



FINAL REPORT  
SEPTEMBER 2019

# Butte County Association of Governments City of Gridley

## TDA Triennial Performance Audit





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## Chapter 1

# Executive Summary

In 2019, the Butte County Association of Governments 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.

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 funding eligibility.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Gridley 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 funds.

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

The City of Gridley operates the Golden Feather Flyer Transit Service, a curb-to-curb demand-response service available to the general public. The service operates within Gridley limits. Service is available Monday through Friday, between 8:00 a.m. through 4:00 p.m. The service does not operate on weekends and the following major holidays: New Year's Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and the day after Thanksgiving, Christmas Eve, Christmas, and New Year's Eve.

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

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

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Follow-up of prior report recommendations,
- Analysis of program data reporting,
- Performance Audit, and



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- Functional review.

## Test of Compliance

With two exceptions, Moore & Associates concludes the City of Gridley complies with the Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. State Controller Reports were submitted late each year of the audit period.
2. The City does not utilize the proper definition for vehicle service hours, and performance data reporting is inconsistent.

## Status of Prior Recommendations

1. Ensure that vehicle mileage and service hours are correctly calculated and accurately reported in internal and external reports.  
**Status:** Not implemented.
2. Ensure that the proper State Controller Report template is used.  
**Status:** No longer relevant.
3. Develop and implement an effective marketing plan and public outreach program to increase ridership and raise awareness of the Gridley Golden Feather Flyer service.  
**Status:** Implemented.
4. Work with BCAG to develop a short-range transit plan.  
**Status:** Not implemented.

## Findings and Recommendations

Based on discussions with City staff, analysis of program performance, and an audit of program compliance and function, the audit team presents two compliance findings.

1. State Controller Reports were submitted late each year of the audit period.
2. The City does not utilize the proper definition for vehicle service hours, and performance data reporting is inconsistent.

Moore & Associates has identified one functional finding. While this finding does not affect TDA compliance, we feel it is significant enough to be addressed within this audit.

1. The City has yet to develop a short-range transit plan.

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



Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Submit State Controller Reports no later than January 31 each year.	High	FY 2019/20
2	All drivers should properly document revenue hours, revenue and non-revenue miles, and passengers on a daily basis.	High	FY 2019/20
3	The Finance Director or his/her designee should review performance data to ensure it is being accurately recorded.	High	FY 2019/20
Functional Recommendations		Importance	Timeline
1	Work with BCAG to develop a short-range transit plan.	Medium	FY 2019/20



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## Chapter 2

# Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Gridley’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 funding eligibility.

In 2019, the Butte County Association of Governments 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 firm followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Gridley 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 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.

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 City of Gridley 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 City of Gridley included thorough review of documents relevant to the scope of the audit, as well as information contained on the City'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;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral; and
- Fleet inventory.

The methodology for this review included a site visit to Gridley City Hall (685 Kentucky Street in Gridley) on August 1, 2019. The site visit included discussions with Elisa Areaga (Business Services) and Linnea Brown (Transit Driver). A follow-up interview with Ishrat Kahn (Accountant) and Elisa Areaga was held via telephone on August 22, 2019.



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 City of Gridley’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 Butte County Association of Governments considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with City 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, monthly performance reports, and other compliance-related documentation.

With two exceptions, the City of Gridley met the test of compliance with respect to all Transportation Development Act (TDA) regulations:

1. State Controller Reports were submitted late each year of the audit period.
2. The City does not utilize the proper definition for vehicle service hours, and performance data reporting is inconsistent.

### 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.

Operators should be aware that the reporting forms for the State Controller may not be updated to reflect these exclusions for FY 2016/17. Until revised forms are made available, it is important for agencies to ensure any exclusions from operating cost are clearly itemized within TDA audits or other farebox revenue ratio calculations so that compliance can be clearly assessed.

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 taxes 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 nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.*

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

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



**Exhibit 3.1 Transit Development Act Compliance Requirements**

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2015/16: November 16, 2016 FY 2016/17: April 4, 2018 FY 2017/18: March 6, 2019
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2015/16: March 10, 2017 FY 2016/17: February 9, 2018 FY 2017/18: February 9, 2019  <i>Includes 90-day extension.</i>
Operator’s terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	Not applicable	The City is exempt from this requirement due to the size of the vehicle it uses. This finding was made by the CHP on April 9, 2014.
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 City receives both Article 4 and Article 8(c) funds. As such, no alternative performance criteria has been established.
The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2015/16: +12.15% FY 2016/17: -10.90% FY 2017/18: -2.23%  <i>Source: City of Gridley budgets, FY 2015 – FY 2020.</i>
The operator’s definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	Finding	The City does not use the proper definition of vehicle service hours.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	In compliance	FY 2015/16: 16.23% FY 2016/17: 33.34% FY 2017/18: 9.39%*  <i>Source: TDA fiscal audits, FY 2016 – FY 2018.</i>

\*While the TDA audit determined the farebox recovery ratio to be 9.39 percent in FY 2017/18, this was due to deferred pension liability costs, which were reported as salary and benefits expenses, and thus included in the operating cost that was used to determine farebox recovery ratio. The City was told by BCAG that it would not be considered out of compliance for FY 2017/18 given this circumstance. As such, we have not included this in the findings of this audit.



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Compliance Element	Reference	Compliance	Comments
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
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	City employees receive retirement benefits through CalPERS.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	Not applicable	The City does not receive federal funds.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	Not applicable	The City does not use STA funds for operating or capital. Instead, it swaps STA funds with the County of Butte for LTF funds.
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 City of Gridley has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in January 2017 by Michael Baker International – for the three fiscal years ending June 30, 2015 – included four recommendations:

1. Ensure that vehicle mileage and service hours are correctly calculated and accurately reported in internal and external reports.

**Discussion:** This recommendation was forwarded from the prior audit for full implementation. The prior auditor noted the City maintained and relied on an internal spreadsheet to track the data from the driver’s daily vehicle log. Driver trip sheet data is entered onto an Excel spreadsheet. The driver keeps track of revenue and non-revenue hours, and only revenue mileage on a daily vehicle log. There are no entries for mileage upon departing the yard and mileage upon returning to the yard (deadhead).

