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1. EXECUTIVE SUMMARY

CHAPTER 1 – EXECUTIVE SUMMARY

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the Monterey-Salinas Transit District's public transit program for the period defined as:

- Fiscal Year 2007/08,
- Fiscal Year 2008/09, and
- Fiscal Year 2009/10.

The Triennial Performance 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 includes four elements:

1. Compliance requirements,
2. Performance review,
3. Follow-up of prior audit report recommendations, and
4. Functional review.

The Monterey-Salinas Transit District service area includes 352,000 residents living within a 280 square mile area. On July 1, 2010 Monterey-Salinas Transit transitioned from a Joint Powers Agency to a special district via passage of State Assembly Bill 644. The Joint Powers Agency was originally created in 1972 as the Monterey Peninsula Transit Joint Powers Agency and included the peninsula communities. It was expanded and re-named in 1981 when the City of Salinas joined the JPA. The new Monterey-Salinas Transit District includes the south county cities of Gonzalez, Greenfield, King City, and Soledad. The Board is now composed of one representative from the County and representatives from each of the twelve cities (Carmel-by-the-sea, Del-Rey Oaks, Gonzalez, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, and Soledad).

Monterey-Salinas Transit (MST) offers 58 fixed-route alignments ranging from limited-stop express routes, regular fixed routes, regional routes, seasonal trolley services, on-call community shuttles, military-oriented routes, and long-line commuter-style service. It also sponsors MST RIDES, a curb-to-curb demand-response service for individuals unable to use traditional fixed-route service due to a physical or mental impairment. The demand-response service operates daily and hours mirror those of the fixed-route system. In FY 2009/10, the system as a whole provided 4,354,509 unlinked passenger trips and 305,520 Vehicle Service Hours.

Compliance

The Monterey-Salinas Transit District did not meet the test of compliance with respect to the Transportation Development Act (TDA) regulations in the following areas:

1. One Comprehensive Annual Financial Report was not submitted to the State Controller within the TDA-required 180-day window.
2. MST's calculation methodology does not comply with PUC guidelines in that it reflects a "head count" versus the total number of hours worked by employees divided by 2,000.

Prior Recommendations

The prior audit – completed in 2008 by Moore & Associates for the three fiscal years ending June 30, 2007 – prescribed one recommendation for the Monterey-Salinas Transit District:

1. Correct FTE calculation methodology.
Implementation Status: Not yet implemented

Findings

Based on the current audit, we offer the following findings for Monterey-Salinas Transit:

1. One Comprehensive Annual Financial Report was not submitted to the State Controller within the TDA-required 180-day window.
2. MST's calculation methodology does not comply with PUC guidelines in that it reflects a "head count" versus the total number of hours worked by employees divided by 2,000.

Recommendations

The following audit recommendations apply to the Monterey-Salinas Transit District as a TDA funding recipient:

1. Ensure fiscal audits are submitted on time.
2. Begin reporting FTEs according to PUC guidelines.

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2. AUDIT SCOPE AND METHODOLOGY

CHAPTER 2 – AUDIT SCOPE AND METHODOLOGY

The Triennial Performance Audit (TPA) of the Monterey-Salinas Transit District (District) covers a three-year period ending June 30, 2010. The California Public Utilities Code requires all public transit operators conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

The audit is designed to be an independent and objective evaluation of the District as a transit operator. The audit has four primary goals:

1. Assess compliance with TDA regulations,
2. Review actions taken by operator to implement prior recommendations,
3. Evaluate the efficiency and effectiveness of the transit operator (based on TDA-stipulated criteria), and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.

The 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 is intended to be a high-level review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the District included five related tasks:

1. Review of compliance with the TDA requirements and regulations.
2. Assess the implementation of recommendations presented in prior performance audits.
3. Verify the methodology for calculating performance indicators specific to 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
 - Maintenance.

5. Recommendations to address opportunities for improvement based on analysis of the information collected and the review of the transit operator’s major functions.

The methodology for this audit included a site visit on January 27, 2010. During this visit, the audit team met with MST staff, toured its facility, verified data sources, examined financial and statistical reports, and reviewed relevant planning documents and reports.

The audit report is comprised of seven chapters divided among three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. Audit Scope and Methodology: Discussion of audit methodology 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, and
 - Findings and recommendations.

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3. PROGRAM
COMPLIANCE

CHAPTER 3 – PROGRAM COMPLIANCE

This section examines the Monterey-Salinas Transit District’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. Although compliance verification is not a Triennial Performance Audit function, several specific requirements concern issues relevant to the performance audit. The Transportation Agency for Monterey County (TAMC) considers full use of funds under California Code of Regulations (CCR) Section 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 MST staff as well as a physical inspection of relevant documents including the fiscal audits for each year of the triennium, TDA claim forms, annual Transit Operator Reports submitted to the State Controller, California Highway Patrol terminal inspections, year-end performance reports, and other data sources deemed relevant by the audit team.

The Monterey-Salinas Transit District did not meet the test of compliance with respect to the Transportation Development Act (TDA) regulations in the following areas:

1. One Comprehensive Annual Financial Report was not submitted to the State Controller within the TDA-required 180-day window.
2. MST’s calculation methodology does not comply with PUC guidelines in that it reflects a “head count” versus the total number of hours worked by employees divided by 2,000.

Exhibit 3.1 Transit Development Act Compliance Requirements

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
The transit operator submits annual reports to the RTPA based on the Uniform System of Accounts and records established by the State Controller.	PUC 99243	In compliance.	FY 2007/08: 09/25/2009 FY 2008/09: 01/24/2010 FY 2009/10: 10/05/2010
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	Finding.	FY 2007/08: 02/19/2009 FY 2008/09: 12/30/2009 FY 2009/10: 12/23/2010 The CAFR for FY 2007/08 was submitted beyond the PUC-required 180-day window.
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 B	In compliance.	CHP reports with a satisfactory rating dated: 03/06/2008 04/07/2009 04/08/2010
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.	
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.	
The operator’s definitions of performance measures are consistent with the Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service miles, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	PUC 99247	Finding.	The calculation methodology used by MST does not comply with PUC guidelines in that it reflects a “head count” versus the total number of hours worked by employees divided by 2,000.

REQUIREMENT	REFERENCE	COMPLIANCE	COMMENTS
If the operator serves an urbanized area, it has maintained a ratio of fare revenue to operating cost at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenue to operating cost at least three-twentieths (15 percent), if so determined by the RTPE.	PUC 99268.2, 99268.3, 99268.1	In compliance.	FY 2007/08: 27.1 percent FY 2008/09: 28.7 percent FY 2009/10: 25.4 percent
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.	
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.	

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4. PRIOR AUDIT
RECOMMENDATIONS

CHAPTER 4 – PRIOR AUDIT RECOMMENDATIONS

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the Monterey-Salinas Transit District has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in 2008 by Moore & Associates for the three fiscal years ending June 30, 2007 – prescribed one recommendation for the program:

1. [Correct FTE calculation methodology.](#)

Discussion: The prior auditor recommended MST revise its calculation methodology for Full-Time Equivalents (FTEs) as the methodology used then did not meet TDA reporting requirements. The auditor noted a discrepancy between the number of FTEs reported to the State Controller in the FY 2006/07 Transit Operator Report and the actual number of FTEs which should have been reported.

Progress: The staffer responsible for calculating FTEs and preparing the Financial Transactions Reports and submitting them to the State Controller left the agency during the audit period and was replaced. MST has been advised of the correct calculation methodology and provided assurances it will be corrected moving forward. This recommendation will be carried forward in this audit.

Implementation Status: Not yet implemented.



5. PERFORMANCE
ANALYSIS

CHAPTER 5 – PERFORMANCE ANALYSIS

Performance indicators are used to quantify and review the efficiency of a transit operator’s activities. Such metrics provide insight into current operations, as well as trend analysis of recent performance. Through a review of indicators, relative performance and possible interrelationship among key functions can be better understood.

The Transportation Development Act (TDA) requires recipients of TDA funding 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, our 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 measures stated in similar reports to external agencies (i.e., State Controller, Transportation Agency for Monterey County, and Federal Transit Administration).

Operating Cost

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

- 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 (Note: A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use). 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 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 Equivalents (FTE) are 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 ticket/pass sales.

TDA Required Indicators

To calculate the TDA indicators for the Monterey-Salinas Transit District, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost was obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this audit. Operating Cost from the audited reports is consistent with TDA guidelines and accurately reflects the costs for the District’s transit services. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and charter-related expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare Revenue was obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this audit. Fare Revenue from the audited reports is consistent with TDA guidelines.
- Vehicle Service Hours (VSH) data were obtained via Transit Operator Reports (TORs) submitted to the State Controller for each fiscal year covered by this audit. Data from these reports was then compared to information included within the District’s monthly performance data summary reports. The District calculates VSH using schedule hours reconciled with driver trip sheets. The calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via Transit Operator Reports submitted to the State Controller for each fiscal year covered by this audit. Data from these reports were then compared to information included within the District’s monthly performance data summary reports. The District calculates VSM using schedule miles reconciled with driver trip sheets. The calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via Transit Operator Reports submitted to the State Controller for each fiscal year covered by this audit. Data from these reports was then compared to information included within the District’s monthly performance data summary reports. The operator’s calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalents (FTE) data was obtained via Transit Operator Reports submitted to the State Controller for each fiscal year covered by this audit. The calculation methodology used by the District does not comply with PUC guidelines in that it reflects a “head count” versus the total number of hours worked by employees divided by 2,000.

Performance Trends

Performance trends were analyzed for Monterey-Salinas Transit for the three years covered by this Triennial Performance Audit. Indicators were calculated using the methodologies described in the previous section.

System-Wide Performance

Fare Revenue experienced an 8.4 percent increase between FY 2006/07 and FY 2009/10, reaching nearly 7.5 million in FY 2008/09. Unfortunately, Operating Cost increases outpaced Fare Revenue across the audit period, increasing nearly 20 percent since FY 2006/07. As a result, MST's Farebox Recover Ratio diminished from 28.1 percent in FY 2006/07 to 25.4 percent in FY 2009/10 (though it did reach 28.7 percent in FY 2008/09).

The increases in Operating Cost were largely driven by significant increases in the level of service provided in the county. Vehicle Service Hours and Vehicle Service Miles both increased significantly across the audit period (both increased 24.3 percent since FY 2006/07). The growth in the level of service outpaced Operating Cost, meaning MST became more efficient at providing service during the audit period. This is reflected in reductions of 3.6 percent and 3.5 percent in Operating Cost/VSH and Operating Cost/VSM, respectively across the audit period.

Given the audit period coincides directly with the recent recession, it is no surprise ridership has diminished 12 percent since FY 2006/07. When coupled with increases in service across the same period, this resulted in an increase in Operating Cost/Passenger (36.5 percent) and reductions in Passengers/Vehicle Service Hour and Passengers/Vehicle Service Mile (29.4 percent and 29.3 percent, respectively).

