



Fresno Council of Governments

Triennial Performance Audit of the City of Clovis FY 2018/19 - FY 2020/21

FINAL REPORT
MAY 2022



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Chapter 1 | Executive Summary

In 2021, the Fresno Council of Governments (Fresno COG) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the four transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. While not statutorily required, audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Clovis as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the City of Clovis' public transit program for the period:

- Fiscal Year 2018/19,
- Fiscal Year 2019/20, and
- Fiscal Year 2020/21.

The City of Clovis operates Stageline, a fixed-route service featuring four routes. Service is provided weekdays from 6:15 a.m. through 6:30 p.m. along with limited Saturday service. The service does not operate on Sunday or designated holidays.

The City of Clovis also operates Round Up, a curb-to-curb, on-demand service available to qualifying persons with disabilities. The service operates within Clovis, Fresno, and nearby areas. Trips are provided on a first-come, first-served basis. Requests for service require a one-day advance notice prior to pick-up. Round Up service hours are weekdays from 6:15 a.m. through 7:15 p.m., and weekends from 7:30 a.m. through 3:30 p.m. Round Up weekend service is limited to trips within Clovis only. Weekday service to Fresno is available from 7:00 a.m. to 5:00 pm.

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

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

The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Prior recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

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

1. In FY 2018/19, FY 2019/20, and FY 2020/21, TDA fiscal audits were not submitted within the extended timeframe.
2. The City did not demonstrate use of the TDA definition for reporting full-time equivalent (FTE) employees.

Status of Prior Recommendations

The prior audit – completed in June 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included two recommendations:

1. [Ensure all future State Controller Reports are submitted on time.](#)
Status: Implemented.
2. [Establish a formal travel training program in conjunction with the opening of the new transit hub.](#)
Status: Implementation in progress.

Findings and Recommendations

Based on discussions with the City of Clovis staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance findings.

The audit team has identified no functional findings.

In completing this Triennial Performance Audit, the audit team submits the following recommendations for the City of Clovis' public transit program. They have been divided into two categories: TDA Program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the triennial audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

	TDA Compliance Recommendations	Importance	Timeline
1	Work with TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31 following the end of the fiscal year.	High	Ongoing
2	Ensure the TDA definition of full-time equivalent (FTE) employees is used for reporting to the State Controller.	Medium	FY 2021/22

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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Clovis' public transit program covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2021, the Fresno Council of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the four transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the City of Clovis as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

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

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

Objectives

A Triennial Performance Audit (TPA) has four primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Evaluate the efficiency and effectiveness of the transit operator; and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.

Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the City of Clovis included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. A review of the status of recommendations included in the prior Triennial Performance Audit.
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. Comparison of data reporting practices:
 - Internal reports,
 - State Controller Reports, and
 - National Transit Database.
5. Examination of the following functions:
 - General management and organization;
 - Service planning;
 - Scheduling, dispatching, and operations;
 - Personnel management and training;
 - Administration;
 - Marketing and public information; and
 - Fleet maintenance.
6. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

Methodology

The methodology for the Triennial Performance Audit of the City of Clovis included thorough review of documents relevant to the scope of the audit, as well as information contained on the City's website. The documents reviewed included the following (spanning the full three-year period):

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- Transit marketing collateral;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms;
- California Highway Patrol Terminal Inspection reports;

- Accident/road call logs; and
- Organizational chart.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with City of Clovis representatives on November 17, 2021. The audit team met with Amy Hance (General Services Manager), Bethany Berube (Transit Supervisor), Nick Chin (Operations Management Analyst), and Susanna Herrera (Management Analyst); and reviewed materials germane to the triennial audit.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Status of prior recommendations,
 - Consistency among reported data,
 - Performance measures and trends,
 - Functional audit, and
 - Findings and recommendations.

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Chapter 3 | Program Compliance

This section examines the City of Clovis' compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The City considers full use of funds under California Code of Regulations (CCR) 6754(a) as referring to operating funds but not capital funds. The TPA findings and related comments are delineated in Exhibit 3.1.

Status of compliance items was determined through discussions with City staff as well as an inspection of relevant documents including the fiscal audits for each year of the triennium, State Controller annual filings, California Highway Patrol terminal inspections, National Transit Database reports, year-end performance reports, and other compliance-related documentation.

Two compliance findings were identified for the City of Clovis:

1. In FY 2018/19, FY 2019/20, and FY 2020/21, TDA fiscal audits were not submitted within the extended timeframe.
2. The City did not demonstrate use of the TDA definition for reporting full-time equivalent (FTE) employees.

Developments Occurring During the Audit Period

The last half of the audit period is markedly different from the first half. The impacts of the ongoing COVID-19 pandemic resulted in significant declines in ridership and revenue. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, most transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, the Triennial Performance Audits will provide an assessment not only of how COVID-19 impacted each organization, but how they responded to the crisis.

In addition to the COVID-19 pandemic, recent and proposed changes to the TDA may result in audit reports that look somewhat different than in prior years. In the nearly 50 years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California's state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The draft framework maintains the farebox recovery ratio requirement, but eliminates financial penalties and allows more flexibility with respect to individual operator targets. These changes have yet to be implemented.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. While the ability to maintain state mandates and performance

measures is important, AB 90 offered much-needed relief from these requirements for these years impacted by the COVID-19 pandemic while TDA reform continues to be discussed.

