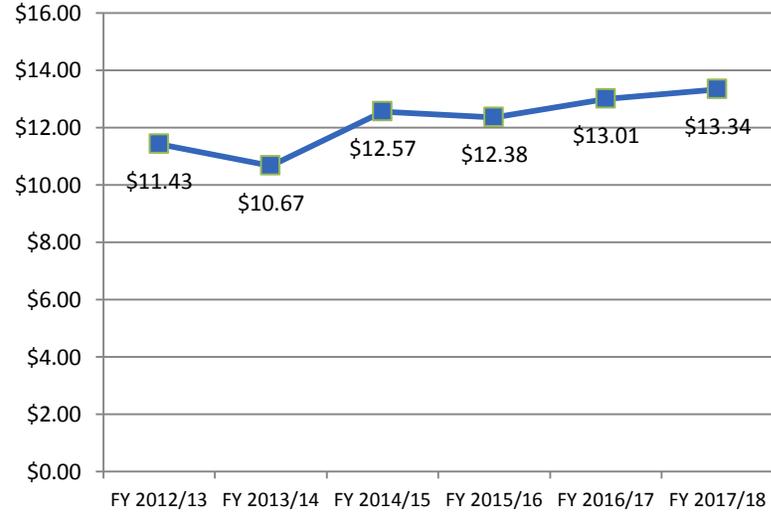


Exhibit 6.18 Fixed-Route Passengers/VSH

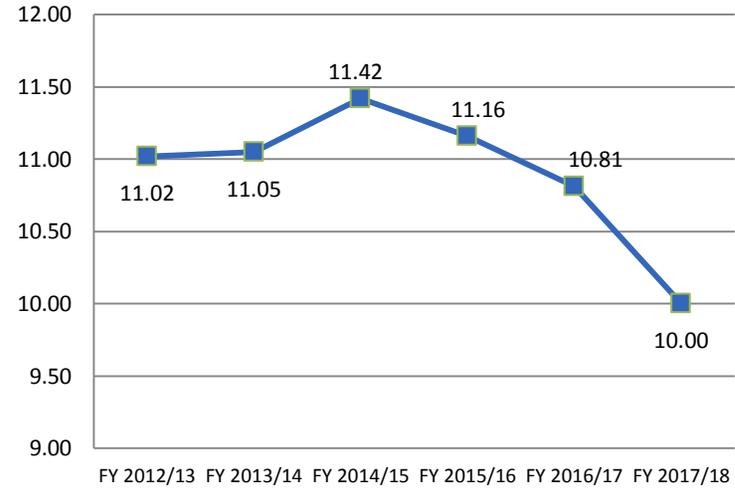


Exhibit 6.19 Fixed-Route Passengers/VSM

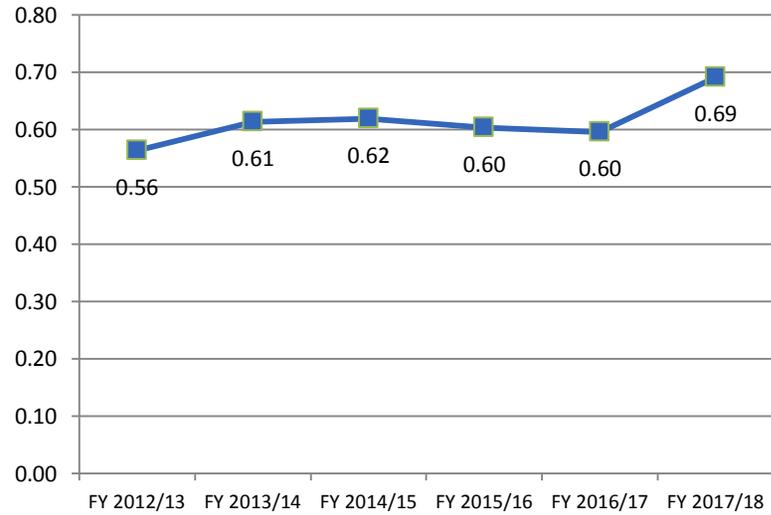
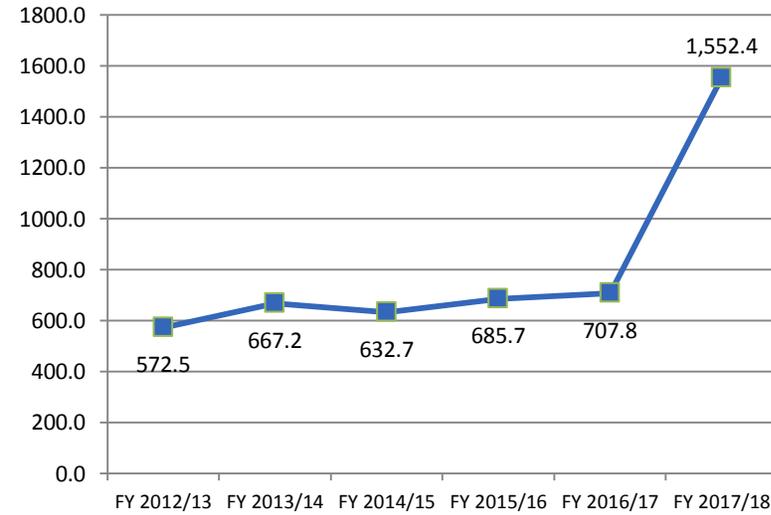


Exhibit 6.20 Fixed-Route VSH/FTE



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Exhibit 6.21 Fixed-Route Farebox Recovery

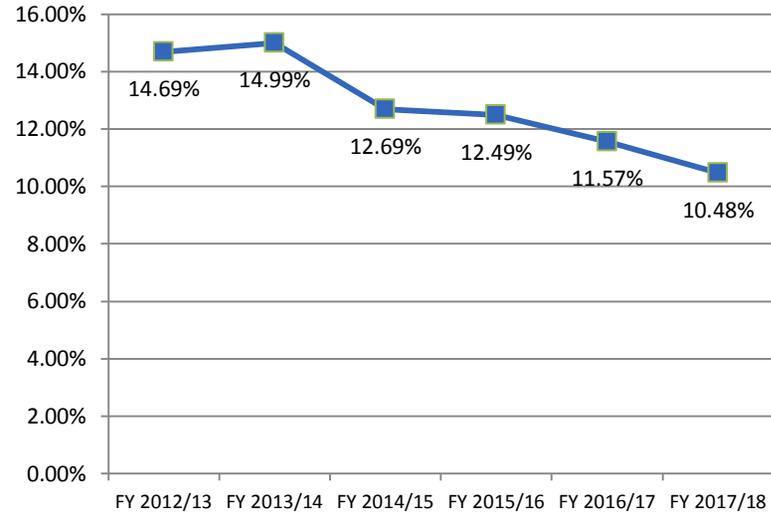
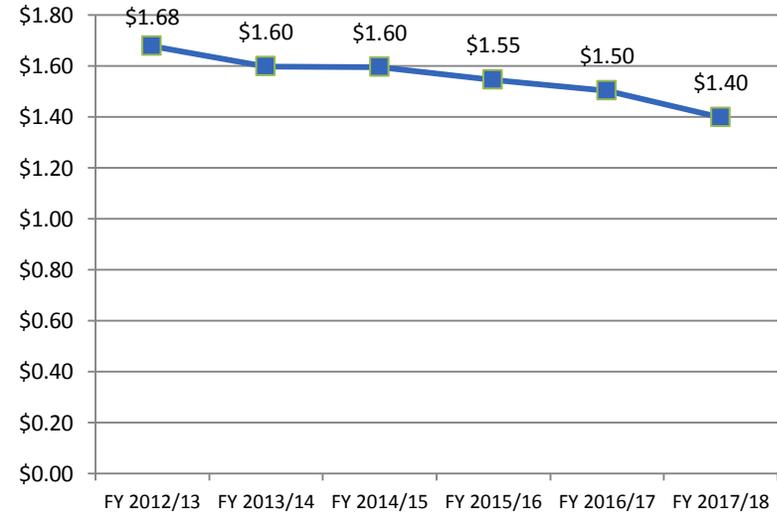