Exhibit 5.1 System-Wide Performance Indicators

Performance Measure	System-wide			
	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
Operating Cost (Actual \$)	\$22,916,440	\$25,300,506	\$25,919,316	\$27,473,621
<i>Annual Change</i>		10.4%	2.4%	6.0%
Fare Revenue (Actual \$)	\$6,448,375	\$6,860,005	\$7,426,949	\$6,988,123
<i>Annual Change</i>		6.4%	8.3%	-5.9%
Vehicle Service Hours (VSH)	245,738	264,852	283,546	305,520
<i>Annual Change</i>		7.8%	7.1%	7.7%
Vehicle Service Miles (VSM)	3,893,014	4,275,383	4,627,446	4,837,197
<i>Annual Change</i>		9.8%	8.2%	4.5%
Passengers	4,958,853	4,743,601	4,512,729	4,354,509
<i>Annual Change</i>		-4.3%	-4.9%	-3.5%
Employees	276.0	285.0	271.0	282.0
<i>Annual Change</i>		3.3%	-4.9%	4.1%
Performance Indicators				
Operating Cost/VSH	\$93.26	\$95.53	\$91.41	\$89.92
<i>Annual Change</i>		2.4%	-4.3%	-1.6%
Operating Cost/VSM	\$5.89	\$5.92	\$5.60	\$5.68
<i>Annual Change</i>		0.5%	-5.3%	1.4%
Operating Cost/Passenger	\$4.62	\$5.33	\$5.74	\$6.31
<i>Annual Change</i>		15.4%	7.7%	9.8%
Passengers/VSH	20.18	17.91	15.92	14.25
<i>Annual Change</i>		-11.2%	-11.1%	-10.4%
Passengers/VSM	1.27	1.11	0.98	0.90
<i>Annual Change</i>		-12.9%	-12.1%	-7.7%
VSM/VSH	15.84	16.14	16.32	15.83
<i>Annual Change</i>		1.9%	1.1%	-3.0%
Hours/Employee	890.4	929.3	1,046.3	1,083.4
<i>Annual Change</i>		4.4%	12.6%	3.5%
Farebox Recovery	28.1%	27.1%	28.7%	25.4%
<i>Annual Change</i>		-3.6%	5.7%	-11.2%
Fare/Passenger	\$1.30	\$1.45	\$1.65	\$1.60
<i>Annual Change</i>		11.2%	13.8%	-2.5%

