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## 1. EXECUTIVE SUMMARY (FINDINGS AND RECOMMENDATIONS)

## EXECUTIVE SUMMARY

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit of the City of Roseville’s public transit program for the three-year period:

- Fiscal Year 2003/2004,
- Fiscal Year 2004/2005, and
- Fiscal Year 2005/2006.

Our Triennial Audit was conducted in accordance with the processes established by the California Department of Transportation, 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. The Triennial Performance Audit has two elements:

1. Compliance requirements, and
2. Follow-up of prior performance audit report recommendations.

## COMPLIANCE

While the City of Roseville has a transit vehicle maintenance schedule in place, along with appropriate maintenance and safety inspection forms, annual CHP reports revealed some compliance concerns. For each of the three years covered by this audit, “unsatisfactory” ratings were issued. For FY 2003/04 and FY 2004/05, the “unsatisfactory” ratings were related to a failure to follow procedural requirements including participation in the DMV “Pull Notice” program as well as proper maintenance of duty status logs. Both violations were resolved during subsequent re-inspections conducted within 120 days. The unsatisfactory terminal rating for FY 2005/06 was due to hazardous safety violations including defective suspension and a defective wheel. During a re-inspection, a rating of “conditional” was given.

The TDA stipulates an operator not receive funding, during a given fiscal year, from the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA) for operating costs in excess of actual cost. However, based on our

review of City-provided data, we believe the amount of funding the City received was in excess of actual transit operating costs.

## FINDINGS AND RECOMMENDATIONS

Within this audit period, the City achieved the TDA-mandated farebox recovery standard. However, as Roseville is growing and currently has a population of over 100,000 (based on Census 2005), the transit operator will need to develop higher farebox recovery. The City's recent adoption of a fare increase should address this need.

Given the previously discussed CHP inspection findings, we recommend the City consider alternatives for maintenance of its transit vehicles. While some of the concerns were due to lack of documentation on the part of the City's operations contractor for the DMV "Pull Notice" Program, other problems with vehicle maintenance were identified by the CHP.

The City currently reports data by mode on its Transit Operator Reports (TOR); however, the commuter bus figures are combined with those of the traditional fixed-route service. While the City keeps internal statistics segregating revenue and expense by fiscal year, the system-wide figures are not consistent with those filed within the TOR.

## Summary of Recommendations

	RECOMMENDATION	PRIORITY	TIMEFRAME
1	Segregate performance data for the commuter bus separately on the TOR.	High	FY 2007/08
2	Consider other options for maintenance of the City's transit fleet given two years of unsatisfactory CHP ratings.	High	FY 2007/08
3	Monitor farebox recovery and adjust fares on a periodic basis.	Medium	FY 2007/08

### PRIOR TPA RECOMMENDATIONS

The City's prior Triennial Performance Audit included a recommendation Transit staff assist its operations contractor with counting farebox revenue until electronic fareboxes are installed. The City has initiated a double-count process. However, revenue is not being reconciled with ridership counts. Electronic fareboxes are being installed incrementally through new vehicle purchases and retrofits.

## PERFORMANCE INDICATORS AND TRENDS

Roseville Transit's Operating Cost has risen steadily throughout the three years covered by this audit. However, this rise was not consistent by mode. In FY 2003/04 and FY 2004/05, the increase was evident only for the fixed-route service; the converse was true for demand-response. However, in FY 2005/06, this trend reversed itself. We believe confusion regarding mode-specific performance indicators may have been a result of inaccurate record keeping carried into the City's Transit Operator Reports.

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## 2. OVERVIEW

## OVERVIEW

This audit of the City of Roseville's public transit program covers a three-year period ending June 30, 2006. The California Public Utilities Code requires all public transit operators to conduct a Triennial Performance Audit to be eligible for Transportation Development Act (TDA) funding.

The audit is designed to be an independent and objective evaluation of the City of Roseville as a transit operator. The purpose of the audit is to: 1) Assess compliance with TDA regulations, 2) Review improvements that have been implemented and assess progress toward goals, 3) Evaluate the efficiency and effectiveness of the transit operations, and 4) Provide sound, constructive recommendations for improving the efficiency and functionality of the City's transit program.

## AUDIT SCOPE AND METHODOLOGY

Our audit was conducted in accordance with the processes established by the California Department of Transportation, 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.

Each audit is a high-level review of performance evaluating the efficiency, economy, and effectiveness of a transit operation. Our audit of the City of Roseville consisted of five tasks:

1. A review of compliance with the 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 major functions performed by the operations contractor to support the program:
    - General management and organization;
    - Service planning;
    - Scheduling, dispatching, and operations;
    - Personnel management and training;
    - Administration;
    - Marketing and public information; and
    - Maintenance.
  5. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the review of the transit operator's key functions.

The methodology for this audit included interviews with key City personnel, site visits, verification of data sources, examinations of financial and statistical reports, and reviews of relevant planning documents and reports.

The audit report is composed of four sections:

#### **1. Executive Summary**

A brief summary of the key findings and recommendations developed during the Triennial Performance Audit processes.

#### **2. Introduction**

Methodology of the audit and pertinent background information.

#### **3. Audit 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 audit recommendations.
- Performance measures and trends.
- Functional review.

**4. Findings and Recommendations**

An explanation of key findings, recommendations for improving the efficiency of transit operations, and a timeline for implementing the recommendations.

## DESCRIPTION OF TRANSIT OPERATOR

The City of Roseville owns and maintains its fleet of buses, and contracts with MV Transportation to operate fixed-route, dial-a-ride, and commuter bus service. The fixed-route service operates 12 routes, Monday through Saturday, and offers free transfers with Placer County Transit and Sacramento Regional Transit at designated transfer points.

Fixed-route service runs 6:00 a.m. to 7:30 p.m. Monday through Friday, and 8:00 a.m. to 6:00 p.m. on Saturday. The City's commuter bus service is a peak-hour service operating Monday through Friday. Roseville Transit Dial-a-Ride operates seven days a week, and offers curb-to-curb demand-response service. Riders may schedule pick-ups from 6:00 a.m. to 8:00 p.m. on weekdays and from 8:00 a.m. to 6:00 p.m. on Saturday and Sunday. Information on these services, as well as on bike routes, carpooling, and park and ride locations, is available at the City's website.

Between FY 2003/04 and FY 2005/06, The City's transit services were supplemented with both capital and operational investments intended to improve the efficiency and overall quality of services within the framework of the available budget. Roseville Transit's recent fare increases were implemented in support of these changes. The new fares are described below.