Exhibit 6.22 Fixed-Route Fare/Passenger



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Demand-Response Service (Gold Country Lift)

Demand-response operating cost saw a significant increase in FY 2013/14, which coincided with the start of the Paratransit Services contract that was more costly than the prior contractor. Declines in the two subsequent years resulted in a net decrease of 5.6 percent since the first year of that contract, despite modest increase during the last two years of the audit period. Fare revenue increased significantly in FY 2014/15 and declined through the end of the current audit period. Overall, fare revenue saw a net increase of 56.4 percent across the six-year period.

Demand-response Vehicle Service Hours (VSH) decreased 7.3 percent during the audit period, with a net decrease of 9.0 percent between FY 2012/13 and FY 2017/18. Vehicle Service Miles (VSM) decreased 6.4 percent during the same period, with a net decrease of 10.4 percent between FY 2012/13 and FY 2017/18. Ridership saw a net increase of 13.7 percent between FY 2012/13 and FY 2017/18, but declined 6.4 percent between FY 2015/16 and FY 2017/18.

Cost-related performance indicators rose during the audit period, while most performance-related indicators fell. Unaided farebox recovery fell during the audit period, following a significant increase in FY 2014/15.



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Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18
Operating Cost (Actual \$)	\$696,055	\$1,231,482	\$1,100,221	\$1,093,373	\$1,123,861	\$1,163,118
Annual Change		76.9%	-10.7%	-0.6%	2.8%	3.5%
Fare Revenue (Actual \$)	\$69,012	\$73,552	\$113,829	\$111,670	\$109,709	\$107,937
Annual Change		6.6%	54.8%	-1.9%	-1.8%	-1.6%
Vehicle Service Hours (VSH)	16,133	16,962	15,841	15,487	15,153	14,685
Annual Change		5.1%	-6.6%	-2.2%	-2.2%	-3.1%
Vehicle Service Miles (VSM)	202,261	191,124	193,539	192,083	185,850	181,236
Annual Change		-5.5%	1.3%	-0.8%	-3.2%	-2.5%
Passengers	33,105	37,714	39,625	40,202	39,102	37,633
Annual Change		13.9%	5.1%	1.5%	-2.7%	-3.8%
Employees	13	13	22	13	13	10
Annual Change		0.0%	69.2%	-40.9%	0.0%	-23.1%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$43.14	\$72.60	\$69.45	\$70.60	\$74.17	\$79.20
Annual Change		68.3%	-4.3%	1.6%	5.1%	6.8%
Operating Cost/Passenger (Actual \$)	\$21.03	\$32.65	\$27.77	\$27.20	\$28.74	\$30.91
Annual Change		55.3%	-15.0%	-2.0%	5.7%	7.5%
Passengers/VSH	2.05	2.22	2.50	2.60	2.58	2.56
Annual Change		8.4%	12.5%	3.8%	-0.6%	-0.7%
Passengers/VSM	0.16	0.20	0.20	0.21	0.21	0.21
Annual Change		20.6%	3.8%	2.2%	0.5%	-1.3%
Farebox Recovery	9.9%	6.0%	10.3%	10.2%	9.8%	9.3%
Annual Change		-39.8%	73.2%	-1.3%	-4.4%	-4.9%
Hours/Employee	1241.0	1304.8	720.0	1191.3	1165.6	1468.5
Annual Change		5.1%	-44.8%	65.4%	-2.2%	26.0%
TDA Non-Required Indicators						
Operating Cost/VSM	\$3.44	\$6.44	\$5.68	\$5.69	\$6.05	\$6.42
Annual Change		87.2%	-11.8%	0.1%	6.2%	6.1%
VSM/VSH	12.54	11.27	12.22	12.40	12.26	12.34
Annual Change		-10.1%	8.4%	1.5%	-1.1%	0.6%
Fare/Passenger	\$2.08	\$1.95	\$2.87	\$2.78	\$2.81	\$2.87
Annual Change		-6.4%	47.3%	-3.3%	1.0%	2.2%

Sources: FY 2012/13 – FY 2014/15 data from prior Triennial Performance Audit.
FY 2015/16 – FY 2017/18 data from State Controller Reports.

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Exhibit 6.24 Demand-Response Ridership