Exhibit 5.2 Ridership

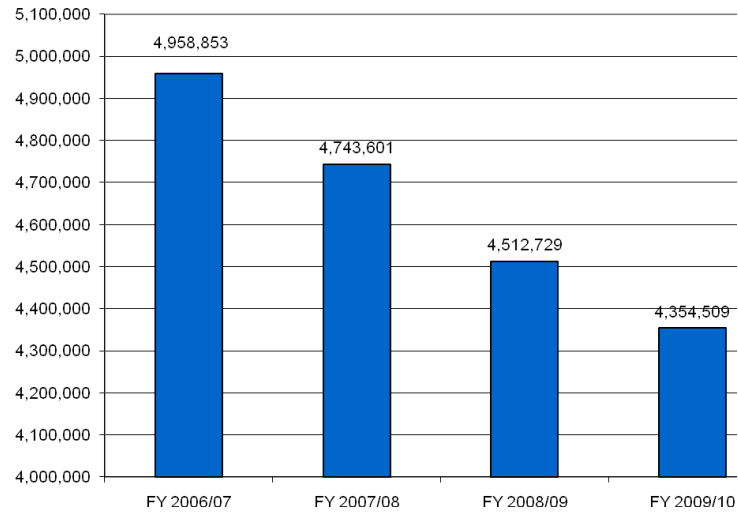


Exhibit 5.3 Operating Cost/VSH

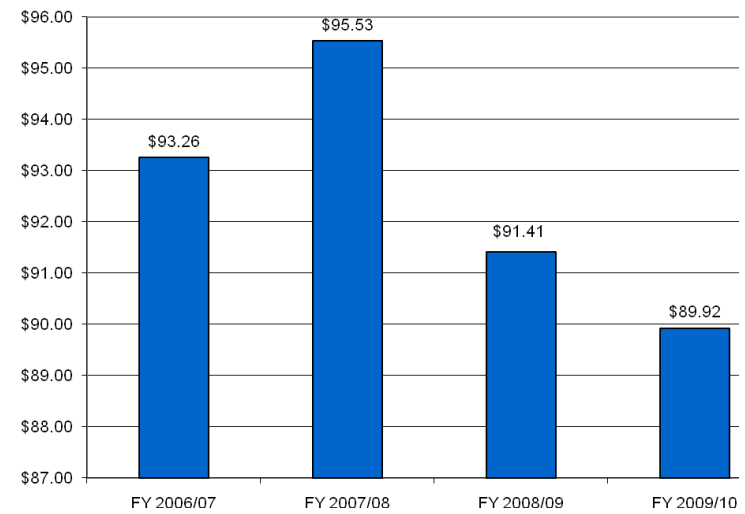


Exhibit 5.4 Operating Cost/VSM

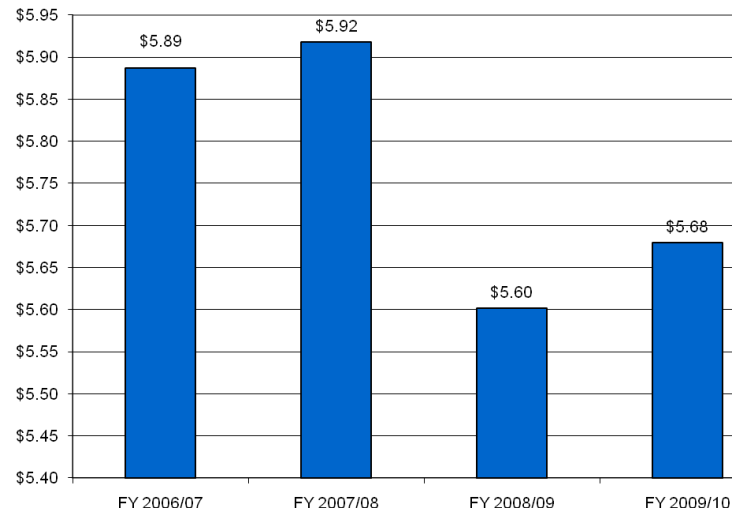


Exhibit 5.5 Operating Cost/Passenger

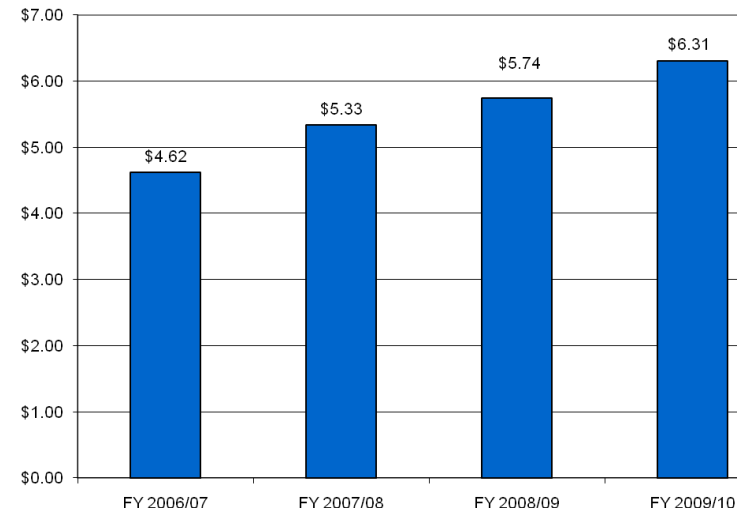


Exhibit 5.6 Passenger/VSH

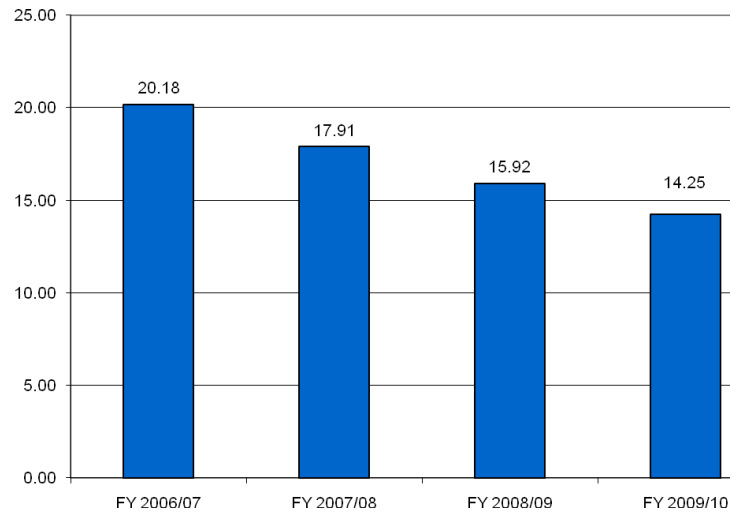


Exhibit 5.7 Passenger/VSM

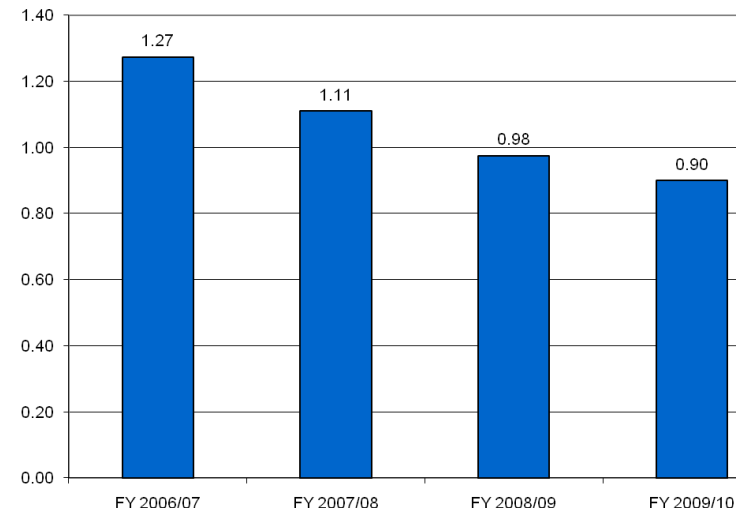


Exhibit 5.8 VSM/VSH

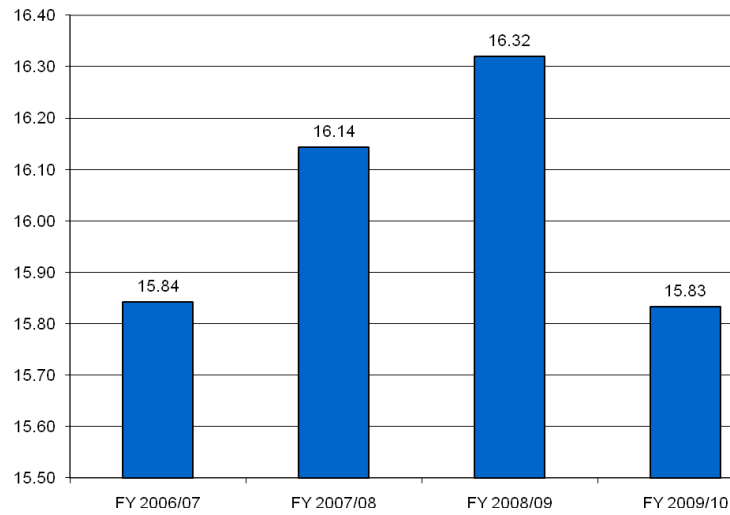


Exhibit 5.9 VSH/FTE

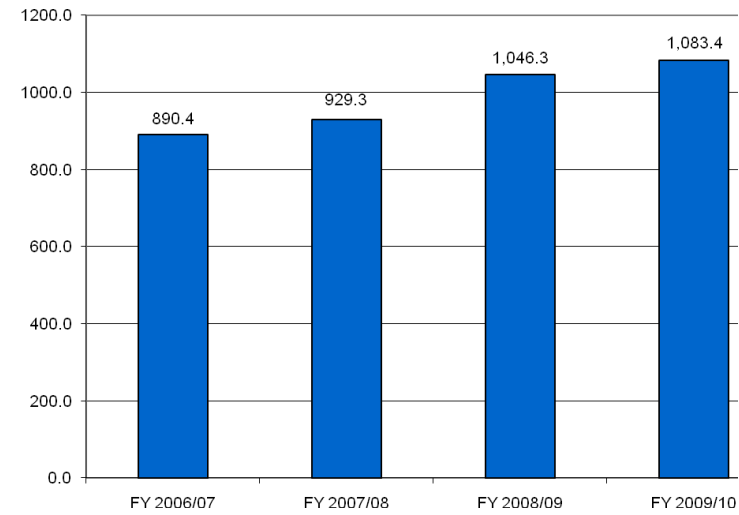


Exhibit 5.10 Farebox Recovery

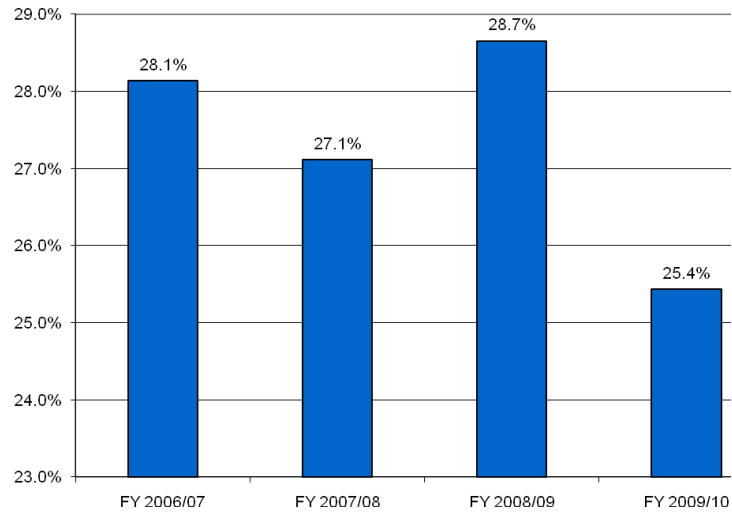
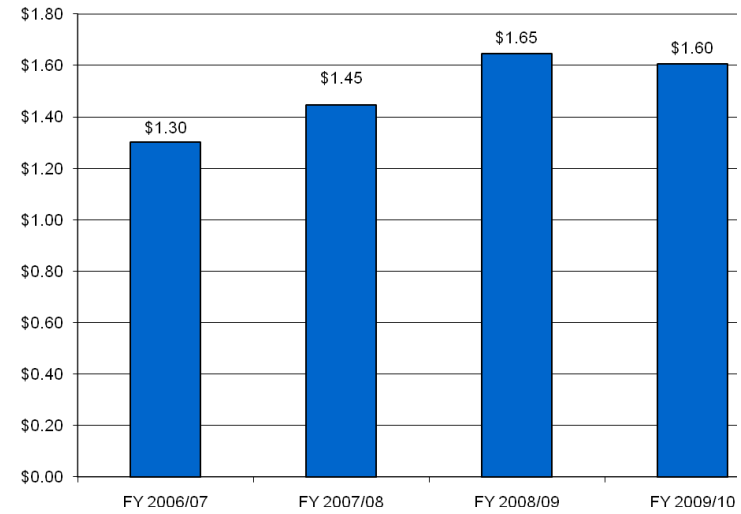


Exhibit 5.11 Fare/Passenger



Fixed-Route Performance

Given the fixed-route program comprises the majority of MST’s system-wide totals, the trends for the fixed-route service mirror the system-wide trends exactly.

Exhibit 5.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route			
	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
Operating Cost (Actual \$)	\$21,424,441	\$23,417,260	\$23,615,656	\$24,887,729
<i>Annual Change</i>		9.3%	0.8%	5.4%
Fare Revenue (Actual \$)	\$6,289,280	\$6,639,087	\$6,973,760	\$6,676,775
<i>Annual Change</i>		5.6%	5.0%	-4.3%
Vehicle Service Hours (VSH)	209,087	218,347	224,920	250,088
<i>Annual Change</i>		4.4%	3.0%	11.2%
Vehicle Service Miles (VSM)	3,249,965	3,435,224	3,560,494	3,864,996
<i>Annual Change</i>		5.7%	3.6%	8.6%
Passengers	4,892,345	4,655,574	4,399,711	4,249,622
<i>Annual Change</i>		-4.8%	-5.5%	-3.4%
Employees	246.0	244.0	230.0	241.0
<i>Annual Change</i>		-0.8%	-5.7%	4.8%
Performance Indicators				
Operating Cost/VSH	\$102.47	\$107.25	\$105.00	\$99.52
<i>Annual Change</i>		4.7%	-2.1%	-5.2%
Operating Cost/VSM	\$6.59	\$6.82	\$6.63	\$6.44
<i>Annual Change</i>		3.4%	-2.7%	-2.9%
Operating Cost/Passenger	\$4.38	\$5.03	\$5.37	\$5.86
<i>Annual Change</i>		14.9%	6.7%	9.1%
Passengers/VSH	23.40	21.32	19.56	16.99
<i>Annual Change</i>		-8.9%	-8.3%	-13.1%
Passengers/VSM	1.51	1.36	1.24	1.10
<i>Annual Change</i>		-10.0%	-8.8%	-11.0%
VSM/VSH	15.54	15.73	15.83	15.45
<i>Annual Change</i>		1.2%	0.6%	-2.4%
Hours/Employee	849.9	894.9	977.9	1,037.7
<i>Annual Change</i>		5.3%	9.3%	6.1%
Farebox Recovery	29.4%	28.4%	29.5%	26.8%
<i>Annual Change</i>		-3.4%	4.2%	-9.2%
Fare/Passenger	\$1.29	\$1.43	\$1.59	\$1.57
<i>Annual Change</i>		10.9%	11.1%	-0.9%