PASSENGER TYPE	FIXED-ROUTE	COMMUTER EXPRESS	DIAL-A-RIDE
General Public	1.30	\$2.75 (residents and reverse commuters) \$3.80 (Non-residents)	\$3.75
Student/ Senior/ Disabled	\$0.65	N/A	\$2.00

\*Children under age five ride free.

The hiring of a marketing specialist, replacement of six older demand-response vehicles, and the painting and updating of graphics on older vehicles are steps taken to improve the public visibility and perception of Roseville's transit services. Some of the service changes outlined below address needs identified within the City's 2001 Short Range Transit Plan and 2004 Triennial Performance Audit.

- Addition of five new CNG fixed-route buses and one CNG commuter bus,
- Addition of utility bus to improve fixed-route on-time performance,
- Reduction of fixed-route service headways by 30 minutes,
- Automation of services with implementation of *Trapeze* dispatch software and capacity to collect complaints/compliments online,
- Addition of seventh commuter route, and
- Enhanced transfer policy/elimination of counter-clockwise service.

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3.

## AUDIT REPORT

## AUDIT REPORT

This chapter presents detailed findings for each of the major performance audit sectors: compliance requirements, prior audit recommendations, Transit Development Act (TDA) performance measures and trends, and transit operator functions.

### COMPLIANCE REQUIREMENTS

This section examines the City of Roseville's compliance with the Transportation Development Act and 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. Although compliance verification is not a TPA responsibility, several specific requirements concern issues relevant to the performance audit. The RTPA considers full use of funds under CCR 6754 (a) to refer to operating funds and not capital funds. The TPA findings and related comments are delineated in Exhibit 1.

Compliance was determined through discussions with City staff and a physical inspection of relevant documents, including the fiscal audits for each year of the triennium, planning documents, TDA claims forms, annual State Controller reports, California Highway Patrol reports, and year-end performance reports.

We believe the City of Roseville adheres to Transportation Development Act (TDA) laws and regulations in an efficient and effective manner, and is in compliance with TDA rules and regulations with one exception. CHP Inspections reveal some concern regarding City and/or contractor oversight of safety checks and preventive maintenance practices.

### Exhibit 1: Transit Development Act Compliance Requirements

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
The transit operator submits annual reports to the RTPA based upon the Uniform System of Accounts and records established by the State Controller.	PUC 99243 (CCR6637)	In compliance	State Controllers Reports submitted: FY 2003/04: completed 12/14/04 FY 2004/05: completed 10/18/05 FY 2005/06: completed 10/31/06
The operator has submitted annual fiscal and compliance audits to its RTPA and to the State Controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension allowed by law.	PUC 99245 (CCR 6664)	In compliance	Fiscal audit completed: FY 2003/04: completed 12/03/04 FY 2004/05: completed 10/28/05 FY 2005/06: completed 12/21/06
The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator's compliance with Vehicle Code §1808.1 following a CHP inspection of the operator's terminal.	PUC 99251	Exception: FY 2004/05 and FY 2005/06 initially earned unsatisfactory ratings, as did FY 2004/05. Both later received satisfactory ratings. FY 2005/06 received a	CHP reports: FY 2004/05: 10/18/04 unsatisfactory FY 2005/06: 02/28/06 unsatisfactory FY 2005/06: 06/30/06 conditional  FY 2003/04: 10/21/03 satisfactory FY 2004/05: 02/10/05 satisfactory FY 2005/06: 11/28/06 satisfactory

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
		conditional rating which was resolved with a compliant rating on 11/28/06.	
The operator's claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	PUC 99261	In compliance	Claims for TDA funds have been submitted in compliance.
The operator does not routinely staff two or more persons per public transportation vehicle designed to be operated by one person.	PUC 99264	In compliance	The operator staffs all vehicles appropriately.
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	While the budget has increased in excess of 15% for FY 2003/04 through FY 2005/06, these increases were necessary due to the cost of fuel and contract personnel.
Operator funding provided through the Transportation Development Act makes up no more than 50% of operating, maintenance, capital and debt service requirements after federal grants are deducted, if applicable.	PUC 99268  CCR 6634	Exception:  FY 2003/04, FY 2004/05, FY 2005/06;  As the farebox recovery was above the mandated 15%	FY 2003/04 261.6% FY 2004/05 250.2% FY 2005/06 137.0%

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
<p>No operator or transit service claimant shall be eligible to receive moneys during the fiscal year from the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STAF) for operating costs in an amount that exceeds its actual cost.</p>		<p>requirement, there is no finding</p> <p>Exception</p>	<p>For each fiscal year covered, the City received STAF and LTF in excess of actual costs.</p>
<p>If the operator serves an urban area of greater than 100,000, it must maintain a ratio of fare revenues to operating costs at least equal to twenty percent. If this operator's population is less than 500,000, then the RTPA may elect to require a lower recovery. In the case of Roseville, the RTPA has authorized a farebox recovery standard of fifteen percent.</p>	<p>PUC 99268.2, 99268.4, 99268.5</p>	<p>In compliance</p>	<p>FY 2003/04: Fixed-Route 8.88 % Demand-response 11.56 % Commuter Bus 88.93 %</p> <p>FY 2004/05: Fixed-Route 8.63 % Dial-A-Ride 10.73 % Commuter Bus 80.66 %</p> <p>FY 2005/06: Fixed-Route 9.22 % Dial-A-Ride 12.47 % Commuter Bus 80.32 %</p> <p>System-Wide: FY 2003/04 18.6% FY 2004/05 17.2% FY 2005/06 17.9%</p>

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
If the operator receives State Transit Assistance Funds, the operator is not precluded by contract from employing part-time drivers or from contracting with common carriers.	PUC 99314.5	In Compliance	
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	

## PRIOR AUDIT RECOMMENDATIONS

This section reviews and evaluates the implementation of the prior Triennial Performance Audit recommendations. This objective assessment is intended to provide assurance the City of Roseville has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

In the FY 2001/02 through FY 2002/03 Triennial Performance Audit completed by Macias Consulting Group, Inc., a two-step recommendation was made concerning the accounting of daily farebox revenue. The City's operations contractor is responsible for handing fare revenue upon the return of buses (to the yard) each evening, as well as counting the fares the next day. The operations contractor's designee then takes the fares to the City's Finance Division the next day for deposit.

### Prior Recommendation 1

The City should assist in counting the farebox revenue until electronic fareboxes are installed. Electronic fareboxes would also improve the accuracy of operator reports on ridership and other performance data, especially as the transit program expands and manually intensive process are no longer cost-effective.