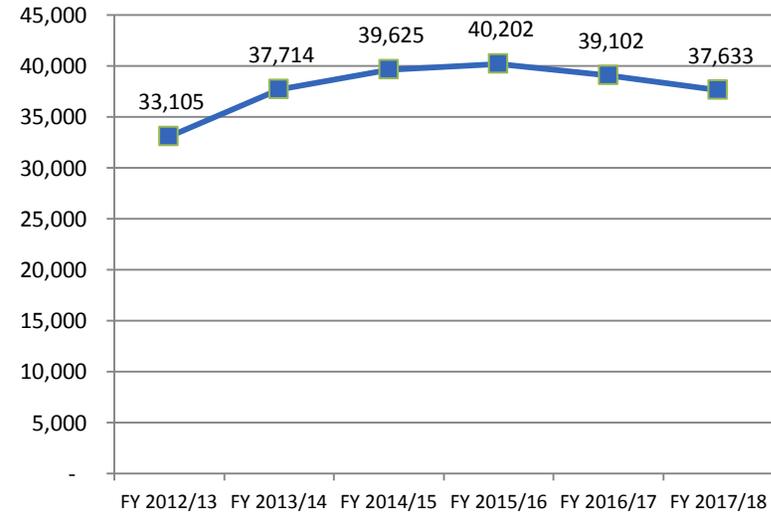


Exhibit 6.25 Demand-Response Operating Cost/VSH

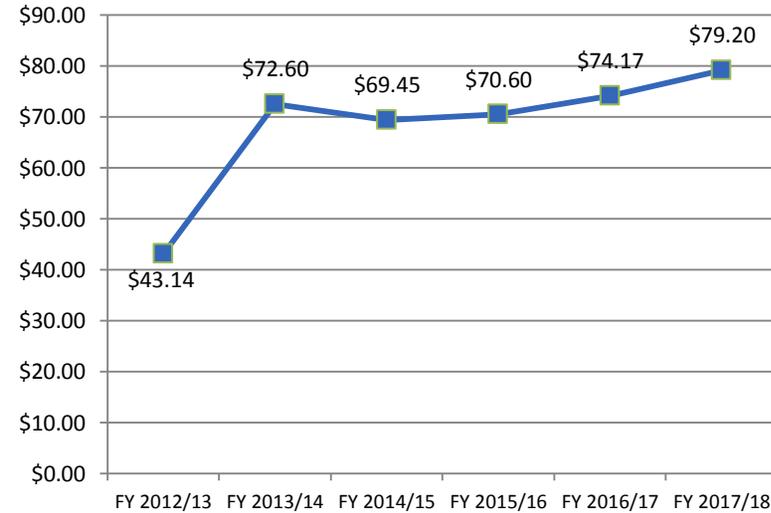


Exhibit 6.26 Demand-Response Operating Cost/VSM

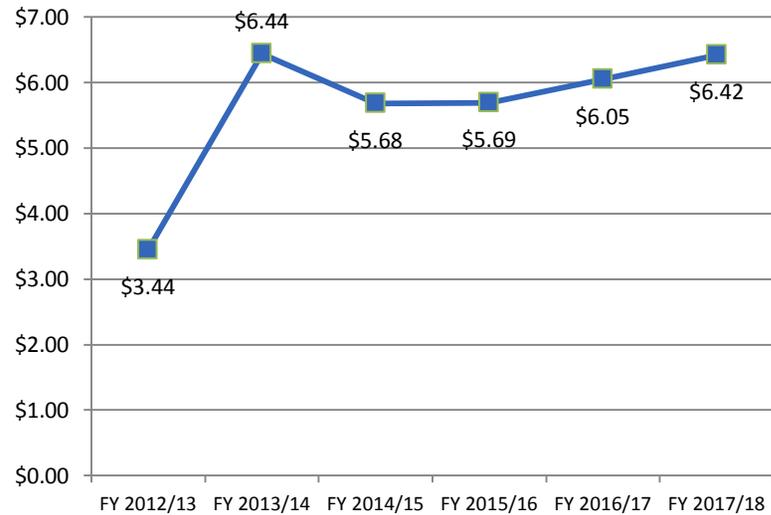
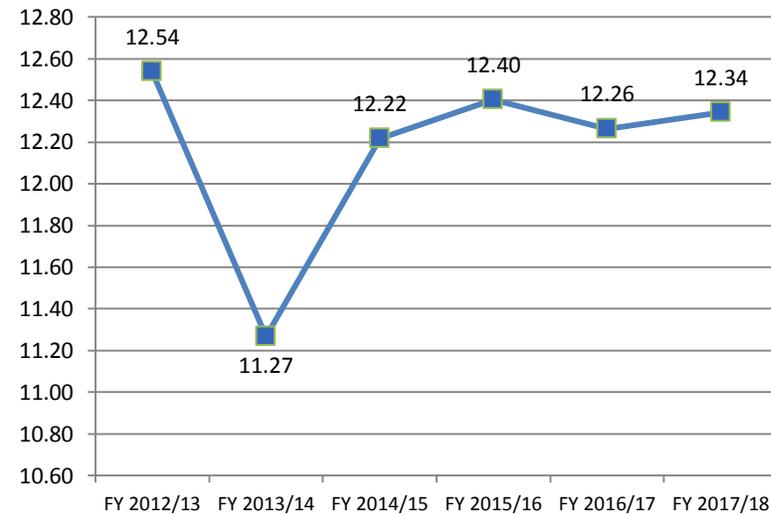


Exhibit 6.27 Demand-Response VSM/VSH



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Exhibit 6.28 Demand-Response Operating Cost/Passenger

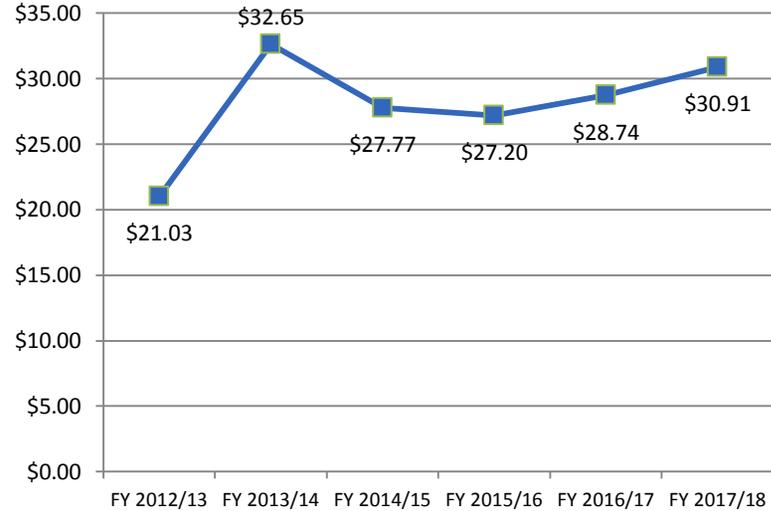


Exhibit 6.29 Demand-Response Passengers/VSH

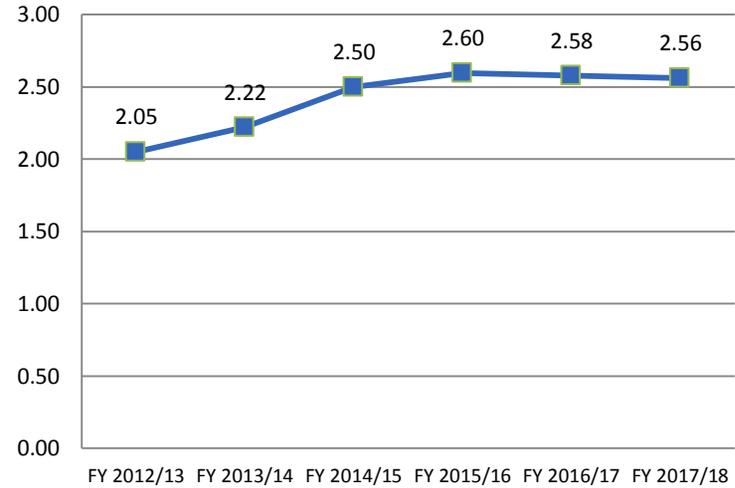


Exhibit 6.30 Demand-Response Passengers/VSM

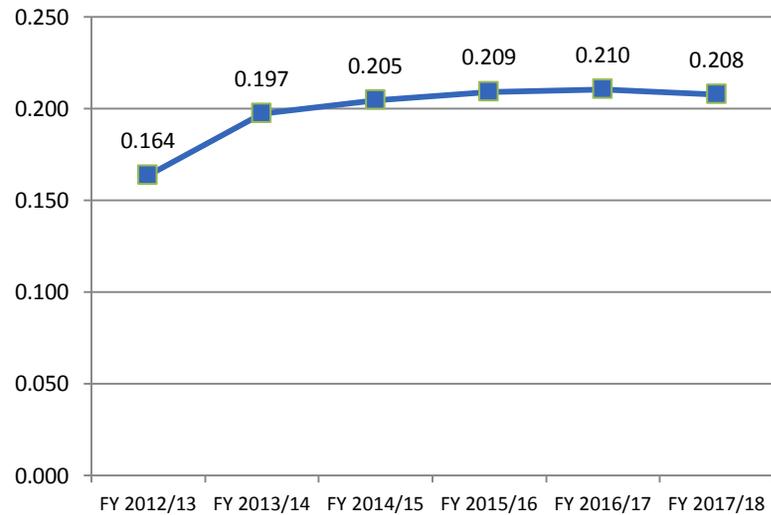
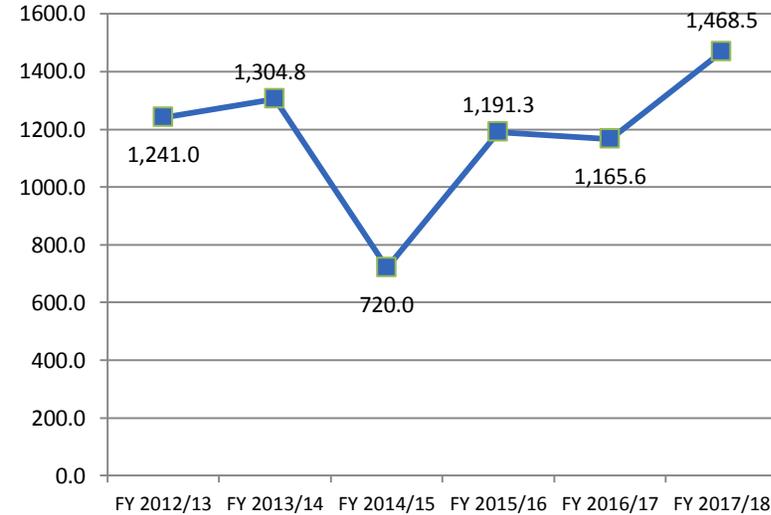