Exhibit 5.13 Fixed-Route Ridership

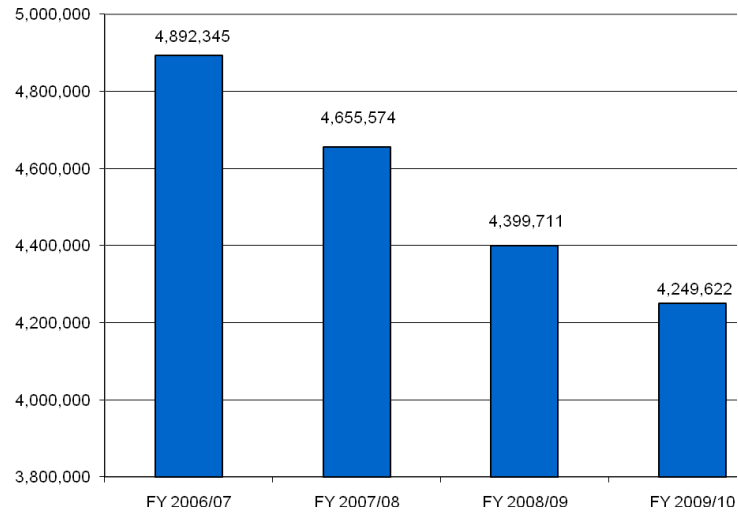


Exhibit 5.14 Fixed-Route Operating Cost/VSH

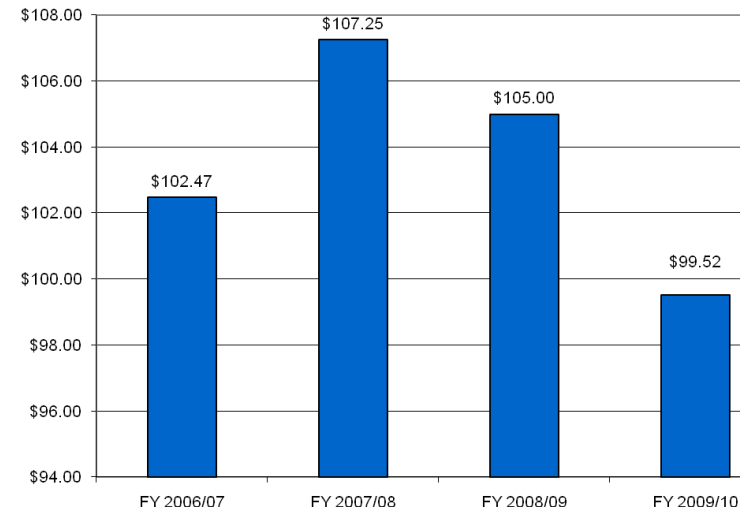


Exhibit 5.15 Fixed-Route Operating Cost/VSM

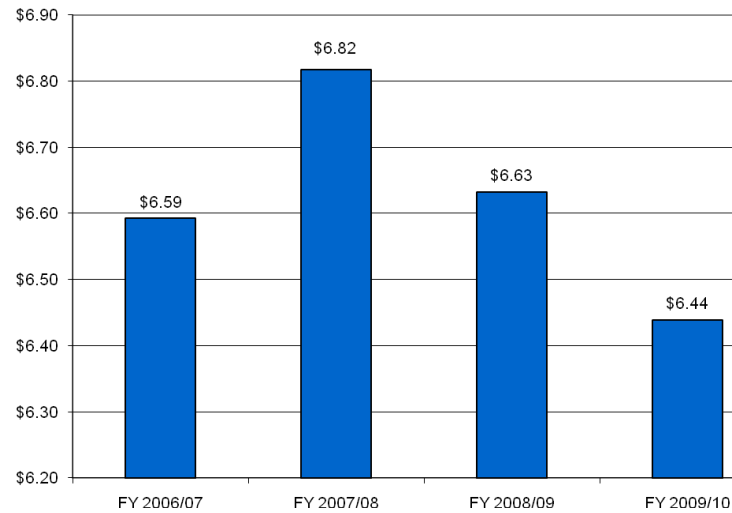


Exhibit 5.16 Fixed-Route Operating Cost/Passenger

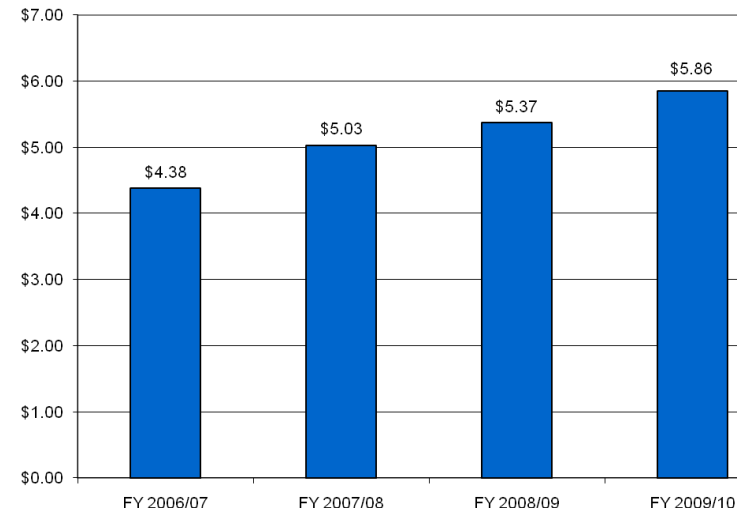


Exhibit 5.17 Fixed-Route Passengers/VSH

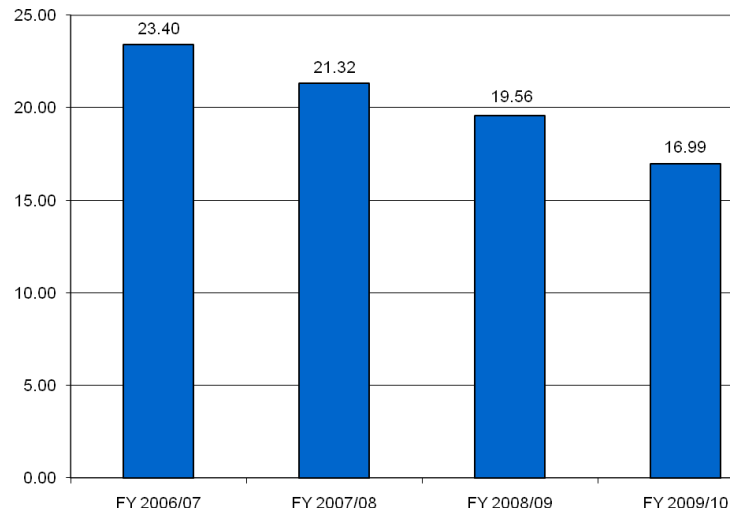


Exhibit 5.18 Fixed-Route Passengers/VSM

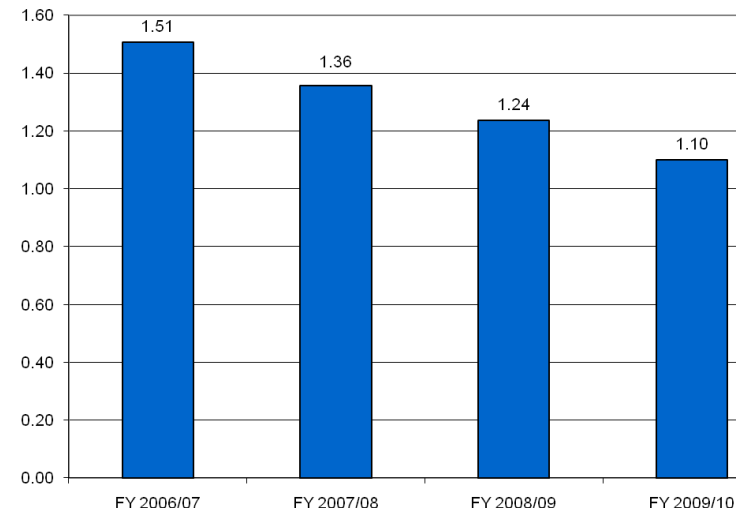


Exhibit 5.19 Fixed-Route VSM/VSH

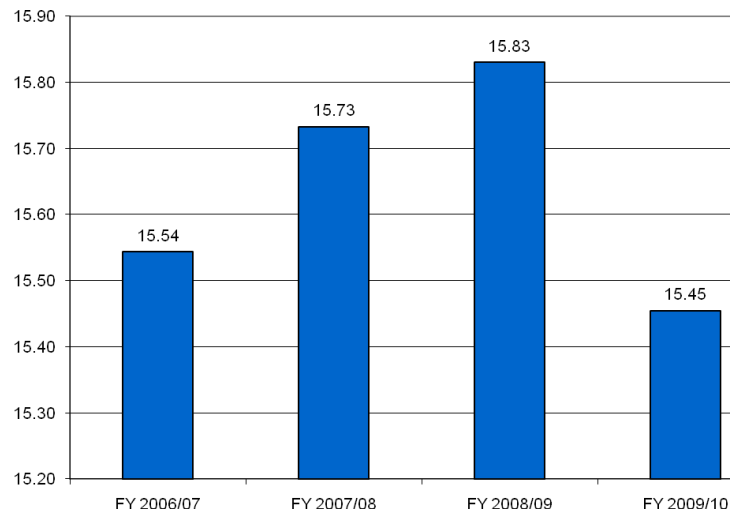


Exhibit 5.20 Fixed-Route VSH/FTE

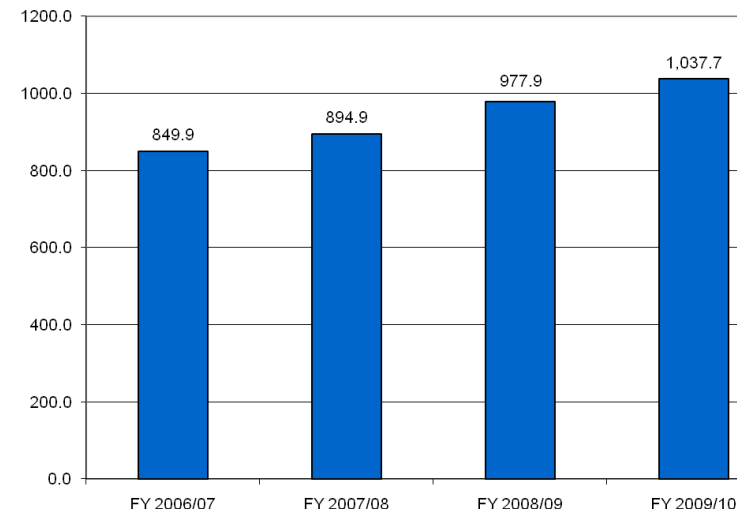


Exhibit 5.21 Fixed-Route Farebox Recovery Ratio

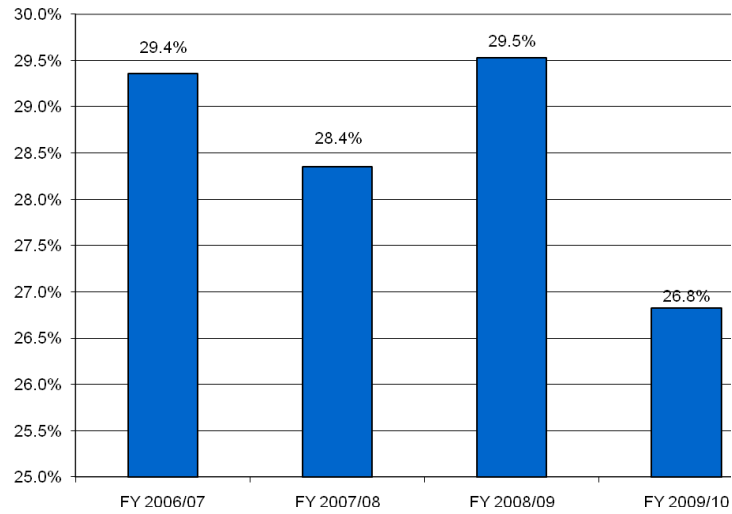
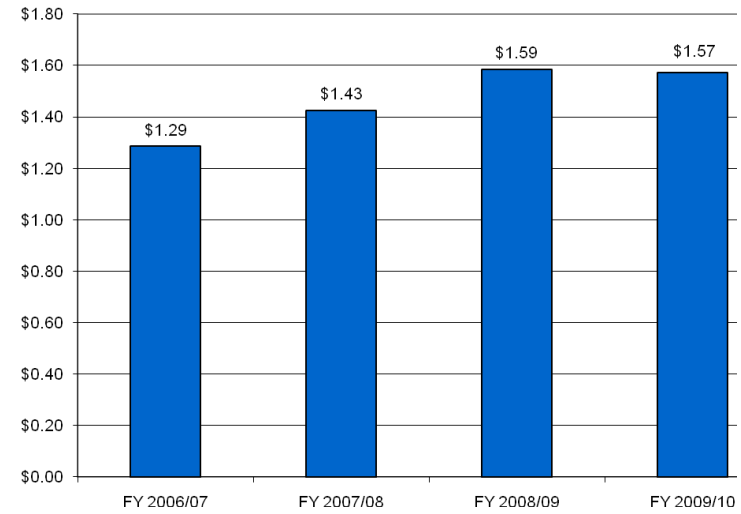


Exhibit 5.22 Fixed-Route Fare/Passenger



Demand-Response Performance

MST's complementary paratransit program – MST RIDES – experienced dramatic growth across the audit period, due in large part to keeping pace with the fixed-route system's growth. While the program's Operating Cost increased 75 percent, Fare Revenue increased 95.7 percent since FY 2006/07. This increase in revenue can be attributed in large part to a 57.7-percent increase in Ridership on the RIDES program during the same period. Given the nature of the program as a demand-response service, Vehicle Service Hours and Vehicles Service Miles respond in a direct relationship with increases in Ridership. Both VSH and VSM increased significantly across the audit period (51.2 percent for both).

Overall, the MST RIDES program's trends were the opposite of the system as a whole. Operating Cost/VSH and Operating Cost/VSM both increased since FY 2006/07 (14.6 percent for both), while Passengers/VSH and Passengers/VSM both increased across the same period (4.3 percent for both).

Exhibit 5.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response			
	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
Operating Cost (Actual \$)	\$1,491,999	\$1,883,246	\$2,303,660	\$2,585,892
<i>Annual Change</i>		26.2%	22.3%	12.3%
Fare Revenue (Actual \$)	\$159,095	\$220,918	\$453,189	\$311,348
<i>Annual Change</i>		38.9%	105.1%	-31.3%
Vehicle Service Hours (VSH)	36,651	46,505	58,626	55,432
<i>Annual Change</i>		26.9%	26.1%	-5.4%
Vehicle Service Miles (VSM)	643,049	840,159	1,066,952	972,201
<i>Annual Change</i>		30.7%	27.0%	-8.9%
Passengers	66,508	88,027	113,018	104,887
<i>Annual Change</i>		32.4%	28.4%	-7.2%
Employees	30.0	41.0	41.0	41.0
<i>Annual Change</i>		36.7%	0.0%	0.0%
Performance Indicators				
Operating Cost/VSH	\$40.71	\$40.50	\$39.29	\$46.65
<i>Annual Change</i>		-0.5%	-3.0%	18.7%
Operating Cost/VSM	\$2.32	\$2.24	\$2.16	\$2.66
<i>Annual Change</i>		-3.4%	-3.7%	23.2%
Operating Cost/Passenger	\$22.43	\$21.39	\$20.38	\$24.65
<i>Annual Change</i>		-4.6%	-4.7%	21.0%
Passengers/VSH	1.81	1.89	1.93	1.89
<i>Annual Change</i>		4.3%	1.8%	-1.8%
Passengers/VSM	0.103	0.105	0.106	0.108
<i>Annual Change</i>		1.3%	1.1%	1.9%
VSM/VSH	17.55	18.07	18.20	17.54
<i>Annual Change</i>		3.0%	0.7%	-3.6%
Hours/Employee	1221.7	1134.3	1,429.9	1,352.0
<i>Annual Change</i>		-7.2%	26.1%	-5.4%
Farebox Recovery	10.7%	11.7%	19.7%	12.0%
<i>Annual Change</i>		10.0%	67.7%	-38.8%
Fare/Passenger	\$2.39	\$2.51	\$4.01	\$2.97
<i>Annual Change</i>		4.9%	59.8%	-26.0%