The auditor noted there continued to be discrepancies between the data reported internally and the data reported on the Transit Operators Financial Transactions Report submitted to the State Controller. For example, State Controller Reports prepared during the audit period are missing vehicle service (revenue) miles and full time equivalent (FTE) data. FTE data are derived by compiling the total annual employee pay hours expended on transit and dividing by 2,000.

The prior audit recommended the daily vehicle log be modified to include entries for mileage upon departing the yard and mileage upon returning to the yard. This will clarify deadhead from revenue service mileage, similar to how hours are reported. It was suggested that the finance director perform a final review of the Supplemental Operating Data section of the State Controller Report for accuracy and thoroughness prior to submittal.

**Progress:** While the City reported vehicle revenue miles and hours on the FY 2017/18 State Controller Report, revenue hours was reported incorrectly (the same as revenue miles). In addition, documentation of mileage does not appear to differentiate between revenue and non-revenue miles, even though that figure may be modest.

**Status:** Not implemented.



#### 2. Ensure that the proper State Controller Report template is used.

**Discussion:** Although the Golden Feather Flyer became a general public demand-response service, the prior auditor noted the City continued to use the Transit Operators Financial Transactions Report – Specialized Service template. Specialized service denotes service being provided exclusively to the elderly and persons with disabilities. On Page 1 of the report, the City checks off that service to the general public is being provided. Therefore, the prior audit recommended the City use the proper template for its annual transit data reporting to the State Controller for consistency.

**Progress:** During preparation of this audit, the City followed up with the State Controller’s Office, which told them they should continue using the specialized services form since the majority of their passengers are seniors and special needs.

**Status:** No longer relevant.

#### 3. Develop and implement an effective marketing plan and public outreach program to increase ridership and raise awareness of the Gridley Golden Feather Flyer service.

**Discussion:** This recommendation was forwarded from the prior audit for full implementation. The prior audit noted resources devoted toward marketing the Gridley Golden Feather Flyer have been limited. The City generally budgets between \$300 and \$500 annually toward advertising and marketing collateral. The transit service has historically relied on word-of-mouth and the visibility of the transit vehicle to market the service. The City produced and distributed flyers that announced the service expansion to the general public.

Information about the transit service is found on the City’s website, which is not easily accessible. Transit information can only be located by performing a search at the top right-hand corner of the website. The search result provides a link to a PDF page with only basic information about the service and outdated information about the fixed route, which has since been discontinued. The prior audit recommended the City make information about the transit service more readily accessible on its website as well as consider placing inserts or messages in more visible areas such as in monthly utility billings, and flyers at public locations such as the library.

**Progress:** While the City does not have a formal marketing plan, it does display its service information on the City’s website. It has also partnered with Orchard Hospital. The City is cognizant of its budget, farebox recovery ratio, and need to keep expenses under control. It is hesitant to undertake significant marketing that could result in a demand for service that it cannot address.

**Status:** Implemented.



#### 4. Work with BCAG to develop a short-range transit plan.

**Discussion:** This recommendation was forwarded from the prior audit for full implementation. The prior audits recommended that the City work with BCAG to develop a short-range transit plan that would allow the City to measure performance against the standards developed in the plan. BCAG commissioned and adopted the Butte County Transit and Non-Motorized Plan in April 2015. The plan focused on improving transportation access for people who walk, bike, or take transit in Butte County. It recommended short-term changes and enhancements, as well as long-term improvements needed based on projected growth in Butte County. However, the plan only addressed B-Line transit services (which include the two routes serving Gridley) and not the Golden Feather Flyer.

The prior auditor noted the City, working in collaboration with BCAG, would benefit from a short-range transit service plan that revisits the goals and objectives of the service and identifies any service linkages to the B-Line to enhance ridership. The transit plan would provide performance standards, budgeting, marketing strategies, and a capital improvement program that support the updated goals and objectives.

**Progress:** The City is currently preparing for the opening of a FEMA trailer community as part of the response to the Camp Fire. As such, a short-range transit plan remains a continued need.

**Status:** Not implemented.



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## Chapter 5

# Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local and state 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 City of Gridley to the State Controller as well as internally specific to the audit period.

Exhibit 5.1 provides a comparison between performance data reported within State Controller Reports for the current audit period (ending FY 2015/16 through FY 2017/18) and data reported via Monthly Performance Reports and TDA fiscal audits.

- **Operating Cost:** Operating cost was reported inconsistently between the TDA fiscal audit and the State Controller Reports. This was likely due to adjustments being made in the audited data (such as the deferred pension costs discussed in Chapter 3) that were not reflected in the State Controller Report.
- **Fare Revenue:** In FY 2016/17 and FY 2017/18, there was a variance in the fare revenue reported in the TDA fiscal audit and the State Controller Report. In FY 2016/17, the amount reported to in the TDA fiscal audit was 3.9 percent higher, while in FY 2017/18 the amount reported to the State Controller was 23.4 percent higher.
- **Vehicle Service Hours:** Vehicle service hours were not reported on the monthly performance reports and were incorrectly reported on the State Controller Report for all three years. (The State Controller Report appeared to include vehicle service mile data as vehicle service hours.) For the purposes of this report, we estimated vehicle service hours based on the number of service days and an eight-hour service day. A recommendation in Chapter 8 calls for accurate documentation of vehicle service hours.
- **Vehicle Service Miles:** Vehicle service miles were not reported in the State Controller Report except in FY 2017/18. The data reported that year was not entirely consistent with that reported in the monthly performance report.
- **Full-Time Equivalents (FTE):** Full-time equivalent data was not reported in FY 2015/16 and FY 2016/17.