Exhibit 6.31 Demand-Response VSH/FTE



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Exhibit 6.32 Demand-Response Farebox Recovery

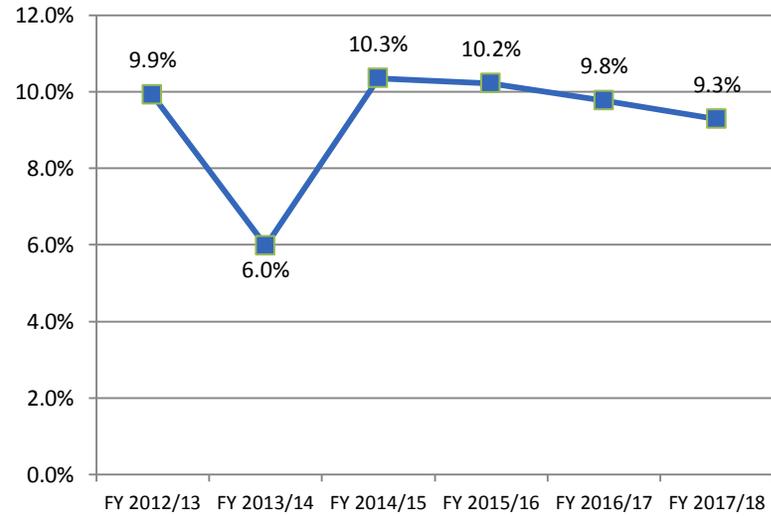
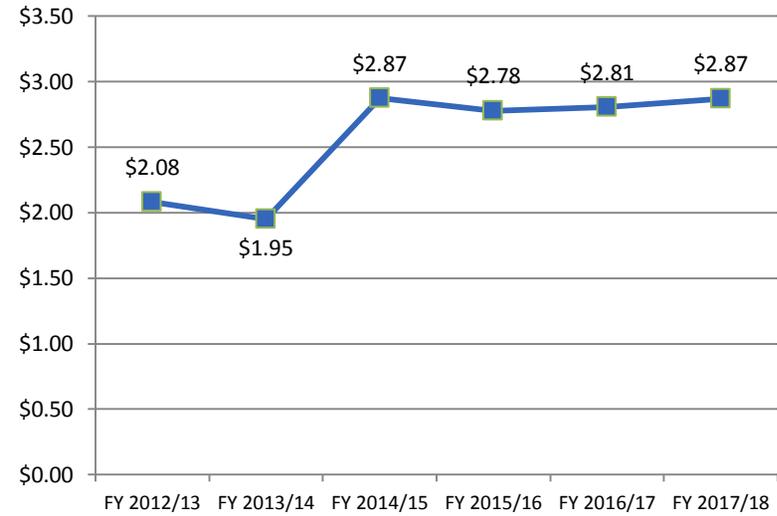


Exhibit 6.33 Demand-Response Fare/Passenger



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Chapter 7

Functional Review – Gold Country Stage

A functional review of the County of Nevada’s fixed-route public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the County’s fixed-route transit service, 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 County of Nevada 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 County of Nevada directly operates Gold Country Stage, a fixed-route bus service available to the general public. The service operates within Grass Valley, Nevada City, and surrounding communities. Regional service is available to Auburn. Service is available on weekdays from 7:15 a.m. through 8:00 p.m. and limited Saturday service from 7:15 a.m. through 5:30 p.m. The service does not operate on Sunday or designated holidays.

Exhibit 7.1 Gold Country Stage fare schedule

Fare Category	One zone	Two zones
Adult (18+)	\$1.50	\$3.00
Discount (Senior/Disabled/Youth age 6-17)	\$0.75	\$1.50
Children age 5 and under	Free	Free
Personal care attendant (with approved Travel with PCA ADA customer)	Free	Free
Transfers	Free	Free
One-day pass – Adult	\$4.50	\$7.50
One-day pass – Discount	\$2.25	\$3.75
Monthly pass – Adult	\$45.00	\$90.00
Monthly pass – Discount	\$22.50	\$45.00

Monthly passes are available for purchase at the Gold Country Stage office.

General Management and Organization

Management monitors performance by being on-site, reviewing reports, and meetings. Management has taken action to address problems or issues.

The Transit Services Manager is 100-percent dedicated to transit. He reports to the Public Works Director and has three direct reports – an Accounting Technician and two supervising drivers. The Public



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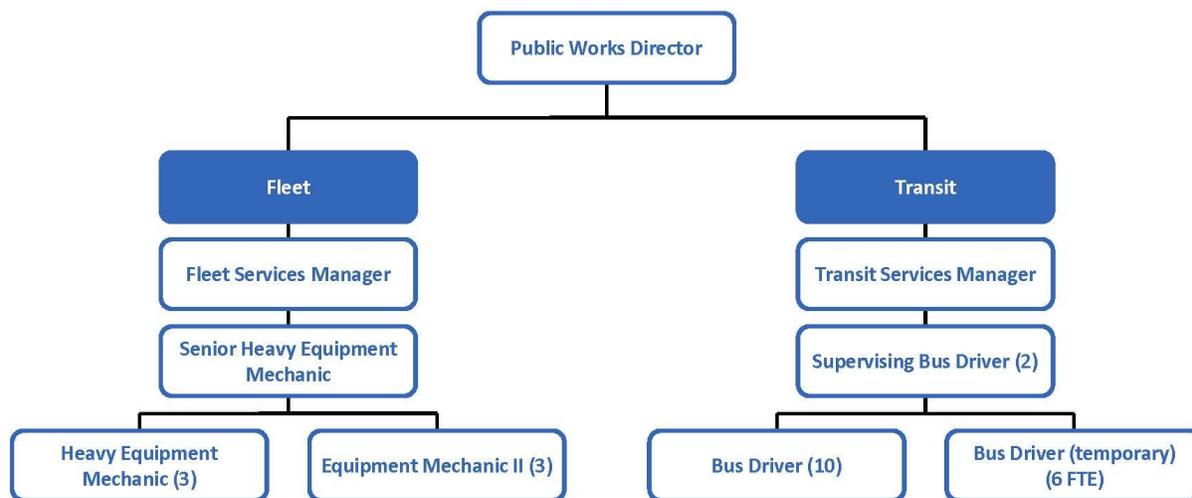
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Works Director is very supportive of transit. However, the County's current fixed-route program is not structured and staffed appropriately. It is capped at the current number of full-time employees. Temporary employees can only work up to 20 hours per week, which creates a coverage challenge.