**Status:** Implemented.

**Prior audit finding:** Currently, MV Transportation employees are responsible for the collection and counting of daily revenue which they count in Roseville Transit's video-monitored vaultroom.

**Discussion:** Currently, the contract tasks MV Transportation with counting and reconciling fare revenues to passenger activity on each vehicle, route, and service mode. The City has been phasing in electronic fareboxes through purchase of appropriately equipped vehicles.

## PERFORMANCE MEASURES AND TRENDS

Performance indicators are frequently used to quantify and review the efficiency of a transit operator's activities. Such indicators provide insight into current operations, as well as trend analysis of historic performance. Through a review of performance indicators, performance and the interrelationship of major functions are better understood.

The Transportation Development Act (TDA) requires recipients of TDA funding to 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.

The TDA allows a RTPAA to set a farebox recovery ratio of 15 percent in small urban areas in lieu of the "typical" 20 percent. The City of Roseville, as the transit operator, is considered to be establishing new service within a small urban area. Since Roseville's population is still only slightly above the threshold for urban areas (with a population of 100,000), it is appropriate the City's farebox recovery standard to remain at the 15-percent threshold. However, we believe as the City's population continues to grow, so should its farebox recovery.

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.

## Performance Measures

The procedures used to calculate TDA-required performance measures for the audit period were verified and compared to measures as stated in similar audit reports.

### Operating Cost

Operating Cost was not independently calculated as part of this audit. Operating Cost from the fiscal audit reports prepared by Maze & Associates Accountancy Corporation were examined. In our opinion, the Operating Cost from the audited reports is consistent with TDA guidelines and accurately reflects all the costs in the expense object classes for the City's transit services. In accordance with PUC 99247 (a), the reported cost excluded depreciation expenses.

### Vehicle Service Hours and Miles

Vehicle Service Hours (VSH) and Vehicle Service Miles (VSM) appear to be correctly recorded and reported. Calculations are based on driver trip sheets. The driver records the time and mileage at the start and end of each service day. Given this information, the TDA definition of VSH and VSM can be calculated and reported correctly.

### Passenger Counts

By TDA definition, the number of 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.

Passenger counts are calculated based on information provided on driver trip sheets. Each time a passenger boards a fixed-route, demand-response, or commuter bus vehicle, such activity is noted on the driver trip sheets as to whether the passenger is paying a regular fare, senior fare, or other fare.

### Employees

Employee hours are 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 all transit-related hours worked by persons

employed in connection with the program (whether or not the person is employed directly by the operator). The Full-Time Equivalency (FTE indicator) is calculated by dividing the number of person-hours by 2,000.

#### Revenues

The City employs safe and prudent procedures for revenue collection and cash management for a public transit operator of its size and scope. Revenues from the TDA fiscal audits were used in this report.

#### TDA Required Indicators

To calculate the TDA indicators for the City of Roseville, the following sources were used:

- **Operating Cost** were obtained from the City's Transportation Development Act Funds Financial Statements prepared by Maze & Associates for each fiscal year (FY 2003/04 through 2005/06) and excluded depreciation; Operating Cost allocated between fixed-route, demand-response, and commuter bus was consistent with the City's transit ridership report.
- **Fare revenue** data was obtained from the City's Financial Statements prepared by Maze & Associates each fiscal year.
- **Vehicle Service Hours (VSH)** were obtained by summarizing *vehicle revenue hours* from the contractor's *Monthly Transit Report*.
- **Vehicle Service Miles (VSM)** were obtained by summarizing *vehicle revenue miles* from the contractor's *Monthly Transit Report*.
- **Passenger Counts** were obtained from the annual Transit Operator's Financial Transactions Reports submitted to the State Controller for each fiscal year.
- **Full-Time Equivalent (FTE)** was estimated based on the site inspection meeting with the operator. At this meeting, the number of employees and hours needed to operate the service was discussed. That number was then divided by 2,000 to get a value for the FTE performance indicator.

### Performance Trends

Performance trends were analyzed for system-wide services, by mode. For the three years covered by the TPA, the TDA indicators were calculated from data developed in the previous section. Historic data (i.e., prior to the current audit period) was obtained from the prior Triennial Performance Audits.

## SYSTEM-WIDE

The City experienced a steady rise in operating cost over the past two audit periods. Total cost has risen from \$2.04m in FY 2000/01 to \$3.27m in FY 2005/06. Similar trends occurred in both Vehicle Service Miles and ridership. The total number of Vehicle Service Hours experienced a 34.4 percent change between FY 200/01 and FY 2001/02, but has since remained relatively stable.

The City has experienced increases in both Cost/VSH and Cost/Passenger between FY 2000/01 and FY 2003/04. The service experienced decreases in Passengers/VSH, Passengers/VSM, and farebox recovery since FY 2000/01. These indicators reveal the City's transit service is becoming steadily less efficient.

All non-required indicators have remained steady across both audit periods.