AB 90 included the following provisions specific to transit operator funding through the TDA:

1. It prohibited the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost during FY 2019/20 or FY 2020/21.
2. It required the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22 based on the same individual operator ratios published by the Controller in a specified transmittal memo, and authorized the Controller to revise that transmittal memo, as specified. It required the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the Controller would publish the amount of funding allocated to each operator.
3. It exempted an operator from having to meet either of the STA efficiency standards for FY 2020/21 and FY 2021/22 and authorized the operator to use those funds for operating or capital purposes during that period.
4. It required the Controller to allocate State of Good Repair (SOGR) program funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.
5. It required the Controller to allocate Low Carbon Transit Operations Program (LCTOP) funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief with respect to Transportation Development Act (TDA) compliance. It extended the provisions of AB 90 through FY 2022/23 as well as provided additional regulatory relief including:

1. Waiving the annual productivity improvement requirement of Section 99244 through FY 2022/23.
2. Adding a temporary provision exempting operators from farebox recovery ratio requirements provided they expend at least the same amount of local funds as in FY 2018/19.
3. Expanding the definition of “local funds” to enable the use of federal funding, such as the CARES Act (or CRRSAA), to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
4. Adjusting the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
5. Allowing operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

AB 149 also called for an examination of the triennial performance audit process, to ensure the practice continues to be effective and beneficial.

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	In compliance	FY 2018/19: January 14, 2020 FY 2019/20: December 7, 2020 FY 2020/21: January 28, 2022
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	Finding	FY 2018/19: May 6, 2020 FY 2019/20: March 9, 2022 FY 2020/21: <i>Pending</i>
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	November 6, 2017 October 2, 2018 October 29, 2019 November 6, 2020
Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	The City does not use Article 8(c) funds for transit.
An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99405	Not applicable	The City does not use Article 8(c) funds for transit.
The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	In compliance	FY 2018/19: +11.33% FY 2019/20: +3.30% FY 2020/21: -9.88%
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	Finding	The City did not demonstrate use of the TDA definition for full-time equivalent (FTE) employees.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	In compliance	FY 2018/19: 20.00% FY 2019/20: 4.88% FY 2020/21: 1.38% <i>Penalties waived for FY 2020 and FY 2021 due to AB 90 and AB 149.</i>

Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	In compliance	FY 2018/19: 10.00% FY 2019/20: 2.13% FY 2020/21: 0.00% <i>Penalties waived for FY 2020 and FY 2021 due to AB 90 and AB 149.</i>
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	In compliance	City staff's retirement is funded through the California Public Employees Retirement System (CalPERS).
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	In compliance	
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	In compliance	In FY 2019 and FY 2020, all STA funds were claimed for capital purposes. For FY 2021, the eligibility requirement was waived under AB 90 and AB 149.
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	

Chapter 4 | Prior Recommendations

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

The prior audit – completed in June 2019 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2018 – included two recommendations:

1. [Ensure all future State Controller Reports are submitted on time.](#)

Discussion: In FY 2015/16, the City’s State Controller Report was submitted on October 26, 2016, more than one week after the stipulated deadline. During FY 2015/16, the City’s Finance department experienced the unexpected death of one of its personnel. The unexpected change in personnel resulted in delays to several job duties, including the filing of that year’s State Controller Report.

The auditor recommended all employees involved in the preparation of the State Controller Reports should be aware of the January 31 deadline and strive to complete and submit the report on time each year. Given subsequent reports have been submitted on time according to the new deadline, and that the circumstances resulting in the delay in FY 2015/16 are unlikely to reoccur, there is likely no further action required.

Progress: During this audit period, all State Controller Reports were submitted prior to the established deadline.

Status: Implemented.

2. [Establish a formal travel training program in conjunction with the opening of the new transit hub.](#)

Discussion: The two prior performance audits recommended the City establish a formal travel training program. The program would not only facilitate easier travel on the fixed-route service, but sessions would be held at the transit hub. The recommendation included in the prior audit was deemed “not relevant at this time.” The primary reason is that construction of the City’s new transit hub was delayed. It is not expected to be completed until FY 2020/21. Since it is expected the transit hub will be completed during the upcoming audit period, this recommendation is being carried forward even though it was deemed “not relevant” during the current audit period.

Implementation of this recommendation has been contingent on the completion of the new transit hub, which was not achieved during the audit period. It was not feasible to implement this recommendation during the audit period.

The auditor recommended the City should develop a formal travel training program for implementation once the transit hub is completed. Once a firm completion date is identified, the program should be funded for that fiscal year and beyond. The goal of the program should be to offer training to persons with disabilities, seniors, and others who need assistance in navigating the fixed-route system.

Progress: While no formal travel training program was implemented, the City did prepare a travel training video showing viewers how to ride the bus. The video was promoted via social media and was also provided to the Adult School in conjunction with the school's teacher that does travel training. The video is nearly 20 minutes long with a portrait orientation. The City may wish to consider supplementing the video with shorter videos (30 seconds) specific to individual topics to make the content more user-friendly, as well as use a landscape orientation so the videos are easier to watch.

Status: Implementation in progress.

Chapter 5 | Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data are consistent can be challenging given the differing definitions employed by different agencies as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported by the City of Clovis both internally as well as to outside entities during the audit period.