Exhibit 5.1 Data Reporting Consistency

Performance Measure	System-Wide		
	FY 2015/16	FY 2016/17	FY 2017/18
<b>Operating Cost (Actual \$)</b>			
<i>TDA fiscal audit</i>	\$100,943	\$51,921	\$214,445
<i>State Controller Report</i>	\$114,575	\$118,296	\$125,356
<b>Fare Revenue (Actual \$)</b>			
<i>TDA fiscal audit</i>	\$16,382	\$17,310	\$16,322
<i>State Controller Report</i>	\$16,382	\$16,670	\$20,144
<b>Vehicle Service Hours (VSH)</b>			
<i>Monthly Performance Reports</i>	0	0	0
<i>Estimated based on days of service</i>	2,008	2,176	1,992
<i>State Controller Report</i>	16,382	16,382	17,626
<b>Vehicle Service Miles (VSM)</b>			
<i>Monthly Performance Reports</i>	14,302	15,236	16,276
<i>State Controller Report</i>	0	0	17,626
<b>Passengers</b>			
<i>Monthly Performance Reports</i>	9,160	8,993	8,737
<i>State Controller Report</i>	9,160	8,164	8,737
<b>Full-Time Equivalent Employees</b>			
<i>State Controller Report</i>	0	0	1
<i>Per City methodology</i>	1	1	1



## Chapter 6

# Performance Analysis

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

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

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

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

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

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

### Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667<sup>1</sup>. 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:

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<sup>1</sup> CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

#### Vehicle Service Hours and Miles

*Vehicle Service Hours (VSH)* and *Miles (VSM)* are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.<sup>2</sup> For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

#### Passenger Counts

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

#### Employees

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

#### Fare Revenue

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

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





#### TDA Required Indicators

To calculate the TDA indicators for the City of Gridley, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via State Controller Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the TDA fiscal audits 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 was not included within the City's monthly performance reports. The City's calculation methodology is not consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via monthly performance reports for each fiscal year covered by this audit. The City documents starting and ending mileage of the transit vehicle. This methodology is consistent with PUC guidelines but should be further refined.
- Unlinked trip data were obtained via monthly performance reports for each fiscal year covered by this audit. Data from these reports were then compared with information included within the State Controller Reports. The City's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) methodology was provided by the City and is consistent with the TDA definition (hours worked divided by 2,000).

#### System Performance Trends

Operating cost has remained largely static throughout the current and prior audit periods, exhibiting a net change of just 4.3 percent. Fare revenue saw its most significant increase in FY 2014/15, but remained relatively static during the current audit period.

Though estimated figures were utilized for the current audit period, vehicle service hours demonstrated variability from year to year. While the prior triennium was characterized by small changes year-over-year, the current audit period appeared to experience more significant fluctuations. Vehicle service miles steadily increased, with a total increase of 38.3 percent between FY 2012/13 and FY 2017/18. Ridership peaked in FY 2015/16. Overall, ridership saw a net increase of 13.7 percent across the six-year period.

Most performance indicators fluctuated during the audit period. However, clear trends were observed with respect to passengers per vehicle service mile and operating cost per vehicle service mile, both of which decreased.



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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
<b>Operating Cost (Actual \$)</b>	\$120,220	\$121,780	\$124,659	\$114,575	\$118,296	\$125,356
<i>Annual Change</i>		1.3%	2.4%	-8.1%	3.2%	6.0%
<b>Fare Revenue (Actual \$)</b>	\$14,856	\$14,572	\$16,052	\$16,382	\$17,310	\$16,322
<i>Annual Change</i>		-1.9%	10.2%	2.1%	5.7%	-5.7%
<b>Vehicle Service Hours (VSH)</b>	2,181	2,193	2,264	2,008	2,176	1,992
<i>Annual Change</i>		0.6%	3.2%	-11.3%	8.4%	-8.5%
<b>Vehicle Service Miles (VSM)</b>	11,766	12,205	13,602	14,302	15,236	16,276
<i>Annual Change</i>		3.7%	11.4%	5.1%	6.5%	6.8%
<b>Passengers</b>	7,682	8,084	8,898	9,160	8,164	8,737
<i>Annual Change</i>		5.2%	10.1%	2.9%	-10.9%	7.0%
<b>Employees</b>	1	1	1	1	1	1
<i>Annual Change</i>		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$55.12	\$55.53	\$55.06	\$57.06	\$54.36	\$62.93
<i>Annual Change</i>		0.7%	-0.8%	3.6%	-4.7%	15.8%
<b>Operating Cost/Passenger (Actual)</b>	\$15.65	\$15.06	\$14.01	\$12.51	\$14.49	\$14.35
<i>Annual Change</i>		-3.7%	-7.0%	-10.7%	15.8%	-1.0%
<b>Passengers/VSH</b>	3.52	3.69	3.93	4.56	3.75	4.39
<i>Annual Change</i>		4.7%	6.6%	16.1%	-17.8%	16.9%
<b>Passengers/VSM</b>	0.65	0.66	0.65	0.64	0.54	0.54
<i>Annual Change</i>		1.4%	-1.2%	-2.1%	-16.3%	0.2%
<b>Farebox Recovery</b>	12.4%	12.0%	12.9%	14.3%	14.6%	13.0%
<i>Annual Change</i>		-3.2%	7.6%	11.0%	2.3%	-11.0%
<b>Hours/Employee</b>	2,181.0	2,193.0	2,264.0	2,008.0	2,176.0	1,992.0
<i>Annual Change</i>		0.6%	3.2%	-11.3%	8.4%	-8.5%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$10.22	\$9.98	\$9.16	\$8.01	\$7.76	\$7.70
<i>Annual Change</i>		-2.3%	-8.1%	-12.6%	-3.1%	-0.8%
<b>VSM/VSH</b>	5.39	5.57	6.01	7.12	7.00	8.17
<i>Annual Change</i>		3.2%	8.0%	18.6%	-1.7%	16.7%
<b>Fare/Passenger</b>	\$1.93	\$1.80	\$1.80	\$1.79	\$2.12	\$1.87
<i>Annual Change</i>		-6.8%	0.1%	-0.9%	18.6%	-11.9%

Sources: All FY 2012/13 – FY 2014/15 data from prior Triennial Performance Audit. FY 2015/16 – FY 2017/18 data: Operating cost and passengers from State Controller Reports, fare revenue from TDA fiscal audits, vehicle service hours estimated based on days of service, vehicle service miles from monthly reports, and FTE from City methodology.