The County's transit program has two managing entities: the Transit Services Commission (TSC), which is a policy board, and the Financial Board, which is comprised of the County Board of Supervisors. The TSC meets bimonthly. Representatives include elected officials from the County and cities as well as at-large positions. Neither body has identified any issues with respect to Gold Country Stage. However, the Board tends to be rather conservative and constrained when it comes to transit.

The Transit Service Manager interacts regularly with NCTC and attends CalACT conferences. NCTC is very helpful with respect to planning and Transit Development Plan process.

Exhibit 7.2 Organizational Chart



Service Planning

NCTC assists with service planning activities. The County is due for a new Transit Development Plan in 2020. There is currently a funding equity study underway to determine if there is inequity in state funding as allocated via Transportation Development Act (TDA) LTF and STA fund sources and to propose potential methodologies to rectify any inequities found. The Transit Services Manager, in conjunction with Town of Truckee and NCTC, has discussed the opportunity for a regionalized system under a single transit authority. By breaking away from the County, transit may be better able to serve the overall transit needs of the county's residents, rather than the current east county versus west county. This approach is not a new idea; it was considered as part of a governance study in 2012 or 2013. A competent and effective transit authority model may be found in the El Dorado County Transit Authority (El Dorado Transit). One challenge to service planning is the generally conservative nature of County leadership, which does not wish to put out any service it might have to remove in the future.

Planning for special transportation needs is conducted through the RTPA's SSTAC as well as through the County's Accessible Transportation Coalitions Initiative – Mobility Action Partners Coalition (ATCI-

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MAPCO). Special fares are offered for seniors, persons with disabilities, and youth. All vehicles are wheelchair accessible.

Outreach is conducted in conjunction with service planning efforts. In February 2019, the County conducted outreach in North San Juan as part of route planning to re-establish service. Outreach activities include town hall meetings and weekly lunch information sharing sessions. A lot of public discussion was undertaken in conjunction with a tripper route in 2018. The 1/6 Tripper travels from the Nevada City Government Center down Route 1 to the transit center, then follows Route 6 to the Yuba River Charter School on Ridge Road. The tripper has been a huge success, with up to 47 student riders in a single trip. Ridership averages 44, so the County often has to send two 26-seat vehicles on early-out days. Nevada County has a lot of charter schools, though many of them are in close proximity to local fixed routes. Rider and non-rider surveys were conducted as part of the TDP process.

Scheduling, Dispatch, and Operations

Gold Country Stage is directly operated by the County. Drivers are assigned based on seniority in a thrice-yearly bid process. Drivers are represented by the International Union of Operating Engineers (IUOE), Stationary Local 39. County employees only drive for the fixed-route service and there is no crossover with Gold Country LIFT (as that service is contracted out). All vehicles are assigned across all routes.

There are 10 full-time and 12 part-time drivers. The part-time “temp” drivers work 20 hours a week or less. There are also two full-time lead drivers. The County does not use dedicated dispatchers; instead, dispatch roles are incorporated into bid positions for drivers. Driver turnover is about 11 percent, due primarily to retirement and terminations.

Policy regarding absences and sick leave is clear and part of County’s collective bargaining agreement with the IUOE. Employees calling in sick are required to speak with a manager. There is no extra board, but unscheduled part-time drivers are used to cover absences. The service is not missing trips or coverage due to absences.

Revenue is collected onboard using Diamond manual fareboxes. After driver brings bus in for the evening, the vault is pulled and put in a locked cabinet. Drivers do not have keys for the vault. Vaults are stored in the locked cabinet until the following business day. One of the drivers counts each vault by bus then comingles the cash. Counting is always done with a second person in the office. It is verified by the Accounting Technician and a bank deposit is prepared. There are no cameras in the area where the cash is counted. A different driver takes it to the bank every business day. A typical day amounts to approximately \$300 to \$400 in fare revenue. Cash counting and transportation by drivers are part of the driver bids.

Personnel Management and Training

County is always recruiting for its fixed-route transit program. Due to the cap on full-time employees, only temporary part-time positions are regularly advertised for. The County advertises open positions using newspaper ads, Craigslist, and Indeed. Around half of recruits are untrained and the other half are school bus drivers. The County has a pretty good reputation among drivers who have come over from the school district (Durham).



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Attitude is the primary motivator for employee retention. The Transit Division considers each driver as having two jobs: transport people and have fun. Its goal is to create an environment where drivers are supported, know they are supported, are able to express concerns in a safe environment, and can enjoy themselves.

Drivers attend paid operations meetings every other month, as well as safety meetings. The supervising drivers conduct all training, including field supervision and ride-alongs. One is on duty during all operating hours. Full driver training includes classroom, behind the wheel, cadetting, customer service training, annual emergency evacuation training, and wheelchair securement training. Retraining is conducted on any situation that deviates from policy.

Vehicles are equipped with fire extinguishers and first aid kits. All cutaways have bike racks.

Administration

The Transit Services Manager is responsible for budgeting for the transit program. The County regularly compares its budgeted expectations with actual revenue and expenses, but does not report regularly to the Board, and the Board doesn't ask. Substantial excesses over budgeted expenses require an amendment through the Board of Supervisors. In the past, the County has gone over budget with respect to fleet maintenance.

The Transit Services Manager is responsible for writing and administrating grants. The Accounting Technician provides a second set of eyes to ensure accuracy. The County has not lost any grant or neglected any grant opportunities due to staffing.

Risk management and insurance are handled through the County's Human Resources department. Accident and injury claims are processed by notifying the risk manager as well as CalTIP, the County's self-insurance pool. The County's current disaster preparedness and response plan includes transit, and the Transit Services Manager is trying to get the County to realize the full benefit of utilizing transit.

Tinloy Transit Center (in Grass Valley) is maintained by a landscape company through a County contract, while County staff are responsible for other maintenance. One driver bid also covers bus stop/shelter maintenance.

Payroll is done by the County utilizing a combination of IntelliTime electronic timecards and paper timesheets. The Transit Services Manager signs off on supervisors, while supervisors sign off on the drivers. The Accounting Technician reviews and approves timesheets. There is a second level approval at the County, then they are submitted for payment.

Accounts Payable is through the County, but the Accounting Technician handles it for transit. FinancePlus software is used for Accounts Payable and Accounts Receivable. Community Plus is used to manage deposits. Invoice terms and prices are verified against approved purchase orders before an invoice is paid.

Procurement is handled through the County. Purchases up to approximately \$5,000 can be authorized by the Transit Services Manager. All competitive procurements (including fuel) are handled through the County.



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Marketing and Public Relations

The County's primary marketing tool for Gold Country Stage is its service brochures, which are done both in-house and by third party. The County recently released an RFP for rebranding of its transit services. Materials available in English and Spanish are distributed around town such as the library, government center, Connecting Point, FREED Center for Independent Living, senior services, Department of Social Services, Sierra College, etc.