- **Operating cost:** In FY 2018/19, data reported in the TDA fiscal audit and to the State Controller were typically consistent, but higher than that reported on the monthly performance reports. This resulted in a variance of approximately nine percent. In FY 2019/20, the amounts were more varied, with a 14 percent difference between the highest (reported to the State Controller) and the lowest (reported in the TDA fiscal audit). Unfortunately, the accountant who was assigned to transit during the audit period is no longer with the City, so determining the cause of these variances is difficult. The City believes the variance between external reports is due to the lag between the completion of the State Controller Report and the completion of the TDA fiscal audit (which was well after the State Controller Report was submitted).
- **Fare Revenue:** Fare revenue as reported in the monthly performance reports and to the State Controller was fairly consistent in both FY 2018/19 and FY 2019/20. However, that reported in the TDA fiscal audit was significantly higher each year. It is possible additional funds (beyond farebox revenues) were included in the amount for the TDA fiscal audit. The service went permanently fare-free in FY 2020/21, so the fares were appropriately reported as zero. In future years (once the penalty waiver from AB 149 expires), fares will be replaced by Measure C funds.
- **Vehicle Service Hours (VSH):** Vehicle service hours were generally reported consistently with respect to the demand response system. However, in FY 2019/20 fixed-route VSH reported to the State Controller was identical to the vehicle service miles reported to the State Controller. This discrepancy resulted in a variance of 451 percent between the State Controller report and what appeared on the monthly performance report. (The number of hours reported on the monthly performance reports was used for the fixed-route performance analysis in Chapter 6 so as not to skew the data.) The City intends to file a corrective report with the State Controller's Office to acknowledge the error and provide the correct information.
- **Vehicle Service Miles (VSM):** Vehicle service miles is generally reported consistently between the monthly performance reports and the State Controller reports. At the time of this writing, the State Controller report for FY 2018/19 contained information for demand response only, therefore we were unable to determine if the fixed route data was reported consistently.

- **Passengers:** Passenger data is generally reported consistently between the monthly performance reports and the State Controller reports. At the time of this writing, the State Controller report for FY 2018/19 contained information for demand response only, therefore we were unable to determine if the fixed route data was reported consistently.
- **Full-Time Equivalent (FTE) Employees:** It was unclear from the data provided whether the City is using the TDA definition of FTE in calculating employees for reporting to the State Controller.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)			
<i>TDA fiscal audit</i>	\$6,383,158	\$5,765,066	<i>Pending</i>
<i>Monthly Performance Reports</i>	\$6,042,967	\$6,035,257	\$6,262,860
<i>State Controller Report</i>	\$6,280,757	\$6,585,226	\$6,384,828
Fare Revenue (Actual \$)			
<i>TDA fiscal audit</i>	\$191,115	\$155,027	<i>Pending</i>
<i>Monthly Performance Reports</i>	\$162,575	\$142,508	\$0
<i>State Controller Report</i>	\$167,322	\$141,204	-\$38,943
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	53,154	47,921	43,654
<i>State Controller Report</i>	51,728	264,160	43,145
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	630,101	581,733	491,009
<i>State Controller Report</i>	630,101	581,733	488,928
Passengers			
<i>Monthly Performance Reports</i>	169,863	162,862	88,660
<i>State Controller Report</i>	169,863	162,862	88,660
Full-Time Equivalent Employees			
<i>State Controller Report</i>	24	33	33
<i>Per TDA methodology</i>	<i>Not provided</i>	<i>Not provided</i>	<i>Not provided</i>

Chapter 6 | Performance Analysis

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

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

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

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

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

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

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667¹. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period²:

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

² Given the passage of AB 149, the list of excluded costs will be expanded beginning with FY 2021/22.

- 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.³ For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

Passenger Counts

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

Employees

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

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

³ A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.

TDA Required Indicators

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

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via State Controller Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the City's audited financial reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses. However, the significant variance between reports called into question which one accurately reflects the costs for the City's transit services.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via State Controller Reports for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. The City's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via State Controller Reports for each fiscal year covered by this audit. The City's calculation methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via State Controller Reports for each fiscal year covered by this audit. The City's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from State Controller Reports for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation could not be confirmed.

System Performance Trends

System-wide, operating cost experienced a net 1.7 percent increase during the audit period, and a 32.9 percent net increase across the six-year period. Fare revenue decreased each year before the City went fare-free in FY 2020/21.

Vehicle Service Hours (VSH) decreased every year, with the exception of a 4.9 percent increase in FY 2018/19. VSH saw a net 18.3 percent decrease over the six-year period, with most of that occurring in FY 2019/20 and FY 2020/21. A similar pattern was observed with respect to Vehicle Service Miles (VSM), which had a net 25.6 percent decrease over the six-year period. Ridership decreased every year, though these declines were greatest during the audit period. Overall, ridership experienced a net decrease of 47.8 percent during the audit period, and 58.8 percent across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-related metrics and decreases in cost-related metrics. Operating cost per vehicle service hour, vehicle service mile, and passenger all increased significantly during the audit period, reflective of a decline in efficiency. Productivity also declined significantly, as passengers per VSH and VSM both decreased during the audit period. Neither change is surprising, given the impact of the COVID-19 pandemic on transit operations and ridership.



Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)	\$4,803,008	\$4,953,117	\$5,647,660	\$6,280,757	\$6,585,226	\$6,384,828
<i>Annual Change</i>		3.1%	14.0%	11.2%	4.8%	-3.0%
Fare Revenue (Actual \$)	\$198,135	\$197,491	\$183,875	\$167,322	\$141,204	\$0
<i>Annual Change</i>		-0.3%	-6.9%	-9.0%	-15.6%	-100.0%
Vehicle Service Hours (VSH)	52,780	51,994	49,332	51,728	47,921	43,145
<i>Annual Change</i>		-1.5%	-5.1%	4.9%	-7.4%	-10.0%
Vehicle Service Miles (VSM)	656,891	628,759	602,562	630,101	581,733	488,928
<i>Annual Change</i>		-4.3%	-4.2%	4.6%	-7.7%	-16.0%
Passengers	215,143	187,833	182,576	169,863	162,862	88,660
<i>Annual Change</i>		-12.7%	-2.8%	-7.0%	-4.1%	-45.6%
Employees	37	23	29	24	33	33
<i>Annual Change</i>		-37.8%	26.1%	-17.2%	37.5%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$91.00	\$95.26	\$114.48	\$121.42	\$137.42	\$147.99
<i>Annual Change</i>		4.7%	20.2%	6.1%	13.2%	7.7%
Operating Cost/Passenger (Actual \$)	\$22.32	\$26.37	\$30.93	\$36.98	\$40.43	\$72.01
<i>Annual Change</i>		18.1%	17.3%	19.5%	9.4%	78.1%
Passengers/VSH	4.08	3.61	3.70	3.28	3.40	2.05
<i>Annual Change</i>		-11.4%	2.4%	-11.3%	3.5%	-39.5%
Passengers/VSM	0.33	0.30	0.30	0.27	0.28	0.18
<i>Annual Change</i>		-8.8%	1.4%	-11.0%	3.9%	-35.2%
Farebox Recovery	4.1%	4.0%	3.3%	2.7%	2.1%	0.0%
<i>Annual Change</i>		-3.3%	-18.3%	-18.2%	-19.5%	-100.0%
Hours/Employee	1,426.49	2,260.61	1,701.10	2,155.33	1,452.15	1,307.42
<i>Annual Change</i>		58.5%	-24.8%	26.7%	-32.6%	-10.0%
TDA Non-Required Indicators						
Operating Cost/VSM	\$7.31	\$7.88	\$9.37	\$9.97	\$11.32	\$13.06
<i>Annual Change</i>		7.7%	19.0%	6.3%	13.6%	15.4%
VSM/VSH	12.45	12.09	12.21	12.18	12.14	11.33
<i>Annual Change</i>		-2.8%	1.0%	-0.3%	-0.3%	-6.6%
Fare/Passenger	\$0.92	\$1.05	\$1.01	\$0.99	\$0.87	\$0.00
<i>Annual Change</i>		14.2%	-4.2%	-2.2%	-12.0%	-100.0%

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
FY 2018/19 – FY 2020/21 data from State Controller reports.