Exhibit 5.24 Demand-Response Ridership

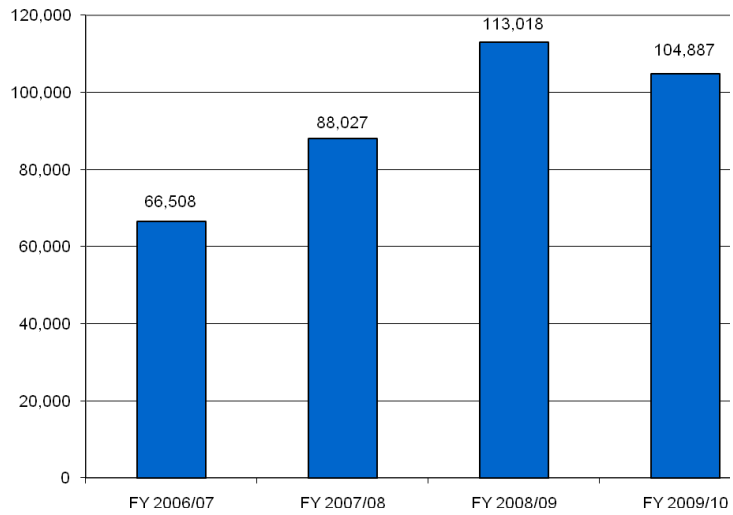


Exhibit 5.25 Demand-Response Operating Cost/VSH

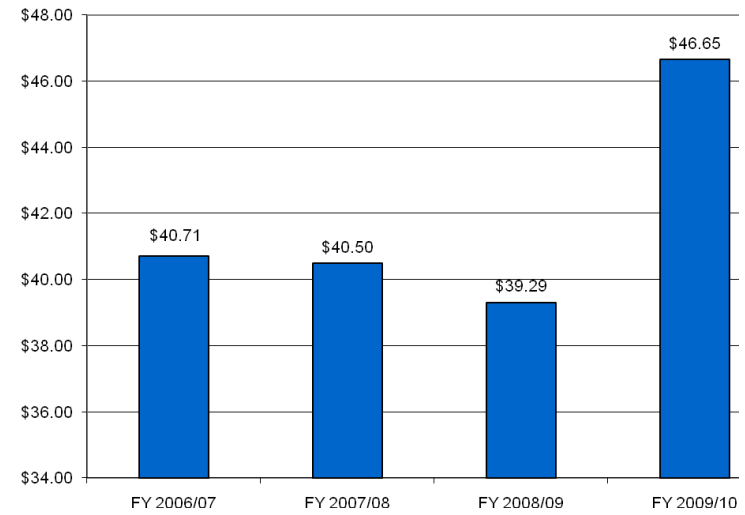


Exhibit 5.26 Demand-Response Operating Cost/VSM

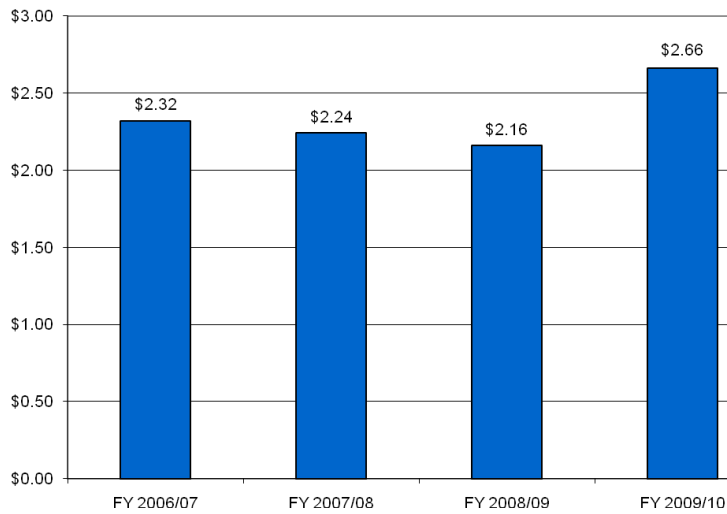


Exhibit 5.27 Demand-Response Operating Cost/Passenger

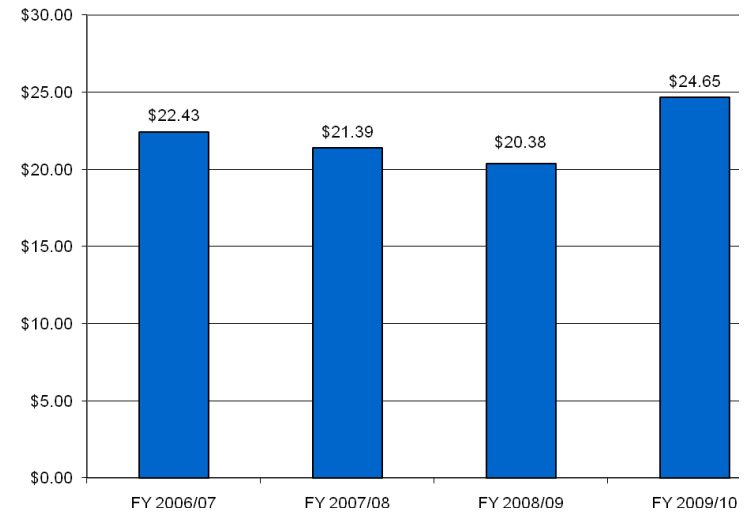


Exhibit 5.28 Demand-Response Passengers/VSH

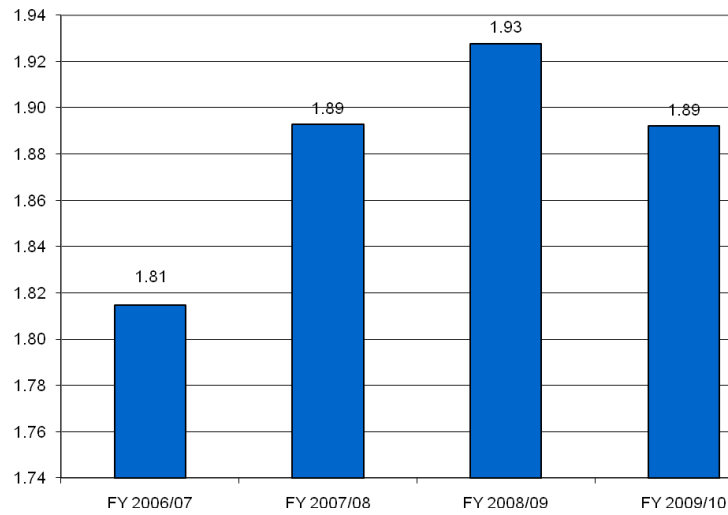


Exhibit 5.29 Demand-Response Passengers/VSM

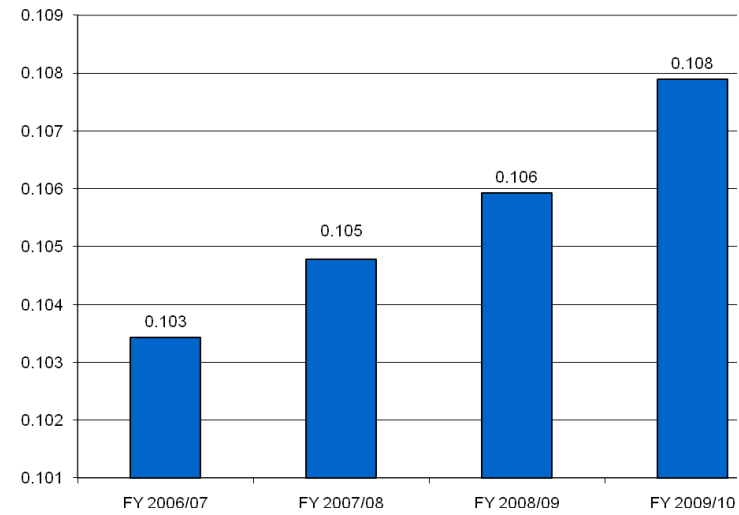


Exhibit 5.30 Demand-Response VSM/VSH

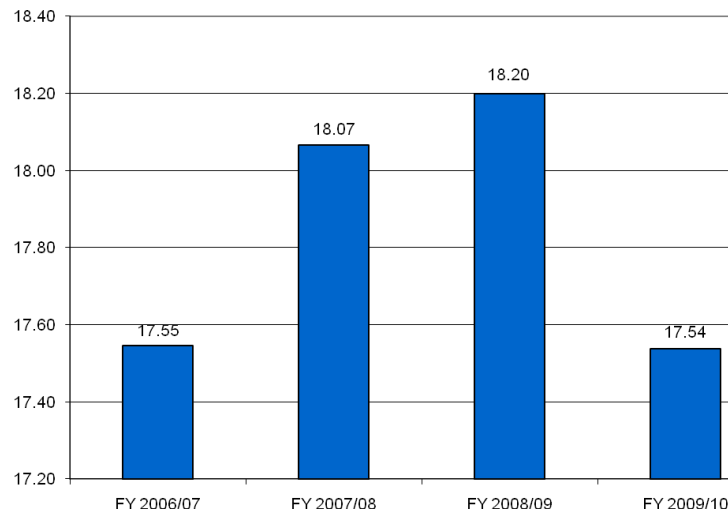


Exhibit 5.31 Demand-Response VSH/FTE

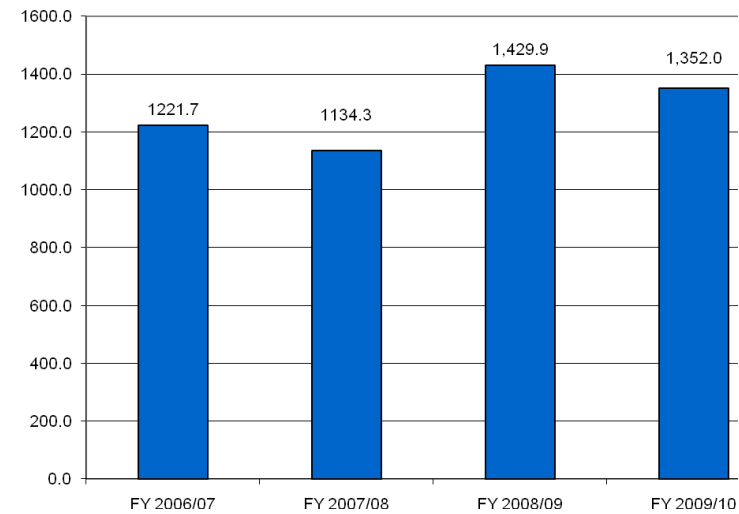


Exhibit 5.32 Demand-Response Farebox Recovery Ratio

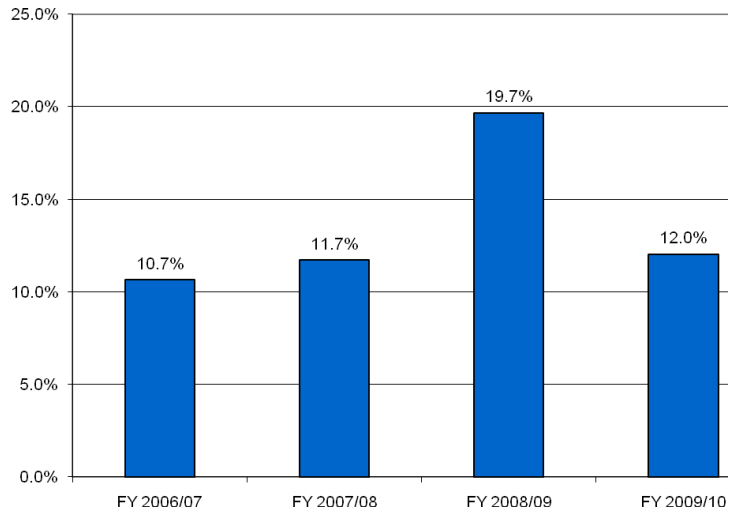
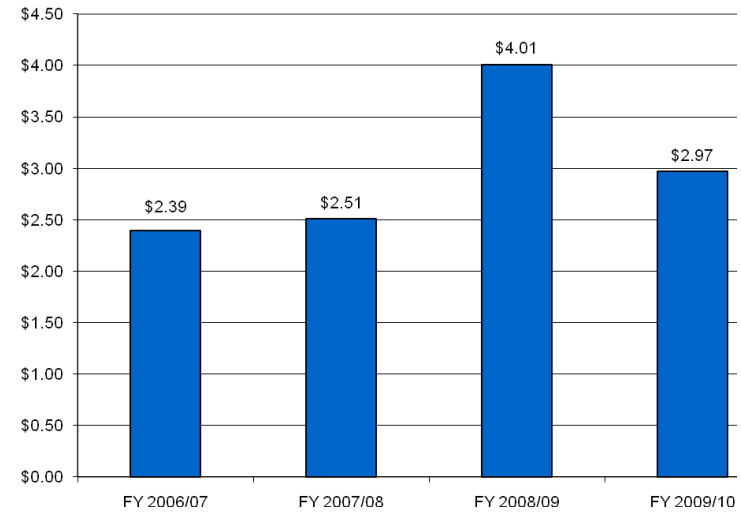