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Exhibit 6.2 System Ridership

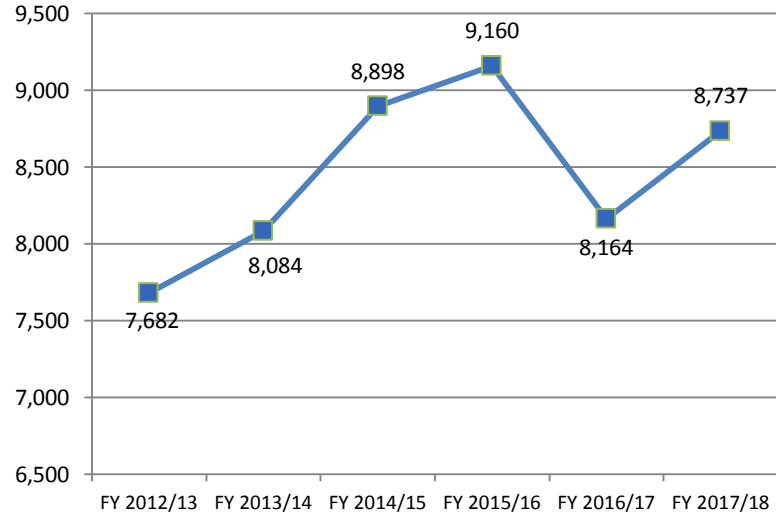


Exhibit 6.3 System Operating Cost/VSH

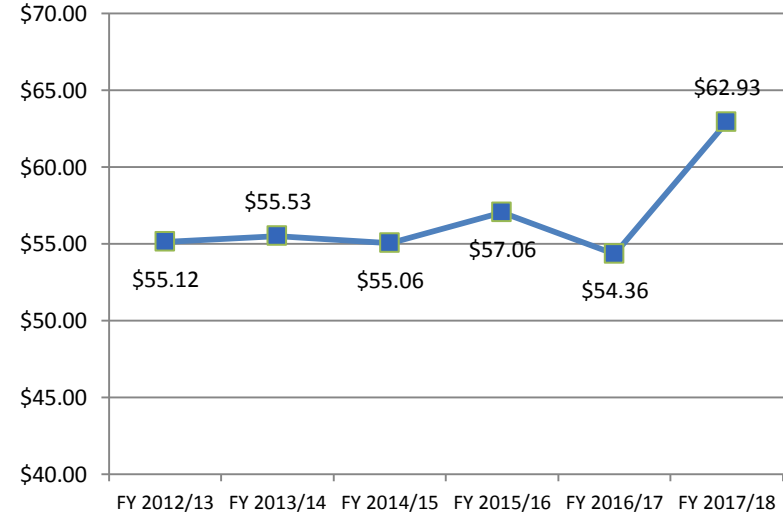


Exhibit 6.4 System Operating Cost/VSM

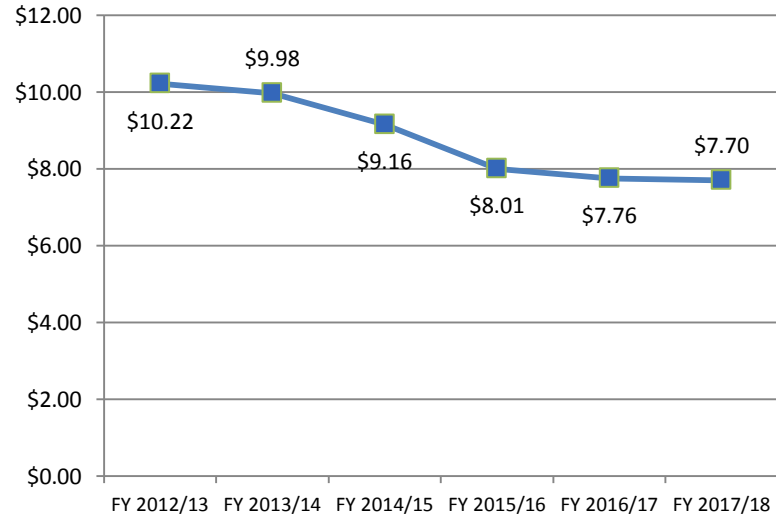
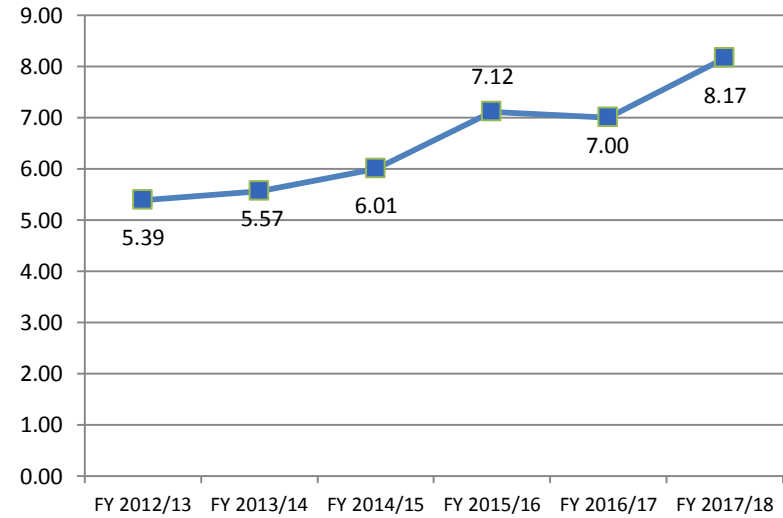