Exhibit 6.2 System Ridership

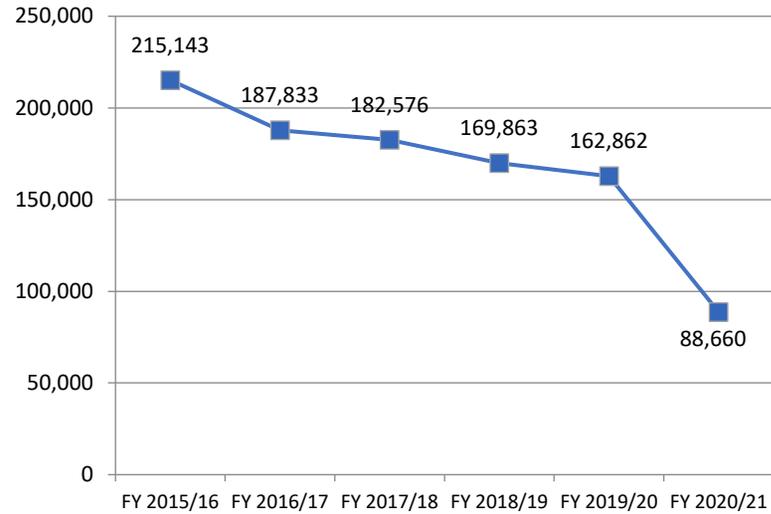


Exhibit 6.3 System Operating Cost/VSH

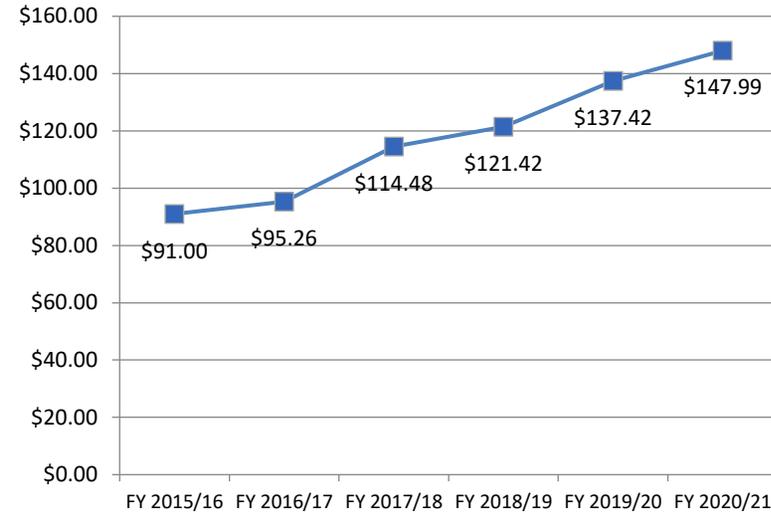


Exhibit 6.4 System Operating Cost/VSM

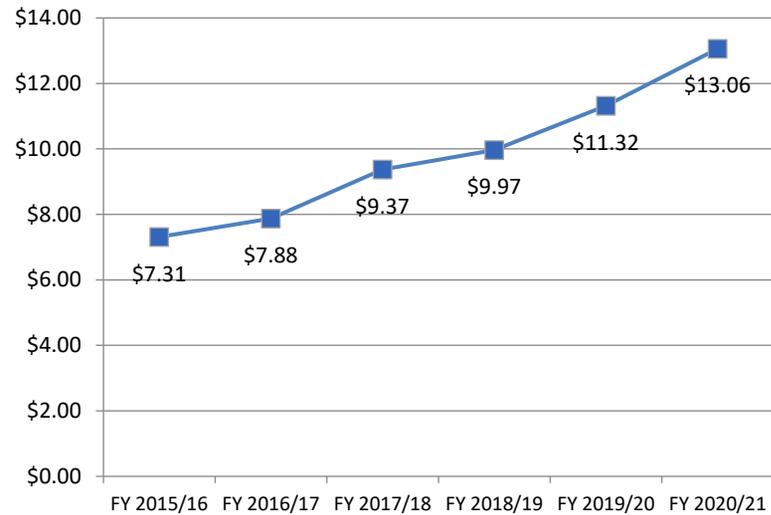


Exhibit 6.5 System VSM/VSH

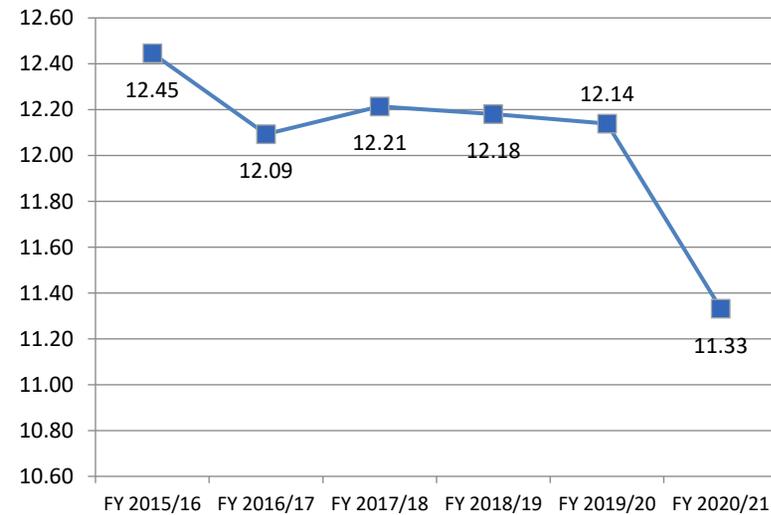




Exhibit 6.6 System Operating Cost/Passenger

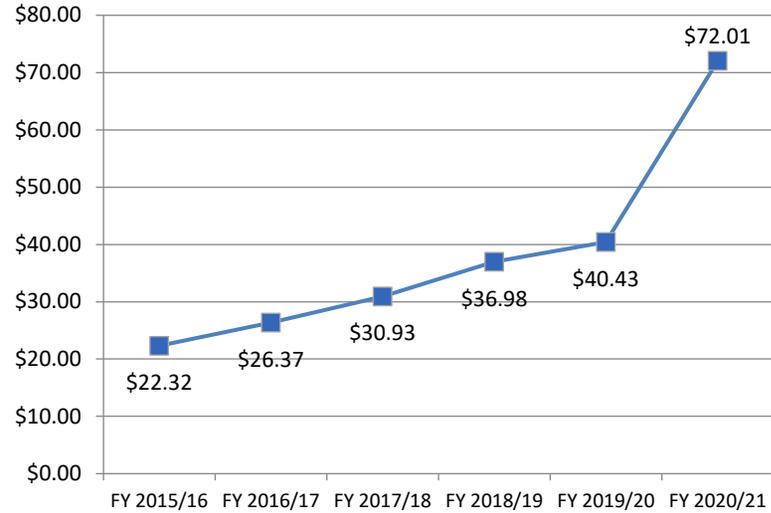


Exhibit 6.7 System Passengers/VSH

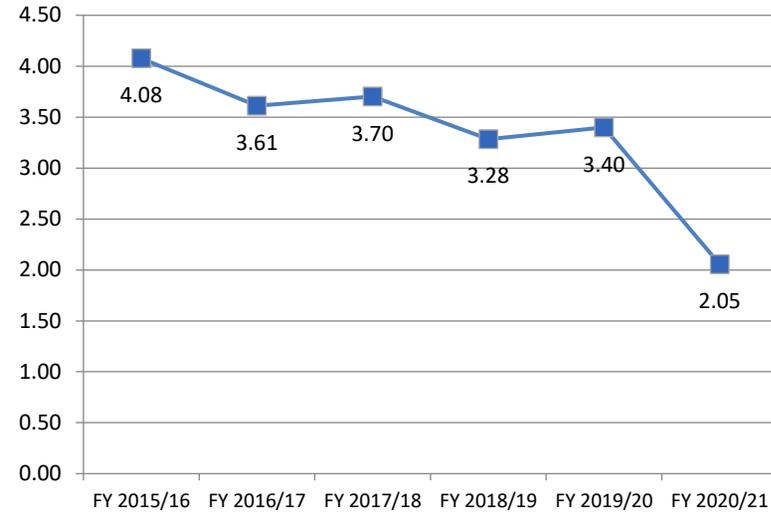


Exhibit 6.8 System Passengers/VSM

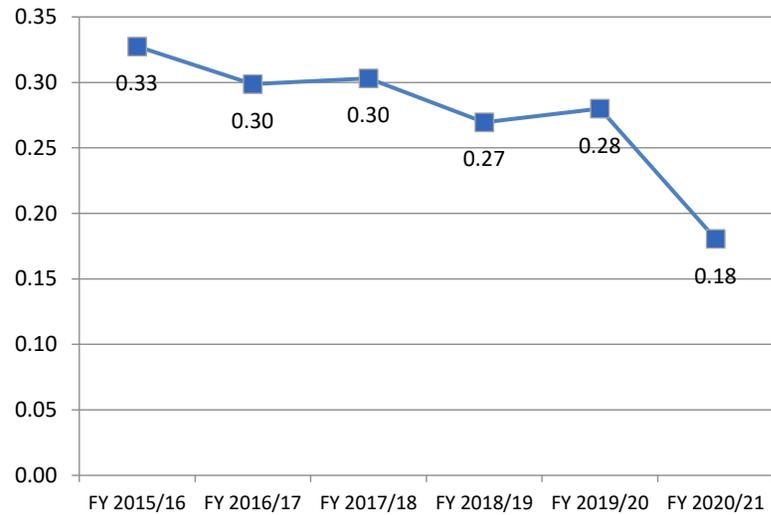