Exhibit 5.33 Demand-Response Fare/Passenger



6

6. FUNCTIONAL REVIEW

CHAPTER 6 – FUNCTIONAL REVIEW

A functional review of the Monterey-Salinas Transit District’s public transit program seeks to assess the extent and efficiency of the following functional activities:

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

General Management and Organization

On July 1, 2010 Monterey-Salinas Transit transitioned from a Joint Powers Agency to a special district via passage of State Assembly Bill 644. The Joint Powers Agency was originally created in 1972 as the Monterey Peninsula Transit Joint Powers Agency and included the peninsula communities. It was expanded and re-named in 1981 when the City of Salinas joined the JPA. The new Monterey-Salinas Transit District includes the south county cities of Gonzalez, Greenfield, King City, and Soledad. The Board is now composed of one representative from the County and representatives from each of the twelve cities (Carmel-by-the-sea, Del-Rey Oaks, Gonzalez, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, and Soledad). The Board meets on the second Monday of every month.

Monterey-Salinas Transit also has a Mobility Advisory Committee (MAC) with many of the same members as TAMC’s SSTAC. The MAC is larger and meets the second Wednesday of odd-numbered months. In general, the MAC discusses the same issues covered by the SSTAC. As a result, TAMC is working to designate the MAC as the SSTAC and stop holding duplicative meetings. MST is currently better-positioned to be responsible for the unmet needs process given it is the designated CTSA and also has mobility management personnel on staff.

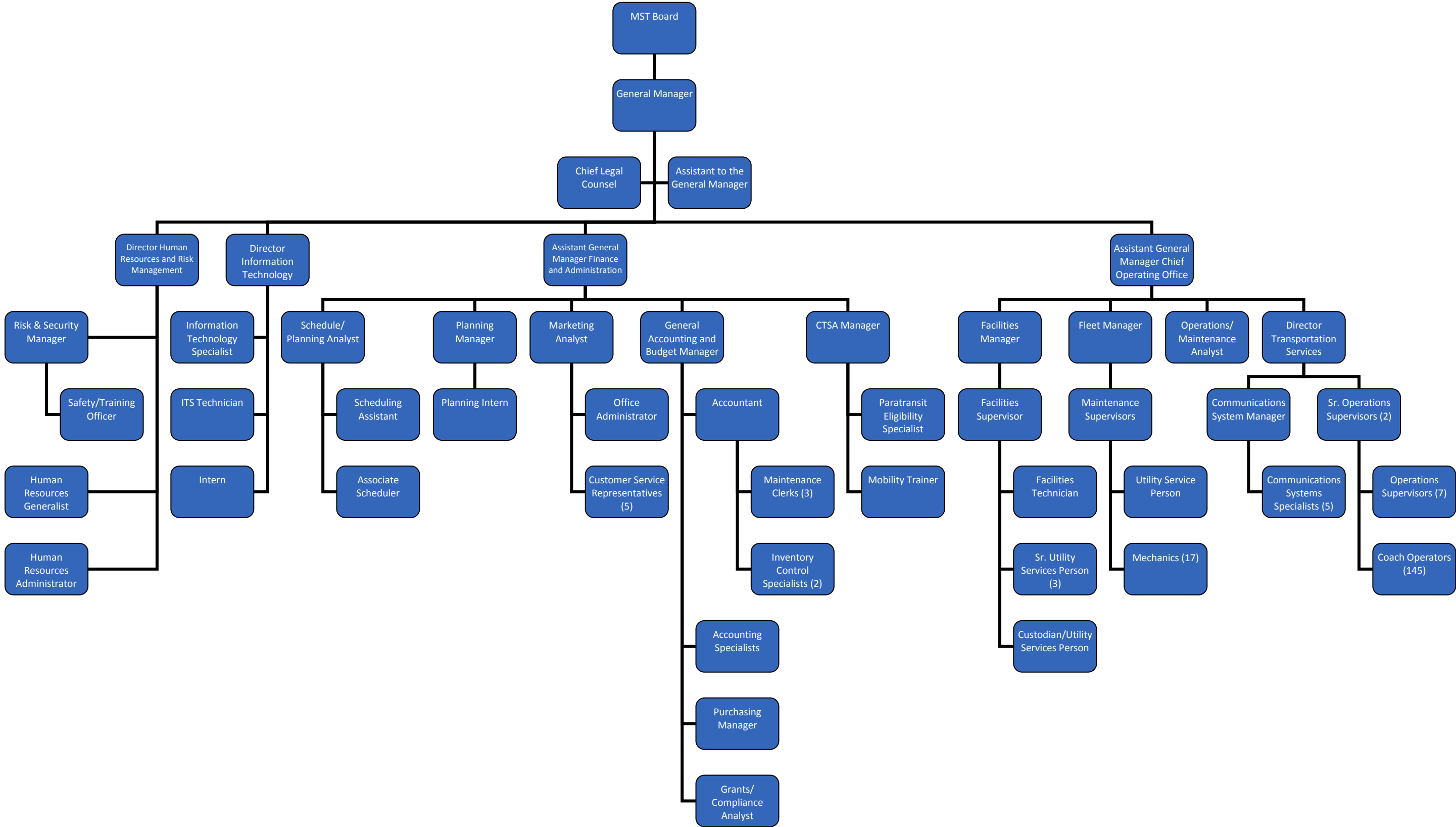
Each month, Executive Staff develops a comprehensive report for the board covering program performance, safety, security, maintenance, human resources, and other topics. Performance-related data is all split by mode. The report also includes detailed information on schedule adherence, ridership, and productivity on the individual route level as well as split by route type (i.e., trunk, regional, seasonal, military, etc). Maintenance data are split by bus type, allowing staff and the Board to accurately identify issues with specific types of buses as well as plan for capital replacement. Performance data are tracked against adopted goals and standards.

In general, the Board takes steps to avoid service cuts, with the general staffing structure skewed toward operations. Across the last 18 months in particular, the agency has been in service expansion mode, growing from approximately 210 employees to now more than 250. The rate of expansion is limited only by the size of the current training room, which can accommodate fewer than a dozen students at any one time.

During the audit period, MST also expanded its customer service department, adding customer service staff to transit centers where there previously were none (Marina Transit Exchange, and Salinas Transit Center). MST also recently hired a new Grants Analyst who is responsible for identifying, applying for, and administering grants for the agency (formerly the responsibility of the Assistant General Manager of Finance and Administration).

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Exhibit 6.1 Organizational Chart



Source: Monterey-Salinas Transit District

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Service Planning

The Monterey-Salinas Transit District last completed a full Short Range Transit Plan in June 2005. The SRTP serves as the venue for comprehensive performance evaluation, as well as the vehicle for identifying program strengths and weaknesses, evaluating progress made implementing prior recommendations, and service development (including financial projections) across a well-defined planning horizon (i.e., typically five years). Given executive staff's comprehensive approach toward monitoring performance relative to adopted goals and standards on a monthly basis in reports to the Board, a comprehensive, system-wide SRTP is not a high priority for continual revision as it is with other agencies. Instead, MST has focused on area-specific plans. During the audit period, that included specific plans for Marina/Fort Ord (the Marin Area Service Study) and for the south county communities now included in the District (the South County Area Service Study). These studies focused on improving connections within the focus area as well as between the focus area and the system as a whole.

Recommendations stemming from these studies include:

- Improve connections between Salinas and Marina/CSUMB;
- Improve local service within Marina;
- Bring CSUMB intra-campus transit service under MST's umbrella;
- Create a more frequent connection between CSUMB, the Dunes Shopping Center, and Marina;
- Create a South County inter-city circulator;
- Enhance the Monterey to South County connection, and
- Enhance existing Line 23 service.

MST places a great deal of importance on collecting up-to-date, accurate information regarding its services and the community it serves. As such, every two years MST hires a consultant to assist with conducting system-wide customer surveys as well as a countywide telephone survey of households. This information (in addition to market research conducted on a project-specific basis) allows MST to make planning decision using the most relevant possible data, resulting in successful, community-driven services tailored to meet community mobility needs.

Scheduling, Dispatch, and Operations

The Monterey-Salinas Transit District employs only full-time drivers. There have been attempts to recruit part-time drivers, but given the difficulty in providing them guarantees with respect to hours and schedules, MST has been unsuccessful in recruiting any. MST contracts with MV Transit to operate its paratransit program (MST RIDES) and all services using coaches shorter than 35-feet (i.e., those routes, like Line 27 or the On-Call services that utilize cutaways). MST utilizes full-time extra-board drivers who are contractually required to receive a minimum of 30 hours a week.

MST fixed-route drivers bid on assignments every 125 days based on seniority. The District performs “run-cutting” two to three times annually. MST vehicles are not pre-assigned to any one route, with the exception of routes requiring MCI over-the-road coaches. However, generally the vehicles are assigned based on capacity (i.e., higher-capacity buses are assigned to more productive routes). Vehicles are rotated among different route assignments on a monthly-basis.

MST currently utilizes two facilities for operations and maintenance: the Thomas D. Albert Operations Facility in Monterey houses MST’s administrative offices, dispatch, and Monterey Peninsula operations and maintenance. The Clarence “Jack” Wright Operations Facility in Salinas houses operations and maintenance for Salinas-area services and provides a backup dispatcher location.

Personnel Management and Training

All employment opportunities are posted on the District’s website, at the transit facility, on Craigslist.org, and on Montereybayjobs.com. The District employs four DOT-certified trainers and one Training Supervisor. Training is conducted in-house with on-site DMV licensing available following completion of the eight-week training course. Small groups of driver trainees are assigned to each trainer to ensure candidates receive personalized attention, decreasing the likelihood of drivers being unprepared for real-world situations.

The District currently offers medical, paid-time off (PTO), and a retirement plan PERS (which MST covers 100 percent). MST also requires employees have dental and vision plans but does not pay for them.

Administration

The District begins crafting a preliminary budget in February, when TAMC provides it with an estimate of LTF revenue. Each department head is responsible for developing his/her own departmental budget, which is given to the Budget Manager. The draft budget is finalized by late spring and is submitted for adoption by the Board. MST also conducts a mid-year budget review and revises it as necessary given any significant changes (i.e., fare changes, employees, etc.).

The newly-hired Grants Analyst handles grant writing, reporting, and management; sharing this responsibility with the Assistant General Manager of Finance and Administration. During the audit period, the District applied for several Federal Transit Administration grants in support of Capital Acquisitions of Bus and Related Equipment, Preventative Maintenance and Farebox, Rolling Stock CMAQ Capital Funding, and other capital assistance. MST has been extremely successful in writing grants, which has

allowed the agency to significantly expand service across the last 18 months (including late evening service funded by JARC/New Freedom monies).