Exhibit 3a: System-Wide Performance Indicator Trends

Performance Measure	System-Wide Prev. Audit Period			System-Wide Performance		
	FY 2000/01	FY 2001/02	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06
<b>Operating Cost (Actual \$)</b>	\$2,038,122	\$2,545,563	\$2,705,907	\$2,751,495	\$2,766,833	\$3,269,088
<i>Annual Change</i>		24.9%	6.3%	1.7%	0.6%	18.2%
<b>Fare Revenue (Actual \$)</b>	\$436,417	\$474,244	\$479,828	\$511,207	\$472,962	\$583,752
<i>Annual Change</i>		8.7%	1.2%	6.5%	-7.5%	23.4%
<b>Vehicle Service Hours (VSH)</b>	39,812	53,522	55,410	56,812	59,005	58,541
<i>Annual Change</i>		34.4%	3.5%	2.5%	3.9%	-0.8%
<b>Vehicle Service Miles (VSM)</b>	597,062	765,596	765,762	955,167	967,999	960,364
<i>Annual Change</i>		28.2%	0.0%	24.7%	1.3%	-0.8%
<b>Passengers</b>	304,429	347,243	372,192	391,502	390,190	413,680
<i>Annual Change</i>		14.1%	7.2%	5.2%	-0.3%	6.0%
<b>Employees</b>	36.0	35.0	51.0	48.0	48.0	48.0
<i>Annual Change</i>		-2.8%	45.7%	-5.9%	0.0%	0.0%
<b>Performance Indicators</b>						
<b>Operating Cost/VSH (Actual \$)</b>	\$51.19	\$47.56	\$48.83	\$48.43	\$46.89	\$55.84
<i>Annual Change</i>		-7.1%	2.7%	-0.8%	-3.2%	19.1%
<b>Operating Cost/Passenger (Actual \$)</b>	\$6.69	\$7.33	\$7.27	\$7.03	\$7.09	\$7.90
<i>Annual Change</i>		9.5%	-0.8%	-3.3%	0.9%	11.4%
<b>Passengers/VSH</b>	7.65	6.49	6.72	6.89	6.61	7.07
<i>Annual Change</i>		-15.2%	3.5%	2.6%	-4.0%	6.9%
<b>Passengers/VSM</b>	0.51	0.45	0.49	0.41	0.40	0.43
<i>Annual Change</i>		-11.0%	7.2%	-15.7%	-1.7%	6.9%
<b>Farebox Recovery</b>	21.41%	18.63%	17.73%	18.58%	17.09%	17.86%
<i>Annual Change</i>		-13.0%	-4.8%	4.8%	-8.0%	4.5%
<b>Hours/Employee</b>	1,106	1,529	1,086	1,183.58	1,229.27	1,219.60
<i>Annual Change</i>		38.3%	-29.0%	8.9%	3.9%	-0.8%
<b>TDA Non-Required Indicators</b>						
<b>Operating Cost/VSM</b>	\$3.41	\$3.32	\$3.53	\$2.88	\$2.86	\$3.40
<i>Annual Change</i>		-2.6%	6.3%	-18.5%	-0.8%	19.1%
<b>VSM/VSH</b>	15.00	14.30	13.82	16.81	16.41	16.40
<i>Annual Change</i>		-4.6%	-3.4%	21.7%	-2.4%	0.0%
<b>VSH/FTE</b>	1106	1529	1086	1,184	1,229	1,220
<i>Annual Change</i>		38.3%	-29.0%	8.9%	3.9%	-0.8%
<b>Fare/Passenger</b>	\$1.43	\$1.37	\$1.29	\$1.31	\$1.21	\$1.41
<i>Annual Change</i>		-4.7%	-5.6%	1.3%	-7.2%	16.4%

\*This audit utilized data from the audit party's Transit Operator Reports. As such there may be variances in some of the calculations (i.e., farebox recovery) between the fiscal audit and the TDA performance audits.

## FIXED-ROUTE

Operating Cost for the City's fixed-route transit service rose 8.2 percent between FY 2003/04 and FY 2004/05, and 19.1 percent between FY 2004/05 and FY 2005/06. Fare revenue increased 27.3 percent between FY 2004/05 and FY 2005/06, helping to offset increases operation in Cost. Ridership increased 7.8 percent and Vehicle Service Hours remained nearly static. Vehicle Service Miles were unavailable for FY 2005/06. However, the service added over 75,000 miles between FY 2003/04 and FY 2004/05.

Operating Cost/VSH changed little between FY 2003/04 and FY 2004/05, yet jumped considerably (19.2 percent) in FY 2005/06. Indicators also increased for Cost/Passenger (10.5 percent increase), Passengers/VSH (7.9 percent increase), and farebox recovery (6.8 percent).

The only non-required indicator that experienced any significant change was Fare/Passenger, which rose 18 percent between FY 2004/05 and FY 2005/06.

## Exhibit 3b: Fixed-Route Performance Indicator Trends

Performance Measure	Fixed - Route		
	FY 2003/04	FY 2004/05	FY 2005/06
Operating Cost (Actual \$)	\$1,623,116	\$1,756,139	\$2,092,216
Annual Change		8.2%	19.1%
Fare Revenue (Actual \$)	\$144,160	\$151,636	\$192,982
Annual Change		5.2%	27.3%
Vehicle Service Hours (VSH)	33,878	37,044	37,012
Annual Change		9.3%	-0.1%
Vehicle Service Miles (VSM)	615,152	691,335	
Annual Change		12.4%	-100.0%
Passengers	253,562	260,566	280,957
Annual Change		2.8%	7.8%
Employees	34.0	34.0	34.0
Annual Change		0.0%	0.0%
<b>Performance Indicators</b>			
Operating Cost per VSH (Actual \$)	\$47.91	\$47.41	\$56.53
Annual Change		-1.1%	19.2%
Operating Cost per Passenger (Actual \$)	\$6.40	\$6.74	\$7.45
Annual Change		5.3%	10.5%
Passengers Per VSH	7.48	7.03	7.59
Annual Change		-6.0%	7.9%
Passengers per VSM	0.41	0.38	
Annual Change		-8.6%	
Farebox Recovery	8.88%	8.63%	9.22%
Annual Change		-2.8%	6.8%
Hours per Employee	996	1,090	1,089
Annual Change		9.3%	-0.1%
<b>TDA Non-Required Indicators</b>			
Operating Cost Per VSM	\$2.64	\$2.54	
Annual Change		-3.7%	
VSM Per VSH	18.16	18.66	0.00
Annual Change		2.8%	-100.0%
VSH Per FTE	996	1090	1089
Annual Change		9.3%	-0.1%
Fare Per Passenger	\$0.57	\$0.58	\$0.69
Annual Change		2.4%	18.0%

\*This audit utilized data from the audit party's Transit Operator Reports. As such there may be variances in some of the calculations (i.e., farebox recovery) between the fiscal audit and the TDA performance audits.

## DEMAND-RESPONSE

Operating Cost for the City's demand-response service dropped 14.1 percent between FY 2003/04 and FY 2004/05, and rose 15.7 percent between FY 2004/05 and FY 2005/06. Fare revenue decreased 20.3 percent between FY 2003/04 and FY 2004/05; It then jumped 34.4 percent in FY 2005/06. Ridership and Vehicle Service Hours remained relatively stable during the triennium. Vehicle Service Miles were unavailable for FY 2005/06.

Operating Cost/VSH and Operating Cost/Passenger both dropped between FY 2003/04 and FY 2004/05 (5.6 and 10.3 percent, respectively). Both indicators rose in FY 2005/06 (17.9 and 11.6 percent, respectively). Farebox recovery dipped 7.1 percent in FY 2004/05, yet rose 16.2 percent in FY 2005/06.

The only non-required indicator which experienced any significant change during the triennium was Fare/Passenger, which dropped 16.7 percent in FY 2004/05, before rising 29.3 percent in FY 2005/06.