Exhibit 6.9 System VSH/FTE

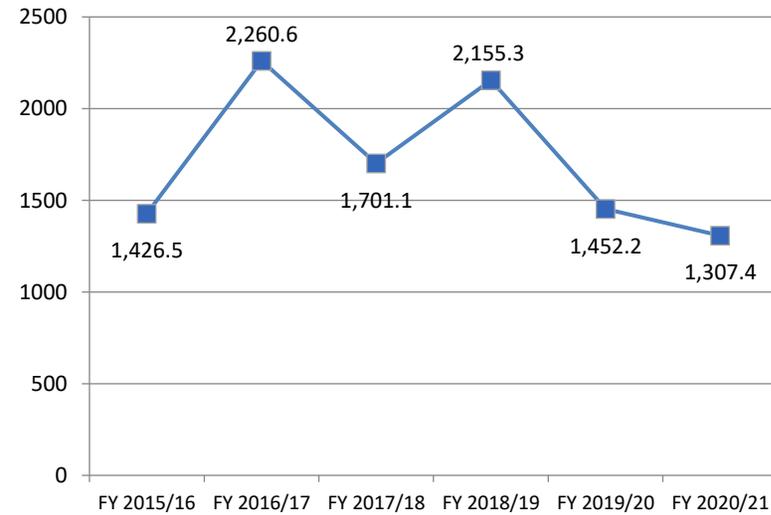




Exhibit 6.10 System Farebox Recovery

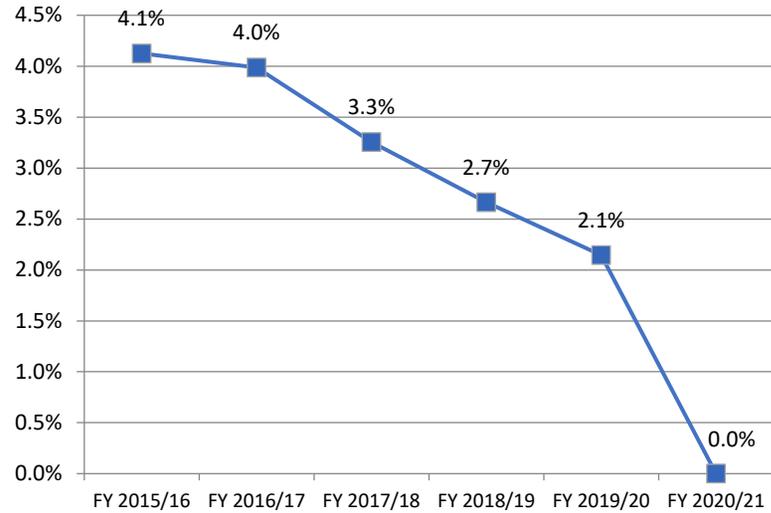
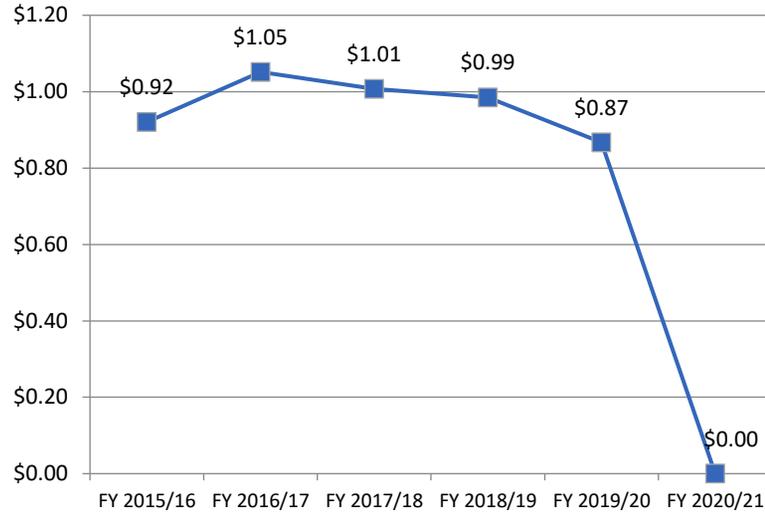


Exhibit 6.11 System Fare/Passenger



Fixed-Route Performance Trends

Fixed-route operating cost experienced a net 9.7 percent increase during the audit period, though increased less than five percent during each of the last two years of the audit period. Fare revenue steadily decreased every year until the system went fare free in FY 2020/21.