During the audit period, fares were collected onboard vehicles in electronic fareboxes. Each farebox is dumped and probed daily through a set drop box rotation. A contract service is employed to pick up all monies twice weekly. The contract service (Brinks) is responsible for counting and sorting all fares. MST reconciles the Brinks counts with farebox data on a weekly basis.

Marketing and Public Information

The District employs seven staff within its Marketing Department: Marketing Analyst, Office Administrator, and five Customer Service Representatives. These customer service representatives are spread among the three customer service locations (Marina Transit Exchange, Salinas Transit Center, and Monterey Bus Stop Shop). The Marketing Department works with Customer Service staff to ensure timely and accurate service information is provided to the community at-large.

The primary marketing-related effort during the audit period was a complete overhaul of the agency's website – MST.org. The new website is user-friendly and comprehensive, with quick links to allow users to jump to specific routes and plenty of information regarding program history, performance, governance/administration, and accomplishments.

The Marketing Department implements marketing campaigns both on a recurring and project-specific basis. MST works with a local vendor for the design of brochures, which it produces for specific services (i.e., MST On-Call, Grapevine Express) as well as new services (CSUMB Otter Trolley). MST also produces a comprehensive Rider's Guide including information on all MST services and routes (maps and timetables) as well as foldout color system and regional service maps.

Maintenance

The District's Maintenance staff uses a preventative maintenance inspection (PMI) program based upon the CHP A-B-C inspection schedule. Different vehicles are inspected at different rates depending on series and usage and generally follow manufacturer specifications. The Maintenance Department currently utilizes Maximus software modules for vehicle fleet management, parts management, and pre-trip inspections.

Each vehicle is inspected daily by the assigned driver with possible defects noted on a vehicle checkout sheet. Should any safety related defects be discovered, the vehicle is taken out of service until necessary repairs are completed.

MST currently utilizes two maintenance facilities, one in Monterey at the main administrative office and another at the Clarence “Jack” Wright Operations Facility in Salina. The Monterey facility houses three bays (one pit and two lifts) as well as several portable lifts which allow the maintenance staff to overcome some of the challenges of being over capacity. The Salinas facility houses three bays as well, all of which feature lifts. Given significant expansion recent and planned expansion it is clear the current facilities are not sustainable operationally. MST is planning a new, modern facility in the former Fort Ord to consolidate the two maintenance facilities, operations, and administration. MST plans to break ground in late 2011 and complete construction within 2 to 2.5 years.

MST’s contract with MV Transit provides for MV to do its own maintenance, with MV doing all the work and billing MST only for major maintenance work. MST does not contract out any maintenance of the primary fixed-route fleet, but does send non-revenue fleet to the applicable local dealers.

Exhibit 6.2 Fixed-Route Fleet

Vehicle Number	Year Acquired/ Model year	Manufacturer	Model ID	VIN	Mileage	Fuel Type	Seating: Passenger/WC	Length	
1	1101	1999/1999	GILLIG	PHANTOM	15GCB2114X1089921	464,699	DIESEL	35 / 2	35'
2	1102	2000/2000	GILLIG	PHANTOM	15GCB2114Y1089922	486,243	DIESEL	35 / 2	35'
3	1103	2000/2000	GILLIG	PHANTOM	15GCB2116Y1089923	475,665	DIESEL	35 / 2	35'
4	1104	2000/2000	GILLIG	PHANTOM	15GCB2118Y1089924	503,428	DIESEL	35 / 2	35'
5	1105	2000/2000	GILLIG	PHANTOM	15GCB211XY1089925	493,074	DIESEL	35 / 2	35'
6	1106	2000/2000	GILLIG	PHANTOM	15GCB2111Y1089926	475,509	DIESEL	35 / 2	35'
7	1107	2000/2000	GILLIG	PHANTOM	15GCB2113Y1089927	476,886	DIESEL	35 / 2	35'
8	1108	2000/2000	GILLIG	PHANTOM	15GCB2113Y1089928	493,194	DIESEL	35 / 2	35'
9	1109	2000/2000	GILLIG	PHANTOM	15GCB2117Y1089929	463,956	DIESEL	35 / 2	35'
10	1110	2000/2000	GILLIG	PHANTOM	15GCB2113Y1089930	506,393	DIESEL	35 / 2	35'
11	1111	2000/2000	GILLIG	PHANTOM	15GCB2115Y1089931	499,574	DIESEL	35 / 2	35'
12	1112	2000/2000	GILLIG	PHANTOM	15GCB2117Y1089932	508,275	DIESEL	35 / 2	35'
13	1113	2000/2000	GILLIG	PHANTOM	15GCB2119Y1089933	506,758	DIESEL	35 / 2	35'
14	1114	2000/2000	GILLIG	PHANTOM	15GCB2110Y1089934	518,381	DIESEL	35 / 2	35'
15	1115	2000/2000	GILLIG	PHANTOM	15GCB2112Y1089935	503,248	DIESEL	35 / 2	35'
16	1116	2000/2000	GILLIG	PHANTOM	15GCB2114Y1089936	485,301	DIESEL	35 / 2	35'
17	1117	2000/2000	GILLIG	PHANTOM	15GCB2116Y1089937	503,469	DIESEL	35 / 2	35'
18	1118	2000/2000	GILLIG	PHANTOM	15GCB2118Y1089938	505,274	DIESEL	35 / 2	35'
19	1119	2000/2000	GILLIG	PHANTOM	15GCB211XY1089939	521,990	DIESEL	35 / 2	35'
20	1120	2000/2000	GILLIG	PHANTOM	15GCB2116Y1089940	525,460	DIESEL	35 / 2	35'
21	1121	2000/2000	GILLIG	PHANTOM	15GCB2118Y1089941	456,217	DIESEL	35 / 2	35'
22	1122	2003/2003	GILLIG	PHANTOM	15GCB201031112087	324,529	DIESEL	35 / 2	35'
23	1123	2003/2003	GILLIG	PHANTOM	15GCB201231112088	313,629	DIESEL	35 / 2	35'
24	1124	2003/2003	GILLIG	PHANTOM	15GCB201431112089	295,225	DIESEL	35 / 2	35'
25	1125	2003/2003	GILLIG	PHANTOM	15GCB201031112090	327,134	DIESEL	35 / 2	35'
26	1126	2003/2003	GILLIG	PHANTOM	15GCB201231112091	303,210	DIESEL	35 / 2	35'
27	1127	2003/2003	GILLIG	PHANTOM	15GCB201431112092	292,225	DIESEL	35 / 2	35'

Source: Monterey-Salinas Transit District

MONTEREY-SALINAS TRANSIT DISTRICT – TRIENNIAL PERFORMANCE AUDIT

Exhibit 6.3 Fixed-Route Fleet (continued)

	Vehicle Number	Year Acquired/ Model year	Manufacturer	Model ID	VIN	Mileage	Fuel Type	Seating: Passenger/WC	Length
28	1128	2003/2003	GILLIG	PHANTOM	15GCB201631112093	279,812	DIESEL	35 / 2	35'
29	1129	2003/2003	GILLIG	PHANTOM	15GCB201831112094	305,697	DIESEL	35 / 2	35'
30	1701	2002/2002	GILLIG	LOW FLOOR	15GGD211221073429	330,787	DIESEL	37 / 2	40'
31	1702	2002/2002	GILLIG	LOW FLOOR	15GGD211921073430	334,355	DIESEL	37 / 2	40'
32	1703	2002/2002	GILLIG	LOW FLOOR	15GGD211021073431	340,533	DIESEL	37 / 2	40'
33	1704	2002/2002	GILLIG	LOW FLOOR	15GGD211221073432	348,659	DIESEL	37 / 2	40'
34	1705	2002/2002	GILLIG	LOW FLOOR	15GGD211421073733	336,187	DIESEL	37 / 2	40'
35	1706	2002/2002	GILLIG	LOW FLOOR	15GGD211621073434	326,292	DIESEL	37 / 2	40'
36	1707	2002/2002	GILLIG	LOW FLOOR	15GGD211821073435	332,043	DIESEL	37 / 2	40'
37	1708	2002/2002	GILLIG	LOW FLOOR	15GGD211X21073436	339,214	DIESEL	37 / 2	40'
38	1709	2002/2002	GILLIG	LOW FLOOR	15GGD21121073437	322,326	DIESEL	37 / 2	40'
39	1710	2002/2002	GILLIG	LOW FLOOR	15GGD211321073438	337,206	DIESEL	37 / 2	40'
40	1711	2002/2002	GILLIG	LOW FLOOR	15GGD211521073439	329,109	DIESEL	37 / 2	40'
41	1712	2002/2002	GILLIG	LOW FLOOR	15GGD211121073440	337,885	DIESEL	37 / 2	40'
42	1713	2003/2003	GILLIG	LOW FLOOR	15GGD201531073301	256,634	DIESEL	36 / 2	40'
43	1714	2004/2003	GILLIG	LOW FLOOR	15GGD201731073302	275,625	DIESEL	36 / 2	40'
44	1715	2004/2003	GILLIG	LOW FLOOR	15GGD201741073303	284,030	DIESEL	36 / 2	40'
45	1716	2004/2003	GILLIG	LOW FLOOR	15GGD201941073304	278,579	DIESEL	36 / 2	40'
46	1717	2004/2003	GILLIG	LOW FLOOR	15GGD201041073305	257,578	DIESEL	36 / 2	40'
47	1718	2004/2003	GILLIG	LOW FLOOR	15GGD201241073306	281,076	DIESEL	36 / 2	40'
48	1719	2004/2003	GILLIG	LOW FLOOR	15GGD201441073307	254,817	DIESEL	36 / 2	40'
49	1720	2004/2003	GILLIG	LOW FLOOR	15GGD201641073308	229,873	DIESEL	36 / 2	40'
50	1721	2004/2003	GILLIG	LOW FLOOR	15GGD201841073309	272,483	DIESEL	36 / 2	40'
51	1722	2004/2003	GILLIG	LOW FLOOR	15GGD201441073310	266,271	DIESEL	36 / 2	40'
52	1723	2004/2003	GILLIG	LOW FLOOR	15GGD201641073311	264,142	DIESEL	36 / 2	40'
53	1724	2004/2003	GILLIG	LOW FLOOR	15GGD201841073312	258,261	DIESEL	36 / 2	40'
54	1725	2008/2008	GILLIG	LOW FLOOR	15GGD211371078288	108,094	DIESEL	37 / 2	40'
55	1726	2008/2008	GILLIG	LOW FLOOR	15GGD211171078287	102,286	DIESEL	37 / 2	40'
56	1727	2008/2008	GILLIG	LOW FLOOR	15GGD211371078288	106,089	DIESEL	37 / 2	40'
57	1728	2008/2008	GILLIG	LOW FLOOR	15GGD211571078289	108,327	DIESEL	37 / 2	40'
58	1729	2008/2008	GILLIG	LOW FLOOR	15GGD211X81078290	103,647	DIESEL	37 / 2	40'
59	1801	2002/2002	GILLIG	SUBURBAN	15GDD211121111705	502,842	DIESEL	39 / 2	40'
60	1802	2002/2002	GILLIG	SUBURBAN	15GDD211321111706	534,880	DIESEL	39 / 2	40'
61	1803	2002/2002	GILLIG	SUBURBAN	15GDD211521111707	512,695	DIESEL	39 / 2	40'
62	1804	2002/2002	GILLIG	SUBURBAN	15GDD211721111708	513,478	DIESEL	39 / 2	40'
63	1805	2003/2003	GILLIG	SUBURBAN	15GCD201131112075	462,030	DIESEL	39 / 2	40'
64	1806	2003/2003	GILLIG	SUBURBAN	15GCD201331112076	423,112	DIESEL	39 / 2	40'
65	1807	2003/2003	GILLIG	SUBURBAN	15GCD201531112077	437,218	DIESEL	39 / 2	40'
66	1808	2003/2003	GILLIG	SUBURBAN	15GCD201731112078	434,404	DIESEL	39 / 2	40'
67	2001	2007/2007	GILLIG	LOW FLOOR	15GGB211671078291	136,420	DIESEL	31 / 2	35'
68	2002	2007/2007	GILLIG	LOW FLOOR	15GGB211871078292	130,410	DIESEL	31 / 2	35'
69	2003	2007/2007	GILLIG	LOW FLOOR	15GGB211X71078293	127,490	DIESEL	31 / 2	35'
70	2004	2007/2007	GILLIG	LOW FLOOR	15GGB211171078294	137,261	DIESEL	31 / 2	35'
71	2005	2007/2007	GILLIG	LOW FLOOR	15GGB211371078295	132,296	DIESEL	31 / 2	35'
72	2006	2007/2007	GILLIG	LOW FLOOR	15GGB211571078296	138,848	DIESEL	31 / 2	35'
73	2007	2007/2007	GILLIG	LOW FLOOR	15GGB211771078297	133,356	DIESEL	31 / 2	35'
74	2008	2007/2007	GILLIG	LOW FLOOR	15GGB211071078298	130,662	DIESEL	31 / 2	35'
75	2009	2007/2007	GILLIG	LOW FLOOR	15GGB211071078299	141,120	DIESEL	31 / 2	35'
76	2010	2007/2007	GILLIG	LOW FLOOR	15GGB211371078300	141,924	DIESEL	31 / 2	35'
77	4501	2010/2009	MCI	COMMUTER	1M8PDMEA19P058992	69,684	DIESEL	57 / 2	45'
78	4502	2010/2009	MCI	COMMUTER	1M8PDMEA59P058994	71,213	DIESEL	57 / 2	45'
79	4503	2010/2010	MCI	COMMUTER	1M8PDMEA8AP059206	46,242	DIESEL	57 / 2	45'