Customer calls go through dispatch, and may be escalated to the Supervising Bus Drivers or to the Transit Services Manager. Media releases promote monthly fare-free days (using LCTOP grant funds). The County does not place newspaper advertisements, but typically receives radio coverage (public service announcements) through local radio stations KNCO and KMVR. The County has no marketing plan for transit. The community's perception of transit is generally positive, though many do not know specific services.

The County also works with Sierra College and other local schools and charter schools. It has partnered with the local 211 service (Connecting Point) to create a travel training program, and does outreach with Connecting Point for travel training and presentations at the aging resource center.

Maintenance

Transit vehicles are owned by the County, and maintenance is provided by the Public Works department as part of its Fleet Services division. A comprehensive preventive maintenance schedule is in place, with inspections taking place every 5,000 miles.

Maintenance provided by the County is well done but costly. The County's maintenance facility is generally sufficient. The facility is shared throughout fleet services but there is a dedicated mechanic for transit. The County does not have its own paint shop, and sends out some body work and warranty work. The County maintained a parts room with a parts clerk during the audit period. In 2018, it began contracting with Riebes for parts.

The current transit fleet is very new, with oldest active bus a 2016 model. (Older revenue vehicles shown in Exhibit 7.3 were scheduled for replacement in FY 2017/18 and FY 2018/19.) Maintenance communicates with dispatch regarding vehicle availability. There are no issues with making pull-out due to down vehicles. Down vehicles are housed at the maintenance facility while good vehicles are in storage yard at the transit office.



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Exhibit 7.3 Gold Country Stage Fleet Inventory

Vehicle #	Year	Make	Model	Mileage	Status
51	2008	El Dorado	AeroElite 290 H	184,581	Revenue
57	2015	El Dorado	AeroElite HDE	91,613	Revenue
58	2016	El Dorado	AeroElite HDE	86,593	Revenue
59	2016	El Dorado	AeroElite HDE	88,265	Revenue
60	2016	El Dorado	AeroElite HDE	79,660	Revenue
61	2016	El Dorado	AeroElite HDE	80,771	Revenue
62	2016	El Dorado	AeroElite HDE	82,625	Revenue
63	2016	El Dorado	AeroElite HDE	93,386	Revenue
64	2016	El Dorado	AeroElite HDE	80,183	Revenue
65	2016	El Dorado	AeroElite HDE	83,057	Revenue
66	2018	El Dorado	AeroElite HDE		Revenue
67	2018	El Dorado	AeroElite HDE		Revenue
26760	2008	Ford	Escape 4X4	49,239	Non-Revenue
26766	2008	Chevrolet	Uplander Van	47,488	Non-Revenue
26905	2010	Dodge	Braun Entervan	40,264	Non-Revenue
26906	2010	Dodge	Braun Entervan	37,885	Non-Revenue
26983	2012	Ford	Escape 4X4	18,424	Non-Revenue
26999	2012	Ford	F250 Truck 4X4	25,155	Non-Revenue

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Nevada County, Gold Country Stage bus, driver side.



Nevada County, Gold Country Stage bus, passenger side.



Nevada County, Gold Country Stage van.



Nevada County, vans.



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Nevada County, Transit Office.



Nevada County, Public Works yard.



Nevada County, Fleet Services Division entrance.



Nevada County, Fleet Services Division, bus repair.



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Nevada County, Transit Office bus stop.



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Chapter 8

Functional Review – Gold Country LIFT

A functional review of the County of Nevada’s demand-response public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the County’s demand-response transit service, 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 County of Nevada 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 County of Nevada contracts with Paratransit Services to operate Gold Country LIFT, a door-to-door ADA paratransit service for qualified individuals who cannot use the fixed route service. The service operates within Western Nevada County. Service is available weekdays from 6:30 a.m. through 8:00 p.m. and Saturday service from 7:30 a.m. through 5:00 p.m. The service does not operate on Sunday or designated holidays. Requests for service require a minimum one day of advance notice prior to pick up. Same day service is not available.

Exhibit 8.1 Gold Country LIFT fare schedule

	Within ADA corridor	Outside ADA corridor
One-way fare	\$3.00	\$5.00
Personal care attendant (PCA)	Free	Free
Punch card	\$10.00	

Punch passes are available for purchase at the Gold Country LIFT office.

General Management and Organization

The Transit Services Manager oversees the contract with Paratransit Services. Management monitors performance by meeting with the contractor’s General Manager, located just one mile away from the County’s offices, at least once per month. The Transit Services Manager also reviews operational reports regularly.

The County’s transit program has two managing entities: the Transit Services Commission (TSC), which is a policy board; and the Financial Board, which is comprised of the County Board of Supervisors. The TSC

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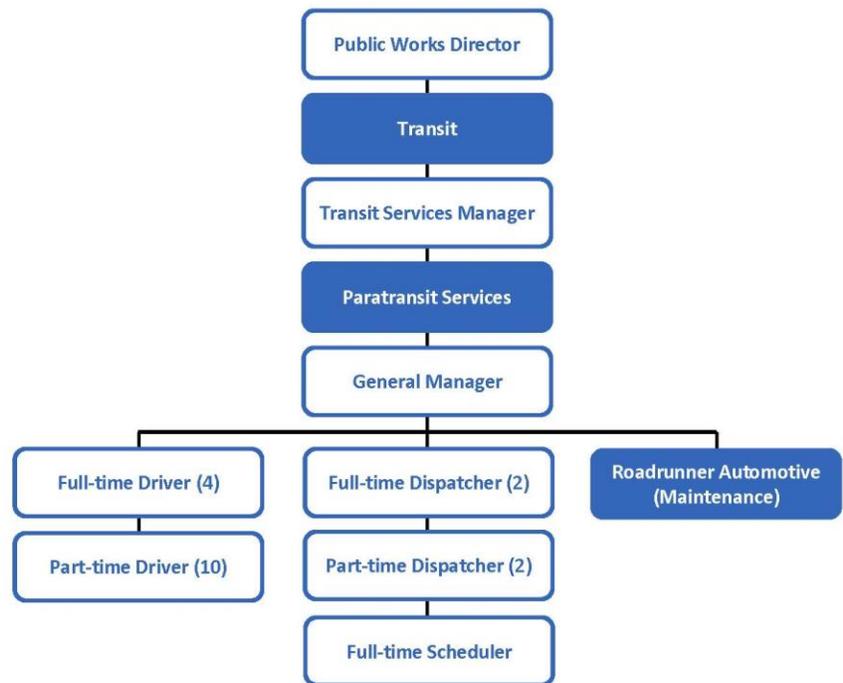
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meets bimonthly. Representatives include elected officials from the County and cities as well as at-large positions. Ridership decline is an issue that is of concern to the County’s governing bodies.

The Transit Service Manager interacts frequently with NCTC staff and attends CalACT conferences. Both the Transit Services Manager and contractor General Manager are members of the RTPA’s Social Services Transportation Advisory Council (SSTAC). NCTC is very helpful with respect to planning as well as the Transit Development Plan process.

Exhibit 8.2 Organizational Chart



Service Planning

NCTC assists with service planning activities. The County is due for a new Transit Development Plan in 2020. Planning specific to special transportation needs is conducted through the RTPA’s SSTAC. All vehicles are wheelchair accessible.