Vehicle Service Hours (VSH) fluctuated throughout the six-year period. VSH saw a net 1.0 percent decrease over the six-year period, while the audit period saw a net 2.8 percent increase. Vehicle Service Miles (VSM) decreased every year with the exception of a 9.9 percent increase in FY 2020/21. Ridership also followed a similar pattern as VSM, though with a much greater decrease during the audit period and without increasing in FY 2020/21. Overall, ridership decreased 52.8 percent during the audit period, and 64.3 percent across the six-year period.

Operating cost per vehicle service hour, vehicle service mile, and passenger all increased significantly during the audit period, reflective of a decline in efficiency. Productivity also declined significantly, as passengers per VSH and VSM both decreased by more than 50 percent during the audit period. Neither change is surprising, given the impact of the ongoing COVID-19 pandemic on transit ridership.



Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)	\$2,514,375	\$2,217,624	\$2,568,540	\$2,860,566	\$2,993,498	\$3,137,153
<i>Annual Change</i>		-11.8%	15.8%	11.4%	4.6%	4.8%
Fare Revenue (Actual \$)	\$110,768	\$103,217	\$91,965	\$78,504	\$70,662	\$0
<i>Annual Change</i>		-6.8%	-10.9%	-14.6%	-10.0%	-100.0%
Vehicle Service Hours (VSH)	21,193	21,401	21,292	20,415	19,473	20,979
<i>Annual Change</i>		1.0%	-0.5%	-4.1%	-4.6%	7.7%
Vehicle Service Miles (VSM)	258,156	257,006	256,067	252,928	235,712	259,145
<i>Annual Change</i>		-0.4%	-0.4%	-1.2%	-6.8%	9.9%
Passengers	154,451	131,597	130,515	116,911	112,478	55,171
<i>Annual Change</i>		-14.8%	-0.8%	-10.4%	-3.8%	-50.9%
Employees	17	10	14	12	18	18
<i>Annual Change</i>		-41.2%	40.0%	-14.3%	50.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$118.64	\$103.62	\$120.63	\$140.12	\$153.73	\$149.54
<i>Annual Change</i>		-12.7%	16.4%	16.2%	9.7%	-2.7%
Operating Cost/Passenger (Actual \$)	\$16.28	\$16.85	\$19.68	\$24.47	\$26.61	\$56.86
<i>Annual Change</i>		3.5%	16.8%	24.3%	8.8%	113.7%
Passengers/VSH	7.29	6.15	6.13	5.73	5.78	2.63
<i>Annual Change</i>		-15.6%	-0.3%	-6.6%	0.9%	-54.5%
Passengers/VSM	0.60	0.51	0.51	0.46	0.48	0.21
<i>Annual Change</i>		-14.4%	-0.5%	-9.3%	3.2%	-55.4%
Farebox Recovery	4.4%	4.7%	3.6%	2.7%	2.4%	0.0%
<i>Annual Change</i>		5.7%	-23.1%	-23.4%	-14.0%	-100.0%
Hours/Employee	1,246.6	2,140.1	1,520.9	1,701.3	1,081.8	1,165.5
<i>Annual Change</i>		71.7%	-28.9%	11.9%	-36.4%	7.7%
TDA Non-Required Indicators						
Operating Cost/VSM	\$9.74	\$8.63	\$10.03	\$11.31	\$12.70	\$12.11
<i>Annual Change</i>		-11.4%	16.2%	12.8%	12.3%	-4.7%
VSM/VSH	12.18	12.01	12.03	12.39	12.10	12.35
<i>Annual Change</i>		-1.4%	0.1%	3.0%	-2.3%	2.0%
Fare/Passenger	\$0.72	\$0.78	\$0.70	\$0.67	\$0.63	\$0.00
<i>Annual Change</i>		9.4%	-10.2%	-4.7%	-6.4%	-100.0%

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
FY 2018/19 – FY 2020/21 data from State Controller reports.