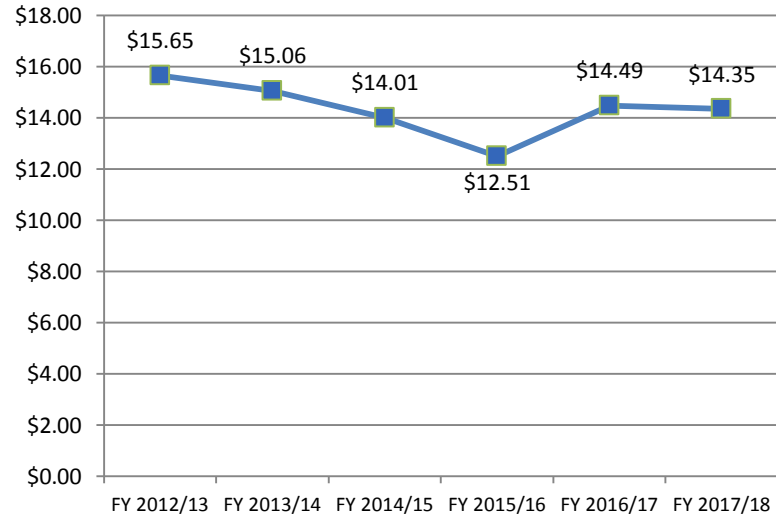
Exhibit 6.5 System VSM/VSH



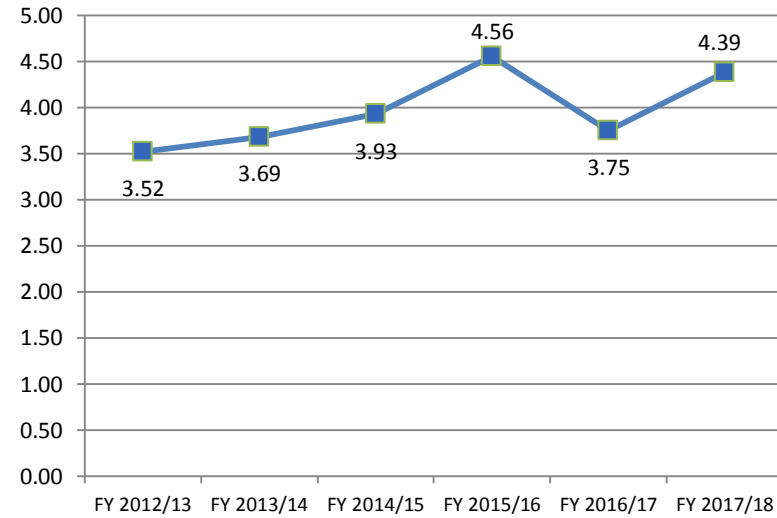
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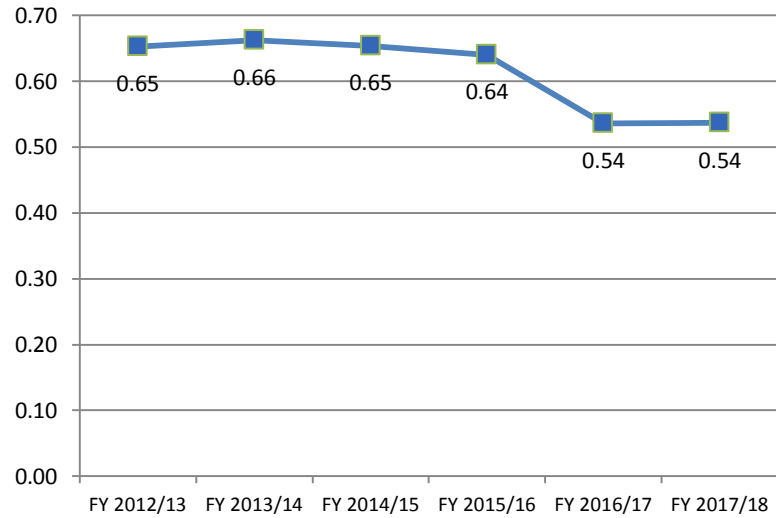
### Exhibit 6.6 System Operating Cost/Passenger



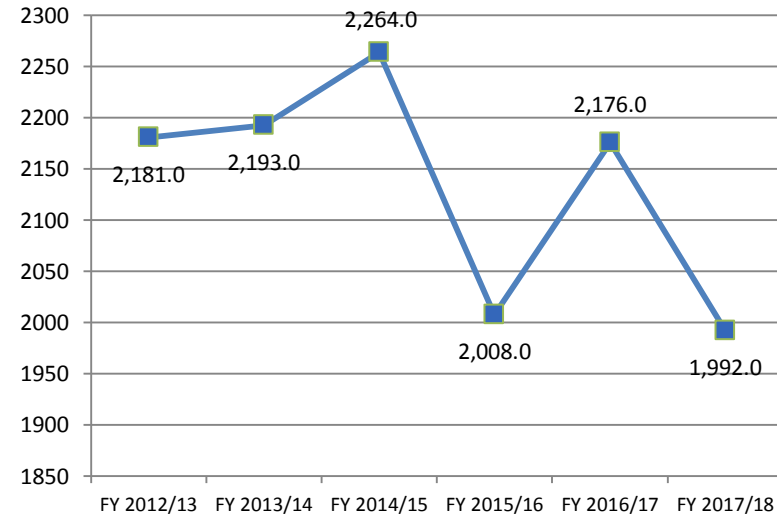
### Exhibit 6.7 System Passengers/VSH



### Exhibit 6.8 System Passengers/VSM



### Exhibit 6.9 System VSH/FTE



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Exhibit 6.10 System Farebox Recovery

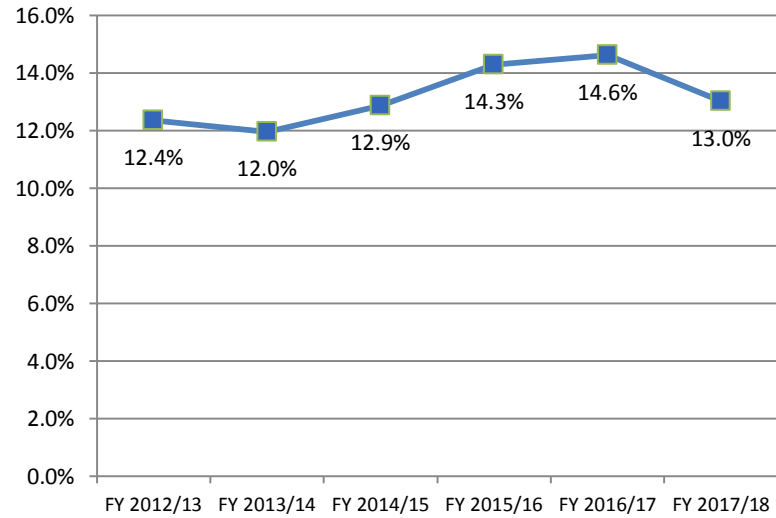
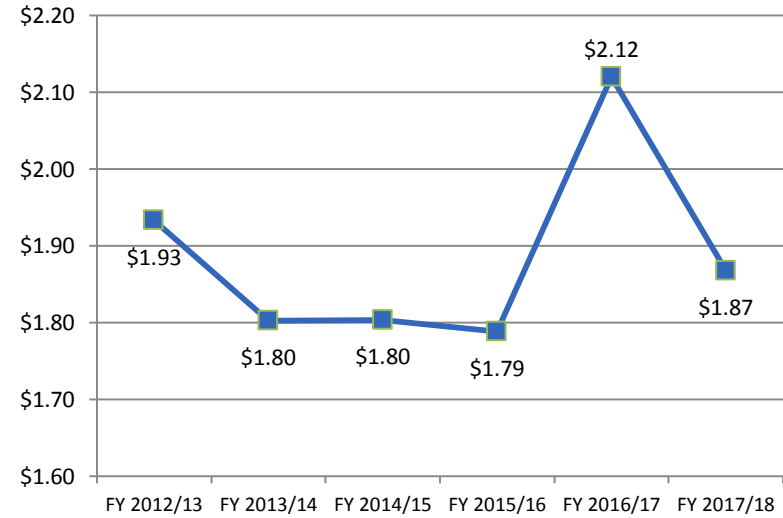