No service changes were implemented during the audit period. Dial-A-Ride customers were not surveyed as part of the most recent Transit Development Plan.

Scheduling, Dispatch, and Operations

Gold Country Lift drivers are not represented. Bids are based on seniority, starting with full-time shifts. Part-time drivers have set days, but shifts may vary depending upon demand. New bids are only conducted when there is a change in service.

Paratransit Services is currently staffed with four full-time drivers, 10 part-time drivers, two full-time dispatchers, two part-time dispatchers, and one full-time scheduler. Full-time employees qualify for

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health insurance, annual leave, dental, vision, and 403(b) retirement. Part-time employees only receive sick leave.

Easy Rides is used for dispatching. Manifests are prepared electronically. There are no mobile data terminals (MDTs); drivers are given paper manifests at pull-out. Customer callouts are made the day before, or sometimes the day of the trip, all by live staff (no automated calls). Between 120 and 180 trips are delivered per day; the average is typically closer to 140 to 160. Six to ten vehicles are used each day to provide service, though the daily average is closer to seven or eight. Vehicles do not have locking fareboxes. Instead, drivers carry money pouches. Roughly one third of customers are billed through a social services or other program, one third buy passes, and one third use cash. Daily cash revenue ranges from \$100 to \$140 per day (depending on punch pass sales). Fare revenue and punch pass sales are deducted from the County invoice.

Personnel Management and Training

Gold Country LIFT has a sufficient number of drivers but is always looking for more. Paratransit Services hoped to have another driver class in February or March. An advertising plaque is displayed on vehicles and a hiring ad is placed when positions are open. The ad will be posted in the local paper if word of mouth and onboard advertising does not result in sufficient applications.

Approximately 90 percent of driver recruits are new and must go through licensing and comprehensive training. This includes classroom, behind the wheel, and cadetting (on the job training). Vehicles are equipped with fire extinguishers, first aid kits, and blood-borne pathogen kits.

Administration

The Transit Services Manager is responsible for budgeting for the transit program. The County regularly compares its budgeted expectations with actual revenue and expenses, but does not report regularly to the Board, and the Board doesn't ask. Substantial excesses over budgeted expenses require an amendment through the Board of Supervisors.

The Transit Services Manager is responsible for writing and administering grants. The Accounting Technician provides a second set of eyes to ensure accuracy. The County has not lost any transit grants or neglected any grant opportunities due to staffing.

Risk management and insurance are handled through the County's Human Resources department. The contractor maintains its own insurance on the vehicles. The County's current disaster preparedness and response plan includes transit, and the Transit Services Manager is trying to get the County to realize the full benefit of utilizing transit.

Payroll for County employees is done by the County utilizing paper timesheets. Paratransit Services handles payroll for all contractor employees.

Procurement is handled through the County. Purchases up to approximately \$5,000 can be authorized by the Transit Services Manager. All competitive procurements (including fuel) are handled through the County.



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Marketing and Public Relations

Gold Country LIFT's primary marketing collateral includes a brochure and website. Brochures are distributed to various community partners, including Helping Hands, the County, and upon request to specific programs (such as churches, FREED, etc.). Gold Country LIFT has a booth at the fair and participates in community events throughout the year. The General Manager communicates regularly with other social services programs.

Complaints typically come in through dispatch, where they are documented on a form. They then go to the General Manager or a supervisor for investigation and follow-up. Complaints will be escalated to the Transit Services Manager only as needed.

Maintenance

The County provides the contractor with four vans that are leased to it for a dollar. The contractor covers all maintenance on them in exchange. Paratransit Services leases an additional eight buses through a lease program. Twelve vehicles is sufficient to provide the service. On only one day have they been required to use all 12 vehicles for daily service (back in July 2013).

Sunday transportation is provided through a grant from the Area 4 Agency on Aging (A4AA), which operates out of Gold Country LIFT facility on Sundays when GCL does not operate.

Maintenance is subcontracted to Roadrunner Automotive, a local vendor. A Paratransit Services employee is on-site to oversee maintenance and to make sure it is done properly and on time. There is no issue with repair prioritization, as the vendor has always been very accommodating.

Exhibit 8.3 County-owned Gold Country Stage Fleet Inventory

Vehicle #	Year	Make	Model	Mileage	Status
2	2013	Dodge	Bruan Entervan	111,102	LIFT Leased
3	2013	Dodge	Bruan Entervan	110,715	LIFT Leased
4	2013	Dodge	Bruan Entervan	100,823	LIFT Leased
5	2013	Dodge	Bruan Entervan	120,285	LIFT Leased

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Gold Country LIFT office.



Gold Country LIFT vehicle storage yard.



Gold Country LIFT transit logo.



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Chapter 9

Findings and Recommendations

Conclusions

With one exception, Moore & Associates finds the County of Nevada 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 County staff, analysis of program performance, and an audit of program compliance and function, the audit team presents one compliance finding:

1. The County's use of the TDA definition of full-time equivalent (FTE) could not be verified.

Moore & Associates has identified five functional findings. While these finding do not affect TDA compliance, we believe they warrant inclusion within this audit.

1. Both fixed-route and Dial-A-Ride data reported to the National Transit Database are combined under the category of Bus.
2. While public perception of the program is generally high, the County suffers from limited community awareness regarding Gold Country Stage service.
3. The Transit Services Commission (TSC) has expressed concern regarding ridership decline specific to Gold Country LIFT.
4. The County does not address complaints received specific to Gold Country LIFT in its Annual Operations Report.
5. Financial data reported to various entities has significant inconsistencies.

Program Recommendations

In completing this Triennial Performance Audit, Moore & Associates submits the following recommendations for the County of Nevada. 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.

TDA Compliance Finding 1: The County's use of the TDA definition of full-time equivalent (FTE) could not be verified.

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

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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.³

Condition: FTE for Gold Country Stage, as reported to the State Controller, dropped from 24 in FY 2015/16 and FY 2016/17 to 13 in FY 2017/18. The earlier figures appear consistent with a person-count, while the FY 2017/18 figure is more consistent with the TDA definition. FTE for Gold Country LIFT does not appear to utilize a person-count and is consistent with the TDA definition. However, absent a review of the County's methodology, it cannot be determined whether these figures are actually based on the TDA definition.

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. Alternately, the methodology used for reporting may not be clearly documented.

Effect: Use of a definition other than the TDA definition puts the County out of compliance with the TDA.

Recommendation: Use the TDA definition to calculate and report full-time equivalents and effectively document the methodology used for this calculation.

Recommended Action(s): Use payroll records to document the total amount of time spent on transit by all employees, and use that figure (divided by 2,000) to calculate FTE for reporting to the State Controller. FTE for the fixed-route service will reflect County staff, including management, accounting technician, drivers, mechanics, and anyone who spends time on the transit program. FTE for the paratransit service should include all contractor hours as well as any County hours spent administering the contract.

Timeline: FY 2019/20.

Anticipated Cost: Negligible.

**Note: Given no FTE calculation methodology was provided as part of this audit, if the County can demonstrate proper use of the TDA definition, this finding can be removed prior to report finalization.*

Functional Finding 1: Both fixed-route and Dial-A-Ride data reported to the National Transit Database are combined under the category of Bus.