## Exhibit 3c: Demand-Response Performance Indicator Trends

Performance Measure	Dial - A - Ride		
	FY 2003/04	FY 2004/05	FY 2005/06
<b>Operating Cost (Actual \$)</b>	\$822,580	\$706,342	\$817,272
<i>Annual Change</i>		-14.1%	15.7%
<b>Fare Revenue (Actual \$)</b>	\$95,085	\$75,825	\$101,928
<i>Annual Change</i>		-20.3%	34.4%
<b>Vehicle Service Hours (VSH)</b>	16,877	15,352	15,066
<i>Annual Change</i>		-9.0%	-1.9%
<b>Vehicle Service Miles (VSM)</b>	226,281	214,289	
<i>Annual Change</i>		-5.3%	-100.0%
<b>Passengers</b>	46,759	44,784	46,553
<i>Annual Change</i>		-4.2%	4.0%
<b>Employees</b>	14.0	14.0	14.0
<i>Annual Change</i>		0.0%	0.0%
<b>Performance Indicators</b>			
<b>Operating Cost per VSH (Actual \$)</b>	\$48.74	\$46.01	\$54.25
<i>Annual Change</i>		-5.6%	17.9%
<b>Operating Cost per Passenger (Actual \$)</b>	\$17.59	\$15.77	\$17.56
<i>Annual Change</i>		-10.3%	11.3%
<b>Passengers Per VSH</b>	2.77	2.92	3.09
<i>Annual Change</i>		5.3%	5.9%
<b>Passengers per VSM</b>	0.21	0.21	
<i>Annual Change</i>		1.1%	
<b>Farebox Recovery</b>	11.56%	10.73%	12.47%
<i>Annual Change</i>		-7.1%	16.2%
<b>Hours per Employee</b>	1,206	1,097	1,076
<i>Annual Change</i>		-9.0%	-1.9%
<b>TDA Non-Required Indicators</b>			
<b>Operating Cost Per VSM</b>	\$3.64	\$3.30	
<i>Annual Change</i>		-9.3%	
<b>VSM Per VSH</b>	13.41	13.96	0.00
<i>Annual Change</i>		4.1%	-100.0%
<b>VSH Per FTE</b>	1206	1097	1076
<i>Annual Change</i>		-9.0%	-1.9%
<b>Fare Per Passenger</b>	\$2.03	\$1.69	\$2.19
<i>Annual Change</i>		-16.7%	29.3%

\*This audit utilized data from the audit party's Transit Operator Reports. As such there may be variances in some of the calculations (i.e., farebox recovery) between the fiscal audit and the TDA performance audits.

## COMMUTER BUS

Operating Cost for the City's commuter bus service remained stable between FY 2003/04 and FY 2004/05. It then rose 18.2 percent between FY 2004/05 and FY 2005/06. Fare revenue dropped 9.7 percent between FY 2003/04 and FY 2004/05; then increased 17.7 percent in FY 2005/06. Ridership and Vehicle Service Hours remained relatively stable during the triennium. Vehicle Service Miles were unavailable for FY 2005/06. However, the indicator dropped 45.2 percent between FY 2003/04 and FY 2004/05.

Operating Cost/VSH declined nearly nine percent in FY 2004/05 before increasing 20.8 percent in FY 2005/06. Operating Cost/Passenger increased steadily during the triennium, seven percent in FY 2004/05 and 16.3 percent in FY 2005/06.

The only non-required indicator which experienced any significant change during the triennium was Fare/Passenger, which dropped three percent in FY 2004/05 before rising 15.8 percent in FY 2005/06.

## Exhibit 3d: Commuter Bus Performance Indicator Trends

Performance Measure	Commuter Bus		
	FY 2003/04	FY 2004/05	FY 2005/06
<b>Operating Cost (Actual \$)</b>	\$305,799	\$304,352	\$359,600
<i>Annual Change</i>		-0.5%	18.2%
<b>Fare Revenue (Actual \$)</b>	\$271,962	\$245,501	\$288,842
<i>Annual Change</i>		-9.7%	17.7%
<b>Vehicle Service Hours (VSH)</b>	6,057	6,609	6,463
<i>Annual Change</i>		9.1%	-2.2%
<b>Vehicle Service Miles (VSM)</b>	113,734	62,375	
<i>Annual Change</i>		-45.2%	-100.0%
<b>Passengers</b>	91,181	84,840	86,170
<i>Annual Change</i>		-7.0%	1.6%
<b>Employees</b>			
<i>Annual Change</i>			
<b>Performance Indicators</b>			
<b>Operating Cost per VSH (Actual \$)</b>	\$50.49	\$46.05	\$55.64
<i>Annual Change</i>		-8.8%	20.8%
<b>Operating Cost per Passenger (Actual \$)</b>	\$3.35	\$3.59	\$4.17
<i>Annual Change</i>		7.0%	16.3%
<b>Passengers Per VSH</b>	15.05	12.84	13.33
<i>Annual Change</i>		-14.7%	3.9%
<b>Passengers per VSM</b>	0.80	1.36	
<i>Annual Change</i>		69.7%	
<b>Farebox Recovery</b>	88.93%	80.66%	80.32%
<i>Annual Change</i>		-9.3%	-0.4%
<b>Hours per Employee</b>			
<i>Annual Change</i>			
<b>TDA Non-Required Indicators</b>			
<b>Operating Cost Per VSM</b>	\$2.69	\$4.88	
<i>Annual Change</i>		81.5%	
<b>VSM Per VSH</b>	18.78	9.44	0.00
<i>Annual Change</i>		-49.7%	-100.0%
<b>VSH Per FTE</b>			
<i>Annual Change</i>			
<b>Fare Per Passenger</b>	\$2.98	\$2.89	\$3.35
<i>Annual Change</i>		-3.0%	15.8%

\*This audit utilized data from the audit party's Transit Operator Reports. As such there may be variances in some of the calculations (i.e., farebox recovery) between the fiscal audit and the TDA performance audits

