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CITY COUNCIL MEETING

AUGUST 3, 1983

LODI DIAL-A- Council received for filing Performance Audit of the Lodi  
RIDE PERFORMANCE Dial-A-Ride by the Division of Local Government Fiscal  
AUDIT RECEIVED Affairs, Bureau of Streets and Roads.  
FOR FILING

PERFORMANCE ANALYSIS OF THE  
LOCAL DEAL-A-RIDE

PERFORMANCE AUDIT OF THE  
LODI DIAL-A-RIDE

KENNETH CORY  
STATE CONTROLLER  
DIVISION OF LOCAL GOVERNMENT FISCAL AFFAIRS  
BUREAU OF STREETS AND ROADS

Audit Manager ..... Kerry McClelland

Audit Supervisor .... David Elledge  
(916) 322-4637

Auditor ..... Ray Black



KENNETH CORY

*Controller of the State of California*

SACRAMENTO, CALIFORNIA 95805

January 20, 1983

San Joaquin County Council  
of Governments  
Stockton, California

Dear Council Members:

The purpose of this audit of the Lodi Dial-A-Ride is to provide an independent evaluation of its overall performance. The audit is intended to determine where performance is good and where the need for improvements in performance may be indicated.

The audit is made in accordance with the "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions" issued by the Comptroller General of the United States and the requirements of California Public Utilities Code Section 99246 which requires a triennial performance audit. This audit is for the Fiscal Year 1981/82.

The purpose of a "performance" audit is to determine compliance with laws and regulations that could significantly affect the acquisition, management and utilization of the resources of the Lodi Dial-A-Ride (economy and efficiency) and to determine whether programs are being carried out in conformity with laws and regulations (program results).

The objective of the economy and efficiency portion of the audit is to consider whether, in carrying out its responsibilities, Lodi Dial-A-Ride is giving due consideration to conservation of its resources and minimum expenditure of effort. The objective of the program results portion is to consider whether the programs or activities are meeting established objectives, the adequacy of systems for measuring effectiveness and to identify factors inhibiting satisfactory performance.

The audit is based on the State of California Transit Performance Audit Guide and involved:

1. Reviewing the process of establishing goals and objectives.
2. Determining goals and objectives and how well they are documented and communicated.
3. Evaluating performance relative to those goals and objectives.
4. Verification of performance indicators.

Performance was evaluated based on interviews with management, policymakers and employees, an analysis of key documents and diagnostic indicators.

A part of the audit involved the identification, review and evaluation of internal administrative controls in effect. Administrative controls include the organization plan and the procedures concerned with operational efficiency and adherence to managerial policies. Comments relating to weaknesses, if any exist, are contained in the body of the report.

The report is organized into three parts. The first part is the findings regarding performance and programs and policies affecting performance including those areas where performance appeared acceptable. The second part is our conclusions and recommendations for improving performance. The third part is a tabulation of systemwide performance indicators for the year under audit.

FINDINGS

In the 1981/82 Fiscal Year the City of Lodi became a municipal operator as defined under Section 99209 and received Local Transportation and State Transit Assistance Funds for the operation of their transit system. A portion of the State Transit Assistance Funds claimed were for the purchase of equipment and were used to procure six brand new 1982 Chevy Station Wagons to meet the transit needs of the City of Lodi. The fleet is maintained by the City and operated by City Cab Company. The operation is a demand-response City subsidized taxi service. The hours of operation are from 7:00 a.m. to 7:00 p.m. Monday through Friday, excluding holidays. Senior citizens or handicapped individuals may ride for 50¢, all other residents may ride for \$2.00.

In evaluating performance in relation to the diagnostic indicators provided by the City of Lodi no trend extension analysis was performed due to the short time the City has been a municipal operator. In order to determine where performance was good and where the needs for improvement are, certain diagnostic indicators are critical to assess the economy and efficiency of a transit operation. There are five performance indicators required by the Transportation Development Act, Public Utilities Code Section 99246(c), and eleven additional measures of performance recommended by the transit performance guide. The City of Lodi did not have the information readily available to assess performance in all the various functional areas.

The critical indicator missing was vehicle service hours which is necessary to compute three of the five required indicators. The additional performance indicators not calculated by the City which would aid in assessing performance are employee pay hours, mechanic pay hours, revenue vehicle hours, percentage of trips on time, missed trips, mechanical failures and vehicle service miles.

The operating costs per passenger were available and when compared to similar systems performance figures the analysis showed the operating cost per passenger was reasonable.

The measurement of performance requires a standard to judge improvements, service provided, economy, and efficiency. These standards are usually in the form of goals and objectives. The Lodi Dial-A-Ride system does not have specific goals against which to measure the items mentioned above. They do have general goals such as meeting the transportation needs of the residents of Lodi and providing a quality Dial-A-Ride System with a minimum response time.

The final area of concern is the lack of a formal Transportation Development Plan for the City of Lodi providing for orderly development and integration with the County of San Joaquin. This is needed to coordinate the expansion and development of transit services within the incorporated area of Lodi and the County of San Joaquin.

#### CONCLUSION

The Lodi Dial-A-Ride System is meeting the needs of the citizens of Lodi and the vehicles are maintained and operated in an excellent manner. The following is presented as high level management recommendations.

#### RECOMMENDATIONS

We recommend the development of a formal Transportation Development Plan incorporating statements of policies, goals, and objectives which also include coordination with the County Transportation Development Plan.

We recommend the implementation of monthly management reports encompassing the following statistics:

RIDERSHIP

1. Fares
2. Total Passengers
3. Valid Complaints

PRODUCTIVITY

1. Revenue Vehicle Miles
2. Revenue Service Hours
3. Employer Pay Hours
4. Operator Pay Hours
5. Mechanic Pay Hours

EFFECTIVENESS

1. Cost Per Mile

2. Cost Per Passenger
3. Total Operating Costs
4. Total Maintenance Costs
5. Total Transportation Costs
6. Total Administration Costs

The preceding statistics should include figures which show activity for the current month, this month last year, current year to date, and year to date last year. These reports should be submitted to the Productivity Committee for evaluation on a timely basis.

Cordially,

KENNETH CORY, STATE CONTROLLER  
Earl L. Lucas  
Assistant Deputy State Controller  
Local Government

By



Donald E. Etzler, Chief  
Bureau of Streets and Roads  
(916) 322-5613

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LODI AREA DIAL-A-RIDE  
REQUIRED PERFORMANCE MEASURES



	<u>1981/82</u>
Operating Cost Per Passenger	2.97
Operating Cost Per Vehicle Service Hour	N/A
Passengers Per Vehicle Service Mile	.93
Vehicle Service Hours Per Employee	N/A
Passengers Per Vehicle Service Hour	N/A

N/A = Information was not available to determine this performance measure.

The preceding tabulation is for information only and the indicators accuracy could not be readily verified.