Source: Monterey-Salinas Transit District

MONTEREY-SALINAS TRANSIT DISTRICT – TRIENNIAL PERFORMANCE AUDIT

Exhibit 6.4 Trolley/Mini Bus Fleet

	Vehicle Number	Make	Model	Year Aquired/ Model Year	Fuel Type	Seating: Passenger/WC	VIN	Mileage	Length
1	919	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S26DA85793	228,762	23'
2	920	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S46DA85794	237,453	23'
3	921	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S66DA85795	229,781	23'
4	922	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S86DA85796	206,460	23'
5	923	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S6DA85797	214,118	23'
6	924	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S16DA85798	253,279	23'
7	925	FORD	Aerotech LB	2006/2006	GAS	17/2	1FDXE45S36DA85799	219,589	23'
8	926	FORD	Aerotech LB	2007/2007	GAS	17/2	1FDXE45S47DB21114	204,358	23'
9	927	FORD	Aerotech LB	2007/2007	GAS	17/2	1FDXE45S67DB21115	213,129	23'
10	928	FORD	Aerotech LB	2007/2007	GAS	17/2	1FDXE45S87DB21116	210,264	23'
11	929	FORD	Aerotech LB	2007/2007	GAS	17/2	1FDXE45SX7DB21117	205,887	23'
12	930	FORD	Aerotech LB	2007/2007	GAS	17/2	1FDXE45S17DB21118	214,149	23'
13	931	FORD	Aerotech LB	2007/2008	GAS	17/2	1FD4E45S78DA39639	165,255	24'
14	932	FORD	Aerotech LB	2007/2008	GAS	17/2	1FD4E45S38DA39640	179,583	24'
15	933	FORD	Aerotech LB	2007/2008	GAS	17/2	1FD4E45S18DA35523	150,138	24'
16	934	FORD	StarcraftMB	2009/2009	GAS	18/2	1FD4E45S39D59686	79,474	24'
17	935	FORD	StarcraftMB	2009/2009	GAS	18/2	1FD4E45S59DA59687	87,249	24'
18	936	FORD	StarcraftMB	2009/2009	GAS	18/2	1FD4E45S690A59682	80,463	24'
19	937	FORD	Aerotech	2011/2011	GAS	18/2	1FD4E45S68DA19834	not yet in	24'
20	1901	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSS63W216271	52,862	29'
21	1902	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSS83W216272	68,203	29'
22	1903	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSSX3W216273	62,806	29'
23	1904	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSS13W216274	77,458	29'
24	1905	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSS33W216275	65,046	29'
25	1906	OPTIMA	TROLLEY	2003/2003	DIESEL	27/2	1Z9S2HSS53W216276	79,710	29'
26	1907 *	OPTIMA	TROLLEY	2010/2003	DIESEL	28/2	1Z9S2HSS43W216284	222,586	29'
27	1908 *	OPTIMA	TROLLEY	2010/2003	DIESEL	28/2	1Z9S2HSS63W216285	178,452	29'

Source: Monterey-Salinas Transit District

MONTEREY-SALINAS TRANSIT DISTRICT – TRIENNIAL PERFORMANCE AUDIT

Exhibit 6.5 Paratransit Fleet

	Vehicle Number	Make	Model	Year Aquired/ Model Year	Fuel Type	Seating: Passenger/WC	VIN	Mileage	Length
1	5032	FORD	AerotechMB	2001/2001	GAS	10/3	1FDXE45S41HA35690	360,049	23'
2	5033	FORD	AerotechMB	2001/2001	GAS	10/3	1FDXE45S61HA35691	364,130	23'
3	5034	FORD	AerotechMB	2005/2005	GAS	6/4	1FDXE45S65HA65974	254,810	23'
4	5035	FORD	AerotechMB	2005/2005	GAS	6-4	1FDXE45S85HA65975	266,818	23'
5	5036	FORD	AerotechMB	2005/2005	GAS	6-4	1FDXE45S5K5HA65976	275,487	23'
6	5038	FORD	AerotechMB	2005/2005	GAS	6-4	1FDXE45S35HA65978	235,023	23'
7	5039	FORD	AerotechMB	2006/2006	GAS	6-4	1FDXE45S86DA72417	235,461	23'
8	5040	FORD	AerotechMB	2006/2006	GAS	6-4	1FDXE45S86DA72418	217,782	23'
9	5041	FORD	AerotechMB	2006/2006	GAS	6-4	1FDXE45S16DA72419	212,052	23'
10	5042	FORD	StarcraftMB	2007/2007	GAS	6-4	1FDXE45S27DA59194	176,674	23'
11	5043	FORD	StarcraftMB	2007/2007	GAS	6-4	1FDXE45S47DA59195	181,187	23'
12	5044	FORD	StarcraftMB	2007/2007	GAS	6-4	1FDXE45S7DA59198	185,189	23'
13	5045	FORD	StarcraftMB	2007/2007	GAS	6-4	1FDXE45S57DA59206	165,640	23'
14	5046	FORD	StarcraftMB	2007/2007	GAS	6-4	1FDXE45S87DA61208	162,508	23'
15	5401	FORD	StarcraftMB	2010/2010	GAS	6-4	08959	29,474	24'
16	5402	FORD	StarcraftMB	2010/2010	GAS	6-4	08961	38,139	24'
17	5403	FORD	StarcraftMB	2010/2010	GAS	6-4	08962	26,566	24'
18	5404	FORD	StarcraftMB	2010/2010	GAS	6-4	08963	28,653	24'
19	5405	FORD	StarcraftMB	2010/2010	GAS	6-4	08965	27,288	24'
20	5406	FORD	StarcraftMB	2010/2010	GAS	6-4	09813	22,591	24'
21	5407	FORD	StarcraftMB	2010/2010	GAS	6-4	09819	27,987	24'
22	9001	FORD	AerotechMB	2008/2008	GAS	6-4	35528	162,065	24'
23	9002	FORD	StarcraftMB	2008/2008	GAS	6-4	52028	125,394	24'
24	9003	FORD	StarcraftMB	2008/2008	GAS	6-4	52065	149,983	24'
25	9004	FORD	StarcraftMB	2008/2008	GAS	6-4	46317	113,117	24'
26	9005	FORD	StarcraftMB	2008/2008	GAS	6-4	46318	115,291	24'
27	9006	FORD	StarcraftMB	2008/2008	GAS	6-4	52035	102,451	24'
28	9007	FORD	StarcraftMB	2008/2008	GAS	6-4	46320	103,160	24'
29	9008	FORD	StarcraftMB	2008/2008	GAS	6-4	46321	120,376	24'
30	9009	FORD	StarcraftMB	2008/2008	GAS	6-4	52063	133,245	24'

Source: Monterey-Salinas Transit District

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7. FINDINGS AND
RECOMMENDATIONS

CHAPTER 7 – FINDINGS AND RECOMMENDATIONS

Following discussions with Monterey-Salinas Transit District staff, analysis of program performance, and a review of program compliance and function, Moore & Associates has identified the following findings:

1. One Comprehensive Annual Financial Report was not submitted to the State Controller within the TDA-required 180-day window.
2. MST’s calculation methodology does not comply with PUC guidelines in that it reflects a “head count” versus the total number of hours worked by employees divided by 2,000.

The following recommendations apply to the Monterey-Salinas Transit District:

Recommendation 1: *Ensure fiscal audits are submitted on time.*

Discussion: Public Utilities Code Section 99245 requires transit operators in receipt of TDA Article 4 funds to submit annual fiscal and compliance audits to its RTPA and State Controller within 180 days following the end of the fiscal year, or has received the appropriate 90-day extension. MST submitted fiscal audits late (i.e., beyond the 180-day window) for each of the three years covered by this audit.

Recommended Action(s): Future independent audits must be submitted within 180 days of the end of the respective fiscal year. We recommend the District ensure data are available to the auditor soon following the end of each fiscal year. We also recommend the District include in its contracts with the auditor a deadline for delivery that ensures the operator can submit the fiscal audit reports in a timely manner (i.e., within 180 days of the end of the fiscal year).

Timeline: The District should begin submitting fiscal audits on-time beginning with the audit of its FY 2010/11 figures.

Anticipated Cost: Negligible.

Recommendation 2: *Begin reporting FTEs according to PUC guidelines.*

Discussion: This recommendation is carried forward from the prior audit. Public Utilities Code Section 99247(j) defines full-time equivalents as follows:

...the number of employees employed in connection with the public transportation system, based on the assumption that 2,000 person-hours of work in one year constitute one employee. The count of employees shall also include those individuals employed by the operator, which provide services to the agency of the operator responsible for the

operation of the public transportation system even though not employed in that agency.

During the audit period, MST utilized a “head count” of total employees to calculate Full-Time Equivalents. While this is understandable given MST’s lack of part-time employees, it does not comply with TDA regulations.

Recommended Action(s): Future Transit Operator Financial Transaction Reports submitted to the State Controller should reflect the correct calculation methodology (i.e., total number of hours worked by agency/operations contractor staff divided by 2,000).

Timeline: The District should begin submitting Transit Operator Financial Transaction Reports submitted to the State Controller with the correct FTE calculation in FY 2010/11.

Anticipated Cost: Negligible.

Exhibit 7.1 Recommendations

Recommendation	Importance	Timeline
1 Ensure fiscal audits are submitted on time.	High	CY 2011
2 Begin reporting FTEs according to PUC guidelines.	Medium	CY 2011