Exhibit 6.11 System Fare/Passenger



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## Chapter 7

# Functional Review

A functional review of the City of Gridley’s public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the City’s transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by the City of Gridley 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 City of Gridley operates the Golden Feather Flyer Transit Service, a curb-to-curb demand-response service available to the general public. The service operates within Gridley limits. Service is available Monday through Friday, between 8:00 a.m. through 4:00 p.m. The service does not operate on weekends and the following major holidays: New Year’s Day, Presidents’ Day, Memorial Day, Independence Day, Labor Day, Thanksgiving and the day after Thanksgiving, Christmas Eve, Christmas, and New Year’s Eve.

Reservations may be made the same day of the trip; however, the City encourages customers to schedule rides in advance for appointments.

### Fare Structure

The Golden Feather Flyer service costs \$2.00 per one-way trip. Tickets can be purchased at City Hall or onboard the vehicle.

### Camp Fire

Although the Camp Fire did not occur during the audit period (November 2018), it will have a definite impact on the region moving forward. The fire covered nearly 240 square miles and destroyed the town of Paradise. It damaged or destroyed nearly 20,000 structures, resulting in thousands of residents being displaced. A community of FEMA trailers will be established in Gridley in early FY 2019/20 to provide housing to those who remain displaced nearly a year later.

### General Management and Organization

The Gridley Golden Feather Flyer service is under the direction of the Finance Department. There have been two staff management changes since the last audit. The Finance Director’s staff designee prepares a monthly analysis of passenger ridership and mileage of the program. This information is reviewed by the Finance Director and then forwarded to the City Administrator. The Finance Director is also



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responsible for preparing and reporting data to the State Controller Office and on the City's annual TDA claim.

The Finance Department prepares a monthly report and an annual budget, which are forwarded to the City Administrator. The City Administrator annual presents the transit budget and additional information to the city council for approval.

The Finance Director provides direction on a weekly or daily (if needed) basis. There is clear written information provided to subordinates as to duties as well as additional safety measures. The Finance Director immediately provides direction and takes action regarding notification by the Transit Driver of any problems or issues.

The City employs one full-time driver and one reserve part-time driver. There is daily communication between the driver and management. All matters of concern or safety are addressed immediately through written or verbal communication. Written communications provide the driver and transit riders with clarification regarding the City's transit service.

Prior to the last audit period, the program only provided service to seniors and persons with disabilities. In 2012, the program was expanded to serve the general public. Ridership is reported monthly as the key metric for service evaluation. Recent the goal has been to increase ridership by marketing and promoting the service to the general public.

There were no organizational or service changes during the audit period. In 2017, a decrease in ridership was observed due to several regular riders passing away. Effective marketing resulted in a subsequent ridership increase in 2018.

The Gridley City Council is the governing body for the City's transit program. City council meetings are held on the first and third Monday of each month. The meetings are open to the public and provide for an open community participation forum.

Management's primary interest has been to continue providing an excellent level of service to all city residents as well as marketing the service within the community to increase utilization of the program. The City is also interested in working with BCAG in the near future to develop a short-range transit plan (S RTP).

The City has a positive working relationship with BCAG as well as Butte County Public Works, Far Northern Regional Center, Orchard Hospital and medical facilities, local community service clubs and organizations, and the City of Gridley's Recreational Department. The City does not have a relationship with the FTA as it does not receive federal funding.

### Service Planning

No major planning studies have been completed to date. However, due to the Camp Fire in Paradise (which occurred in November 2018), the City anticipates there will be a greater need for transit service to the new FEMA housing project being located in Gridley. The housing project, which is planned for FY 2019/20, will include more than 400 FEMA housing units. As such, the City needs to set goals and develop a plan to address the anticipated need. A short-range transit plan to objectively evaluate the



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current program and assess the feasibility of a potential fixed route serving the FEMA housing project is warranted.

The City currently relies on service usage and population growth for projection of future service needs. However, since there has been no major population growth, the primary focus has been on marketing to growth ridership on the existing service. No surveys of riders or the community have been conducted.

Public participation is generally available via regular city council meetings. In addition, BCAG schedules public meetings in Gridley in order to solicit community feedback regarding transit service changes or unmet transit needs.

### Scheduling, Dispatch, and Operations

The City employs one full-time driver and one part-time reserve driver, who provides coverage when the full-time driver is not available. All drivers must possess a valid Class C driver's license and participate in the EPN program, pre-employment physical, substance abuse screening, and additional ongoing safety training (such as CPR certification) by the City's insurance pool. Part-time drivers are utilized on an as-needed and fill-in basis. They are required to have the same safety training and pre-employment screening as the full-time driver.

The full-time driver is represented by the International Brotherhood of Electrical Workers (IBEW) Local 1245 through a Memorandum of Understanding (MOU) valid from 2014-2019. The part-time driver is only eligible for paid sick leave, as required under California law.

Both drivers are employees of the City of Gridley. The City's personnel rules and the IBEW MOU provide policy rules and information related to absences and sick leave. All vacations are requested in advance to allow for the scheduling of coverage.

The City's transit vehicle is not equipped with a farebox. The driver collects tickets and any cash fares in a money pouch, which is delivered to the Finance Department at the end of the day. Tickets can be purchased from the driver or at City Hall. Tickets are color-coded based on coverage area (city – orange and county – green) and numbered. The Finance Department clerk or driver records the rider's name and the type of ticket purchased. At the end of the month, the Finance Department clerk reconciles the log information and compares it with revenue in the City's financial software system (MOMS).