Exhibit 4: System-Wide Ridership

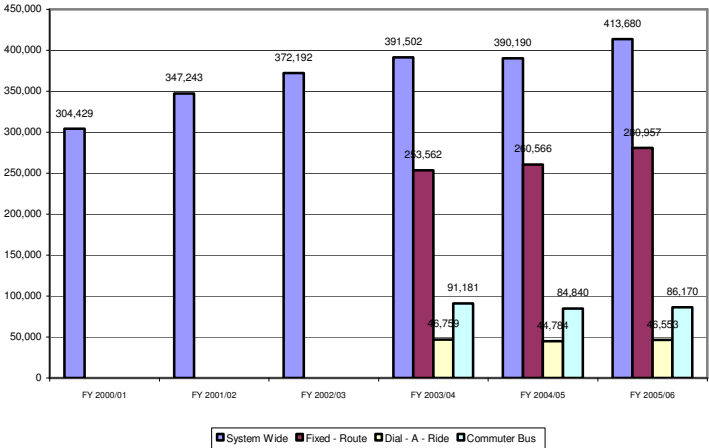


Exhibit 5: System-Wide Operating Cost/VSH

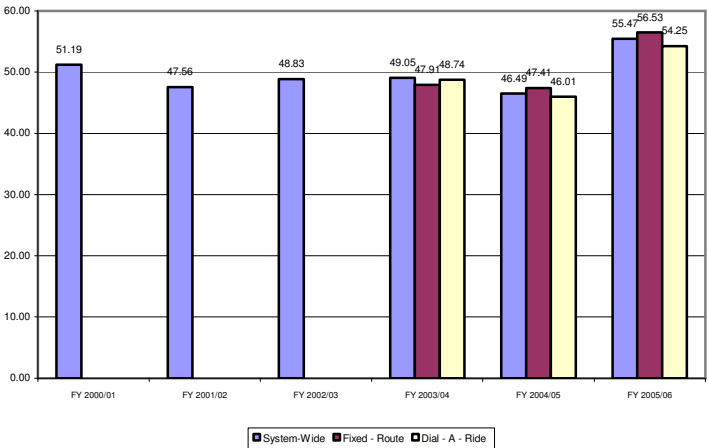


Exhibit 6: System-Wide Operating Cost/VSM

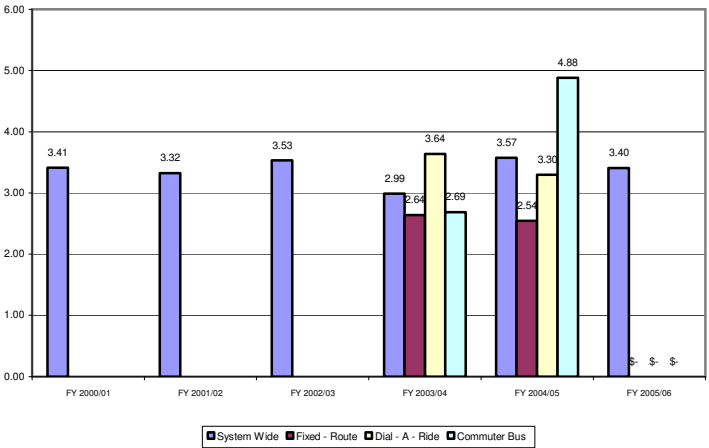


Exhibit 7: System-Wide VSM/VSH

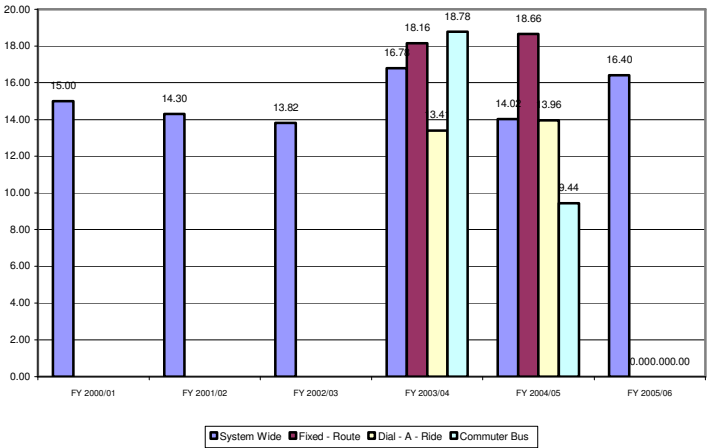


Exhibit 8: System-Wide Operating Cost/Passenger

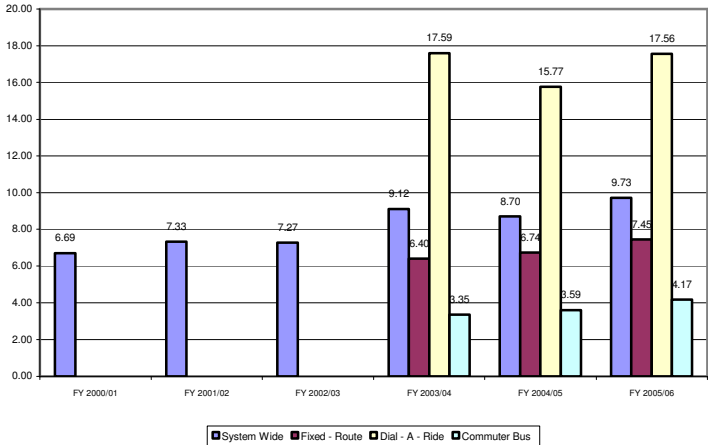


Exhibit 9: System-Wide Passengers/VSH

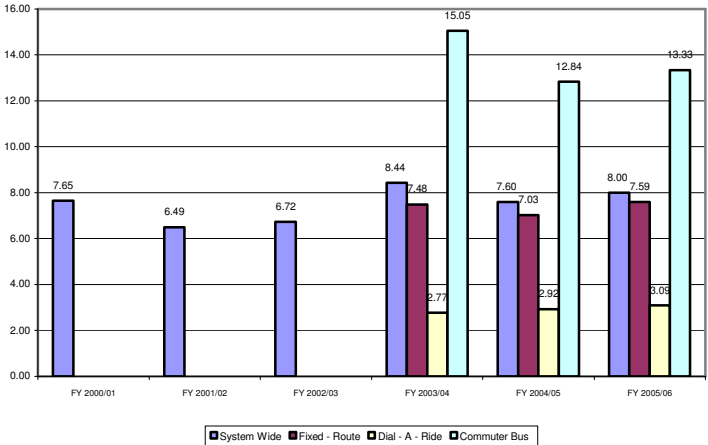


Exhibit 10: System-Wide Passengers/VSM

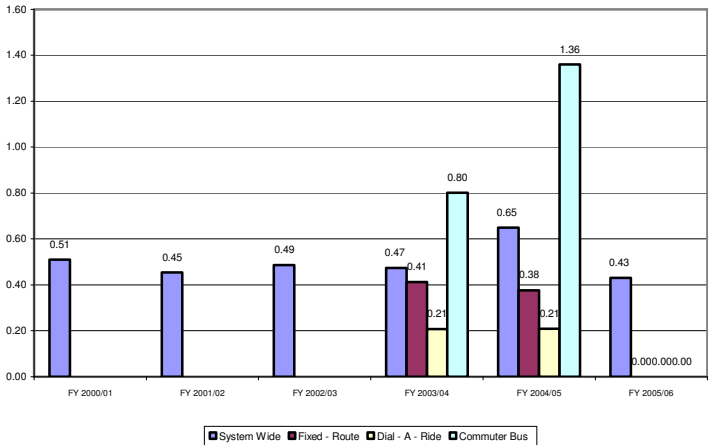


Exhibit 11: System-Wide VSH/FTE

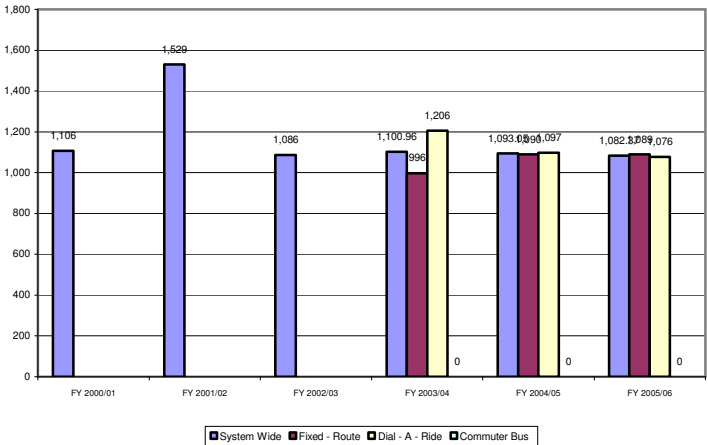


Exhibit 12: System-Wide Farebox Recovery

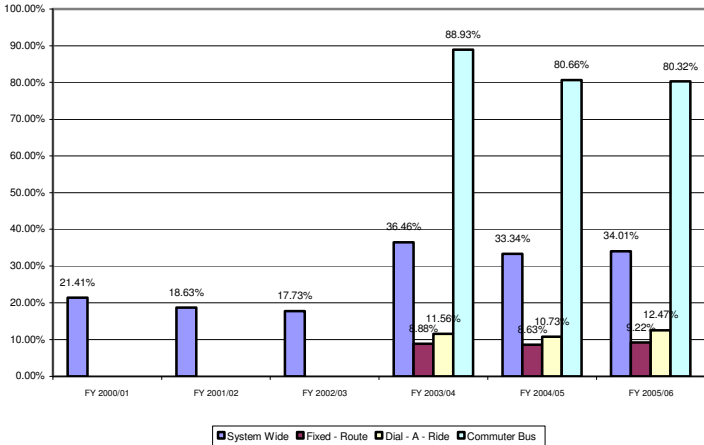
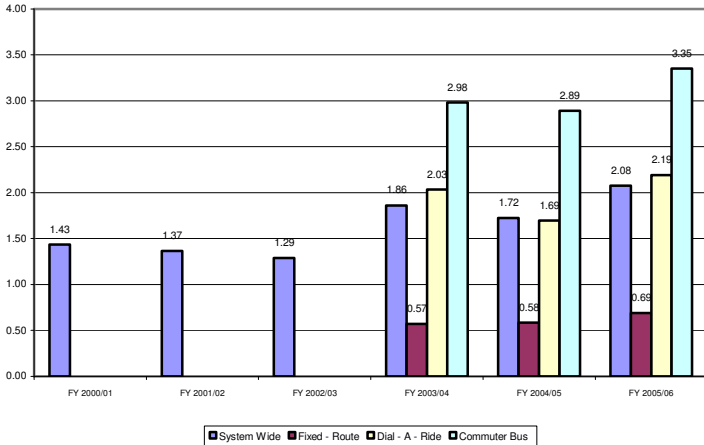


Exhibit 13 System-Wide Fare/Passenger



## FIXED-ROUTE PEER REVIEW

Moore & Associates selected the operators included in the peer chart based on system size and/or service area population. The City of Roseville had the second-lowest Operating Cost/VSH of the peer group, as well as the lowest Operating Cost/VSM. The City had the third-highest Operating Cost/Passenger of the peer group. Roseville Transit posted the lowest Passengers/VSH and Passengers/VSM indicators. The City's farebox recovery was also the second-lowest in the peer group.

Exhibit 14: Fixed-Route Peer Review

	City of Roseville	City of Petaluma	City of Vacaville	City of Tulare	City of Porterville	Average
<b>Performance Measure</b>						