Criteria: The County utilizes the Reduced Reporting Form for its annual NTD reporting. The form requires reporters to enter cost, revenue, and operating data separately for each mode operated.

³ Transit Operators Financial Transactions Report Instructions, updated October 2018, page 23.

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Condition: The County has been reporting all cost, revenue, and operating data for both Gold Country Stage and Gold Country LIFT under the Bus mode.

Cause: The cause of this reporting error is unclear.

Effect: Data reported to the NTD provides an inaccurate characterization of the County's service, and could result in a finding by the FTA.

Recommendation: The County should begin reporting data for Gold Country Stage and Gold Country LIFT separately in its NTD report.

Recommended Action(s): The County should begin reporting only Gold Country Stage data under Bus (MB) – Directly Operated and report Gold Country LIFT data under Demand-Response (DR) – Purchased Transportation. The County will need to consult with its FTA liaison to determine whether additional actions are needed prior to beginning to report the Demand-Response mode, as well as whether a revised version of the FY 2017/18 should be submitted.

Timeline: FY 2019/20 (reporting for FY 2018/19).

Anticipated Cost: Negligible.

Functional Finding 2: While public perception of the program is generally high, the County suffers from lack of community awareness regarding Gold Country Stage.

Criteria: One component of the Triennial Performance Audit is a review of operator functions. Marketing is one of the functional areas included in this review.

Condition: While staff indicated the general perception of the Gold Country Stage is positive, they also noted that many within the community who do not use the service generally do not know about it. The County conducts minimal marketing, focusing primarily on the service brochure, periodic media releases, and outreach to schools and the local 211 program.

Cause: Lack of awareness of the Gold Country Stage service is likely due to the limited marketing and promotion undertaken by the County.

Effect: Ridership growth can be difficult if the customer base does not expand.

Recommendation: Develop and implement a strategic marketing plan for Gold Country Stage.

Recommended Action(s): Prepare a marketing plan specific to Gold Country Stage. The marketing plan should be supported by community and customer data collected via customer satisfaction and non-rider surveys, which may be done independently or in conjunction with the planned 2020 Transit Development Plan update. Using data from the surveys as well as other input received through outreach and the annual Unmet Transit Needs process, it should define specific goals, objectives, and tactics for growing ridership through expansion of the customer base. The marketing plan should also propose a budget for marketing (typically at least three percent of the program's operating budget) and a timeline

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for implementation. The County may wish to consider contracting with a marketing firm to provide such services if it does not feel it has sufficient staffing to implement a more robust marketing and outreach program.

Timeline: FY 2019/20.

Anticipated Cost: Three percent of the operating budget for ongoing marketing, plus the cost of marketing plan development and surveys.

Functional Finding 3: The Transit Services Commission (TSC) has expressed concern regarding ridership decline specific to Gold Country LIFT.

Criteria: The County's Transit Services Commission (TSC) is one of the policy-making bodies for the County's transit programs.

Condition: Gold Country LIFT ridership has been declining throughout the audit period. While Dial-A-Ride operating costs are typically tied closely to ridership, in two of the three years, the decline in ridership has actually been accompanied by an increase in operating cost.

Cause: The cause of the decline in ridership is unknown. The customer base may have decreased due to customer deaths or people moving out of the area, or current customers may be taking fewer rides.

Effect: Decreased ridership on Dial-A-Ride typically results in lower costs. However, since that is not the case here, the decrease in ridership has instead resulted in a decrease in fare revenue while operating cost continues to rise.

Recommendation: Assess reasons for the recent ridership decline and identify strategies to mitigate this decline.

Recommended Action(s): The County should explore potential reasons for ridership decline and look for strategies to mitigate this decline without significantly increasing operating costs. It is also recommended the County conduct a survey of Gold Country LIFT riders to ensure the program is continuing to meet their needs. This may be done independently or as part of the planned 2020 Transit Development Plan. The County should also consider updating the Gold Country LIFT webpage to provide additional information (including fares) on the website itself rather than just in the downloadable .pdf of the service brochure. Including information on the website would also allow the content to be translated into Spanish using a webpage translator, which does not work on .pdf documents.

Timeline: FY 2019/20.

Anticipated Cost: Variable, depending upon cost of survey, webpage revisions, and strategies implemented.

Functional Finding 4: The County does not address complaints received specific to Gold Country LIFT in its Annual Operations Report.



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Criteria: The prior triennial performance audit recommended the County include details regarding complaints within its Annual Operations Report, given a complaint-related performance metric was included.

Condition: Beginning in FY 2016/17, complaint information specific to Gold Country Stage was included in the report. However, no mention of any complaints received specific to Gold Country LIFT were cited.

Cause: It is easier to include information regarding Gold Country Stage given it is directly operated by the County. Data for Gold Country LIFT must be obtained from the contractor.

Effect: Omission of the Gold Country LIFT data provides a skewed look at the level of complaints with respect to the transit program as a whole.

Recommendation: Begin including a summary of complaints related to Gold Country LIFT in the Annual Operations Report.

Recommended Action(s): Obtain complaint details from the Gold Country LIFT contractor and include them in the Annual Operations Report. At a minimum, the report should detail the number of complaints and a general characterization of those complaints, even if not all complaints are listed.

Timeline: FY 2018/19.

Anticipated Cost: Negligible.

Functional Finding 5: Financial data reported to various entities has significant inconsistencies.

Criteria: PUC 99247 requires the triennial performance audit to verify the transit operator's use of the TDA definitions of performance definitions, including operating cost, passengers, vehicle service hours, vehicle service miles, and full-time equivalent employees.

Condition: While we did not determine the County to be using an improper definition for any performance measure, financial data reported internally, to the State Controller, and to the NTD tended to vary. The reason for discrepancies in the fiscal data is unclear.

Cause: Failure to utilize a single method for documenting performance data, or failure to update the data correctly and consistently, can result in data variations.

Effect: Such variations in operating data, especially financial data, can make it difficult to determine whether accurate data is being reported to the NTD and the State Controller, and can call into question the accuracy of the data that is collected.

Recommendation: Use a single database for operating data to ensure consistent reporting both internally and externally.



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Recommended Action(s): Use a single database for documenting performance data, and then use that data for completing required reports. A simple Excel database is sufficient for this purpose. Any time data is changed, it should be marked with a note in the cell or a new tab should be created (labeled “revised” with the date). Any variances between the data as recorded in monthly performance reports and end-of-year summaries should be addressed and the cause identified. If monthly performance data does not match what is reported to external entities, the reason for this should be noted. This documentation should be provided to the triennial performance auditors in 2021.

Timeline: FY 2018/19.

Anticipated Cost: Negligible to modest.

Exhibit 9.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Use the TDA definition to calculate and report full-time equivalents and effectively document the methodology used for this calculation.	High	FY 2019/20
Functional Recommendations		Importance	Timeline
1	The County should begin reporting data for Gold Country Stage and Gold Country LIFT separately in its NTD report.	High	FY 2019/20
2	Develop and implement a strategic marketing plan for Gold Country Stage.	Medium	FY 2019/20
3	Assess reasons for the recent ridership decline and identify strategies to mitigate this decline.	Medium	FY 2019/20
4	Begin including a summary of complaints related to Gold Country LIFT in the Annual Operations Report.	Low	FY 2018/19
5	Use a single database for operating data to ensure consistent reporting both internally and externally.	High	FY 2018/19