### Personnel Management and Training

The City is not currently recruiting for drivers, as it is fully staffed. Only one driver is needed for regular service. When new drivers are needed, open positions are advertised through the Gridley *Herald* and other local newspapers. While all new hires require initial on-the-job training, experienced drivers are preferred. The City reviews all applications and determines applicant eligibility based on qualifications and experience. Job performance evaluations are conducted by the Finance Director on an annual basis.

There has been no turnover in the full-time driver position, as the current driver has been with the program since 2003. There is more turnover with the part-time driver position, which typically has very few hours. The prior part-time driver left due to personal responsibilities that required them to be home on the required workday.

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Drivers are required to possess a valid Class C driver's license, City-issued CPR and first aid cards, and have an excellent driving record as reported by the Department of Motor Vehicles' EPN program (which provides an ongoing review of their driving record). Drivers must also have received wheelchair training through BCAG.

All discipline is enforced based on the City's personnel rules. All drivers are enrolled in a substance abuse monitoring testing program. Progressive discipline is outlined in the IBEW MOU.

Full-time driver benefits are detailed in the IBEW MOU and include life, health, dental, and vision insurance, sick leave, and retirement benefits. Part-time drivers only receive sick leave as required by California law. IBEW MOU handbooks detailing all benefits are provided to all members.

### Administration

The budget is prepared annually by the Finance Director, forwarded to the City Administrator for review, and then approved by the City Council. Budgeted expenses and revenues are compared to actual revenues and expenses during budget preparation. Any substantial excesses over budgeted expenses are agendized before the City Council for consideration.

The Finance Director evaluates all financial data in the MOM software system prior to preparing and presenting the budget to the City Council. The City uses the Corbin Willits Systems MOM software system for its fund accounting.

The Finance Director (or his/her designee) is responsible for preparing grant applications and overseeing compliance. There are no records of any grants being lost or neglected.

The City is a member of the Northern California Cities Self Insurance Fund (NCCSIF), a Joint Powers Authority that provides insurance coverage and safety resources to member cities. NCCSIF has provided procedures for processing accident and injury claims, and annually reviews coverages to ensure a proper amount of liability coverage. Incidents are monitored monthly, with an annual review of claims. For any incident, a report is prepared wherein the operator reviews the incident or accident and examines its practices.

The Finance Director oversees all safety and loss prevention activities. The City's disaster preparedness plan is overseen by the City Administrator.

The City contracts out for vehicle maintenance services. The Finance Director reviews all documentation relating to performance and quality of service.

Payroll occurs biweekly. Employees submit timesheets, and all data is entered into the MOM software. All employees have the option to utilize direct deposit.

The City's receiving function is separate from its purchasing and disbursement functions. All invoice terms are reviewed against purchase orders. Each department director (or designee) signs off on purchase orders once it has been verified that items have been received, and the purchase order is submitted to accounts payable.



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The City's procurement policy meets local and state requirements. Policies and procedures regarding competitive bids, quotes, and contracting are well-defined. Any purchases that are not budgeted over certain amounts must be authorized by the City Council. All purchases over \$5,000 are reviewed against budgeted amounts. The City has established vendors for fuel and maintenance, and vehicles are by competitive bid or through the state bid.

### Marketing and Public Information

Transit service information is available on public counters in City Hall and the public library. An informational flyer is offered in lieu of a brochure. Service information has also been included on utility bills. The City provides flyers to the hospital and clinic as well in order to increase ridership, and the driver keeps flyers onboard to hand out to riders. The driver and city clerks respond to telephone inquiries regarding service.

Complaint/suggestion forms are available at City Hall. The Finance Director reviews and processes all complaints. If a complaint comes in via phone, the clerk forwards the information to the Finance Director for review. Suggestions are recorded and considered as part of service assessment.

The City will be working cooperatively with local healthcare facilities to establish working partnerships to promote its transit service. It also plans to continue distributing flyers with utility bills.

The perception of the service by the general public has been positive among those who utilize the service. However, there have been some residents that are not aware that the service is now open to the general public. The City is working on raising awareness throughout the community, through communications with commercial businesses, school districts, and residents.

### Maintenance

Maintenance services have been provided by Gridley Country Ford since 2000. The vendor is capable of accommodating most repairs. A preventive maintenance schedule that conforms with manufacturer's requirements is maintained. Warranty claims are filed as appropriate. All records are maintained in City Hall.

Given the City has a single transit vehicle and the service is a demand-response service, maintenance is scheduled when there are no conflicts with scheduled riders. The current vehicle is two years old and was placed into service in August 2017. The City budgets for vehicle replacement as part of its annual budget. The vehicle is stored behind City Hall in the employee parking lot, next to the Police Department.

All maintenance is conducted on schedule to proactively avoid breakdowns. Should a breakdown occur, the vehicle will be serviced immediately by Gridley Country Ford. The maintenance vendor communicates effectively with the City, with prompt notification when maintenance or repairs are complete. The same vendor also services other City fleet vehicles, including administrative pool cars and police vehicles.



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Exhibit 7.1 Gridley Transit Fleet

Vehicle	Model Year	Mileage (as of January 2019)	Passengers	WC Positions	Status
Ford Transit E350	2016	24,243	6	2	Active



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*Gridley Feather Flyer vehicle.*



*Gridley Feather Flyer vehicle.*



*Gridley Feather Flyer vehicle (rear).*



*Driver area.*



*Interior of vehicle.*



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## Chapter 8

# Findings and Recommendations

### Conclusions

With two exceptions, Moore & Associates finds the City of Gridley 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 City staff, analysis of program performance, and an audit of program compliance and function, the audit team presents two compliance findings.

1. State Controller Reports were submitted late each year of the audit period.
2. The City does not utilize the proper definition for vehicle service hours, and performance data reporting is inconsistent.

Moore & Associates has identified one functional finding. While this finding does not affect TDA compliance, we feel it is significant enough to be addressed within this audit.

1. The City has yet to develop a short-range transit plan.

### Program Recommendations

In completing this Triennial Performance Audit, Moore & Associates submits the following recommendations for the City of Gridley. 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: State Controller Reports were submitted late each year of the audit period.

**Criteria:** PUC 99243(a) requires transit operators to file a Transit Operators Financial Transaction Report with the State Controller following the end of the fiscal year. In FY 2015/16, the report was due within 110 days of the end of the fiscal year (October 18, 2016). Beginning in FY 2016/17, the report was due within seven months of the end of the fiscal year (January 31).