Operating Cost	\$1,756,139	\$1,162,453	\$1,409,645	\$1,281,469	\$945,693	\$1,311,080
Fare Revenue	\$151,636	\$92,040	\$185,185	\$155,854	\$190,876	\$155,118
Vehicle Service Hours (VSH)	37,044	13,019	23,763	21,213	21,172	23,242
Vehicle Service Miles (VSM)	691,335	140,658	326,070	364,054	323,819	369,187
Passengers	260,566	159,423	196,765	346,343	451,046	282,829
<b>Performance Indicator</b>						
Operating Cost/VSH	\$47.41	\$89.29	\$59.32	\$60.41	\$44.67	\$60.22
Operating Cost/VSM	\$2.54	\$8.26	\$4.32	\$3.52	\$2.92	\$4.31
Operating Cost/Passenger	\$6.74	\$7.29	\$7.16	\$3.70	\$2.10	\$5.40
Passengers/VSH	7.03	12.25	8.28	16.33	21.30	13.04
Passengers/VSM	0.377	1.133	0.603	0.951	1.393	0.892
Farebox Recovery	8.6%	7.9%	13.1%	12.2%	20.2%	12.4%
Average Fare/Passenger	\$0.58	\$0.58	\$0.94	\$0.45	\$0.42	\$0.59

## DEMAND-RESPONSE PEER REVIEW

The auditor has selected the peers included in this peer chart based on transit system size or the population served by the operator. The City had the third-lowest Operating Cost/VSH rating in the peer group (\$46.01), as well as the second-lowest Operating Cost/VSM (\$3.30). Roseville had the highest Operating Cost/Passenger rating in the peer group (\$15.77). The service also had the lowest number of Passengers/VSH and Passengers/VSM, The City's farebox recovery ratio was the third-highest in the peer group (10.7) percent. The service tied for the second-highest amount of Fare/Passenger in the peer group (\$1.69).

Much like its fixed-route service, Roseville's demand-response service is efficient but largely ineffective.