**Condition:** In FY 2015/16, the State Controller Report was submitted nearly one month late on November 16, 2017. In FY 2016/17, the report was submitted more than two months late on April 4, 2018. In FY 2017/18, the report was submitted more than one month late on March 6, 2019.

**Cause:** Changes in staffing have impacted the City's ability to submit the reports on time.

**Effect:** In submitting the reports late, the City is out of compliance with the TDA.



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**Recommendation:** Submit State Controller Reports no later than January 31 each year.

**Recommended Action(s):** The City should clearly document on a shared calendar when the reports are due to be submitted. Ideally, the City should aim to complete the report in early January. This will help facilitate on-time submittal of the report.

**Timeline:** FY 2019/20 (submittal of FY 2018/19 report in January 2020).

**Anticipated Cost:** Negligible.

### **TDA Compliance Finding 2: The City does not utilize the proper definition for vehicle service hours, and performance data reporting is inconsistent.**

**Criteria:** PUC 99247 includes definitions of performance measures used in the TDA triennial performance audit. These include definitions of total passengers, vehicle service (revenue) hours, vehicle service (revenue) miles, and employee. This issue was also addressed in the prior triennial performance audit.

**Condition:** In FY 2015/16 and FY 2016/17, the City did not report vehicle service hours or full-time equivalents on the State Controller Report. In FY 2017/18, this data was reported, but vehicle service hours were reported incorrectly (using the same data as vehicle service miles). Further discussion with the City revealed a lack of knowledge regarding the proper definition of vehicle service hours.

**Cause:** This finding was caused by a failure to document performance data using the TDA definitions.

**Effect:** Performance data is recorded incorrectly or not at all for some metrics.

**Recommendation 1:** All drivers should properly document revenue hours, revenue and non-revenue miles, and passengers on a daily basis.

**Recommended Action(s):** The transit driver should properly document revenue hours, revenue and non-revenue miles, and passengers on a daily basis. This includes documenting the driver's shift and break start and end times, departure time for first pickup, return time to yard after last drop-off, starting revenue mileage, any non-revenue mileage, pool car mileage, and total passenger trips. Each month, data from the driver logs should be aggregated into a monthly summary. The monthly summaries would then be totaled to provide an annual performance summary. This data would then be used to improve accuracy for all reporting (such as to the State Controller). A sample driver log and monthly/annual summaries are provided in Exhibits 8.1, 8.2, and 8.3 at the end of this chapter.

**Timeline:** FY 2019/20.

**Anticipated Cost:** Modest.





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**Recommendation 2:** The Finance Director or his/her designee should review performance data to ensure it is being accurately recorded.

**Recommended Action(s):** Once performance data is being correctly documented, it should be reviewed regularly to ensure its accuracy. Initially, this review should take place every week. Once it has been determined that everything is being recorded correctly, then the review can occur monthly.

**Timeline:** FY 2019/20.

**Anticipated Cost:** Negligible.

### Functional Finding 1: The City has yet to develop a short-range transit plan.

**Criteria:** Triennial performance audits are designed to confirm compliance with the Transportation Development Act as well as evaluate the efficiency, effectiveness, and economy of the transit operation. Recommendations are provided to enhance operator compliance as well as system performance.

**Condition:** The prior triennial performance audit recommended the City work with BCAG to develop a short-range transit plan. In recent years, BCAG completed the 2015 Transit and Non-Motorized Plan for Butte County. However, the City of Gridley's demand-response service was not included in that plan (only Butte Regional Transit's Gridley routes), and no other planning has been conducted on the City's behalf.

**Cause:** Transit planning has not been a high priority for the City, as the service it is currently providing appears to be meeting the community's needs.

**Effect:** The absence of an up-to-date plan can result in a failure to incorporate changes within the system and/or community, or keep a service from operating at optimal levels.

**Recommendation:** Work with BCAG to develop a short-range transit plan.

**Recommended Action(s):** Working with BCAG, the City should undertake the development of a short-range transit plan (SRTP) to assess its current service, identify anticipated changes within the community (such as the FEMA trailer community), and recommend any service changes to optimize service or better serve community needs. Even a "mini" SRTP will be beneficial, especially if it can be completed within the next year.

**Timeline:** FY 2019/20.

**Anticipated Cost:** Modest



Exhibit 8.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Submit State Controller Reports no later than January 31 each year.	High	FY 2019/20
2	All drivers should properly document revenue hours, revenue and non-revenue miles, and passengers on a daily basis.	High	FY 2019/20
3	The Finance Director or his/her designee should review performance data to ensure it is being accurately recorded.	High	FY 2019/20
Functional Recommendations		Importance	Timeline
1	Work with BCAG to develop a short-range transit plan.	Medium	FY 2019/20



Exhibit 8.2 Sample Daily Driver Log

**Gridley Golden Feather Flyer  
Daily Driver Log**

Date: \_\_\_\_\_ Driver: \_\_\_\_\_

Shift start time: \_\_\_\_\_ Lunch start: \_\_\_\_\_ Lunch end: \_\_\_\_\_ Shift end time: \_\_\_\_\_

Departure time for first pickup: \_\_\_\_\_ Return to yard time after last drop-off: \_\_\_\_\_

Bus starting mileage: \_\_\_\_\_ Bus ending mileage: \_\_\_\_\_

Bus deadhead starting mileage: \_\_\_\_\_ Bus deadhead ending mileage: \_\_\_\_\_

Pool car starting mileage: \_\_\_\_\_ Pool car ending mileage: \_\_\_\_\_

Total one-way passenger trips provided: \_\_\_\_\_



Exhibit 8.3 Sample Monthly Performance Data Record

Date	Vehicle Service Hours	Vehicle Service Miles	Bus non-revenue (deadhead) miles	Pool car (non-revenue) miles	Passengers (one-way trips)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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## Exhibit 8.4 Sample Annual Performance Data Record

Month	Vehicle Service Hours	Vehicle Service Miles	Bus non-revenue (deadhead) miles	Pool car (non-revenue) miles	Passengers (one-way trips)
July	0	0	0	0	0
August					
September					
October					
November					
December					
January					
February					
March					
April					
May					
June					
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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