Exhibit 15: Demand-Response Peer Review

	City of Roseville	City of Chico	City of Visalia	City of Tulare	City of Porterville	Average
<b>Performance Measure</b>						
Operating Cost	\$706,342	\$900,677	\$545,219	\$103,530	\$743,534	\$599,860
Fare Revenue	\$75,825	\$69,204	\$71,114	\$9,925	\$98,898	\$64,993
Vehicle Service Hours (VSH)	15,352	19,960	10,279	1,860	16,635	12,817
Vehicle Service Miles (VSM)	214,289	247,796	147,217	15,801	236,821	172,385
Passengers	44,784	59,907	36,661	17,806	58,610	43,554
<b>Performance Indicator</b>						
Operating Cost/VSH	\$46.01	\$45.12	\$53.04	\$55.66	\$44.70	\$48.91
Operating Cost/VSM	\$3.30	\$3.63	\$3.70	\$6.55	\$3.14	\$4.07
Operating Cost/Passenger	\$15.77	\$15.03	\$14.87	\$5.81	\$12.69	\$12.84
Passengers/VSH	2.92	3.00	3.57	9.57	3.52	4.52
Passengers/VSM	0.209	0.242	0.249	1.127	0.247	0.415
Farebox Recovery	10.7%	7.7%	13.0%	9.6%	13.3%	10.9%
Average Fare/Passenger	\$1.69	\$1.16	\$1.94	\$0.56	\$1.69	\$1.41

**Exhibit 16: Goals, Objectives, Measures, and Standards.**

GOALS		TIMEFRAME
1	Consistent hourly headways.	Implemented
2	Improve the connectivity with other services (i.e., new service offered at Auburn's multimodal station).	Implemented
3	Fare increase.	Implemented
4	Phase-in installation of electronic fareboxes	FY 2007/08

## FUNCTIONAL REVIEW

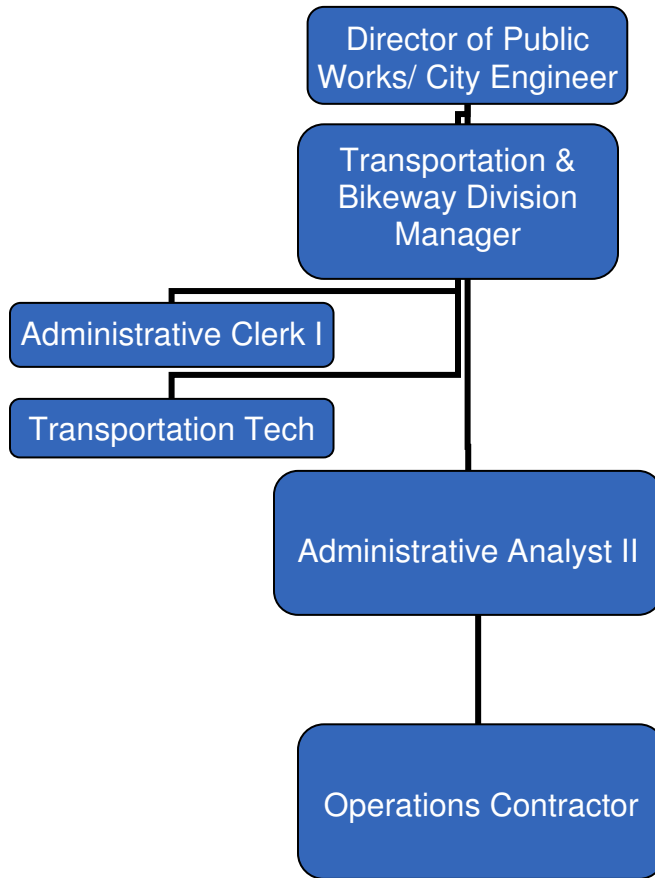
The functional review of the City of Roseville’s public transit program identifies and determines the extent and efficiency of the following functional activities:

- General management and organization;
- Service planning;
- Scheduling, dispatching and operations;
- Personnel management and training; and
- Administration.

### General Management and Organization

The Director of Public Works/City Engineer has management oversight of the City’s public transit program. Supporting the Director is the city’s Transportation and Bikeway Division Manager. This latter manager has direct oversight of three City staff as well as the city’s operations contractor.

## CITY ORGANIZATIONAL CHART



### Administrative Oversight

The Transit Manager monitors the transit service provided by MV Transportation (MV). Roseville Transit meets with the MV Operations Manager bi-weekly to review ridership data and to evaluate performance measures relating to MV's contractual obligations. The MV Division Manager oversees the work of the Transit staff located at the Corporation yard and reports to the Transportation Manager who is located at City Hall. The Finance Department also works closely with the Transportation Manager and is responsible for all accounting and personnel functions. The specific duties of the Finance Department include processing payroll, handling farebox revenues, and overseeing the financial management aspect of contracts entered into by Roseville Transit. The Transportation Manager also meets with the MV Transportation Division Manager on a bi-weekly basis to receive and review performance and financial data.

### Service Planning

The City's Short Range Transit Plan advanced several service recommendations including the implementation of thirty-minute weekday headways on Routes A and B (replacing the current hourly headway). Following an analysis of declining ridership on its weekend evening service, the City elected to reduce the weekday evening span of service by one hour reducing annual vehicle services hours by 1,826, annual vehicle service miles by 26,496 and operating cost by \$77,840. It was also suggested that Roseville Transit implement route service with on-demand stops in the Stoneridge Specific Plan Area causing a marginal increase in annual ridership of 7,900 one-way passenger trips.

### Scheduling, Dispatching, and Operations

There are 29.0 full-time drivers, 10.0 part-time drivers, and 5.0 full-time administrative personnel. MV Transportation uses a manual dispatching process. Residents call the City and the transport time, date, and destination is tracked on a regular notepad. Due to recent low scores in a customer satisfaction survey, Roseville Transit has been meeting with MV dispatchers to improve dispatching service. Roseville Transit has also hired a human resources

consultant review working conditions and equipment status leading to the purchase of wireless headsets.

Fleet information was not available at the time of the audit.

#### Marketing and Public Information

The City's webpage can be accessed via the overall City's website. The page provides information such as schedules, maps, hours of operations (including holidays), Dial-A-Ride information, fare requirements, and general transit news. Schedules and maps are downloadable, along with the entire Roseville Transit Bus Services Guide. Efforts by the RTPA to prepare a Placer County Transit Guide would assist Roseville residents in enhancing their access to communities within Western Placer County.

The City has adopted a Marketing Plan which it is being implemented with the assistance of a newly-hired Marketing Specialist. This person is helping coordinate regional transit efforts such as "Spare the Air", "Communities in Motion", and a summer youth bus pass.