Exhibit 6.13 Fixed-Route Ridership

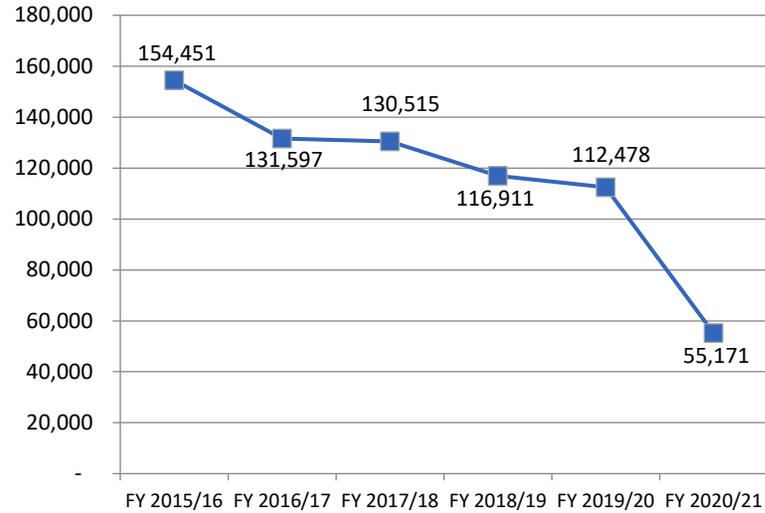


Exhibit 6.14 Fixed-Route Operating Cost/VSH

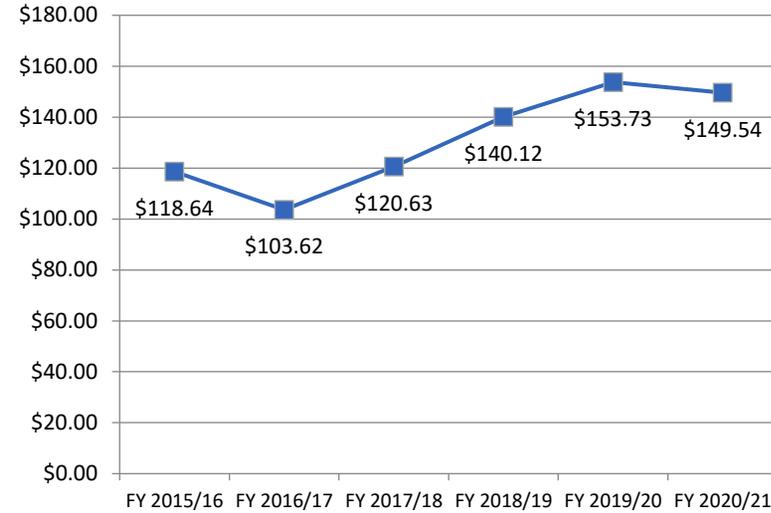


Exhibit 6.15 Fixed-Route Operating Cost/VSM

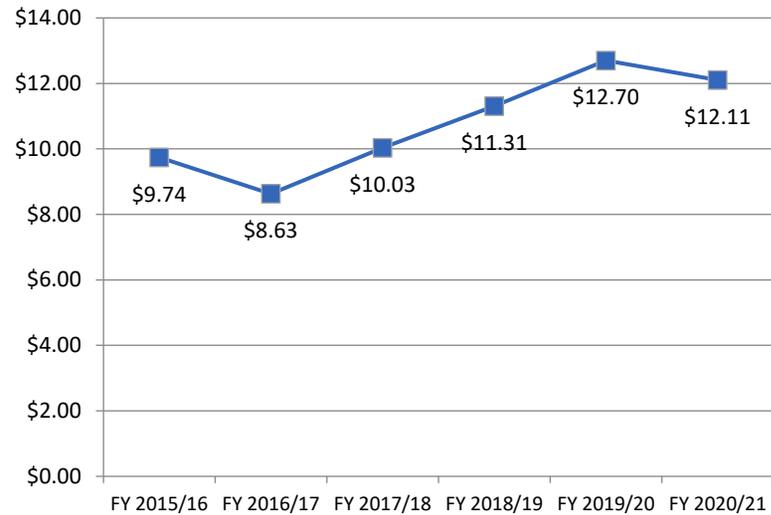


Exhibit 6.16 Fixed-Route VSM/VSH

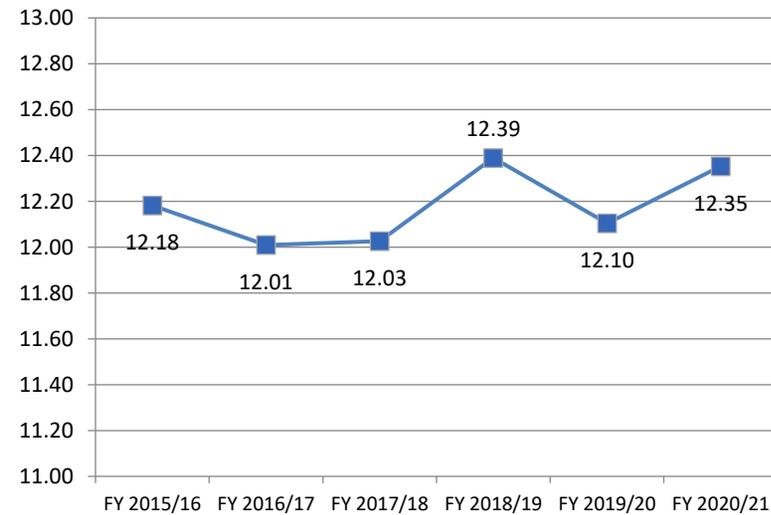




Exhibit 6.17 Fixed-Route Operating Cost/Passenger

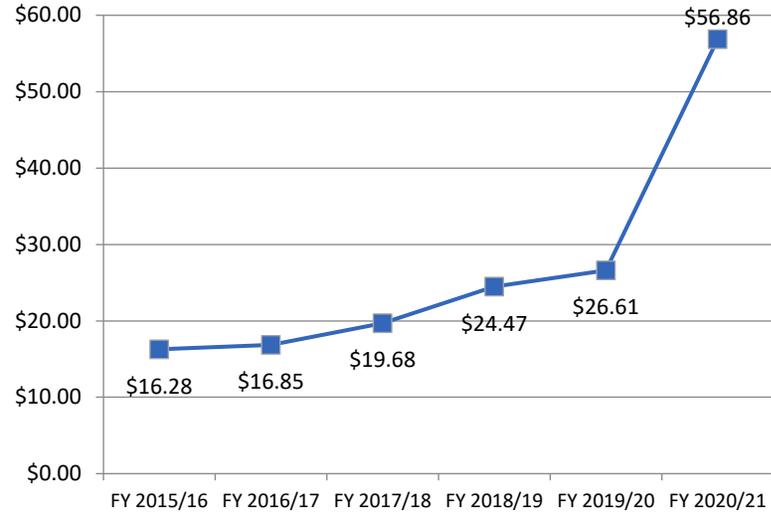


Exhibit 6.18 Fixed-Route Passengers/VSH

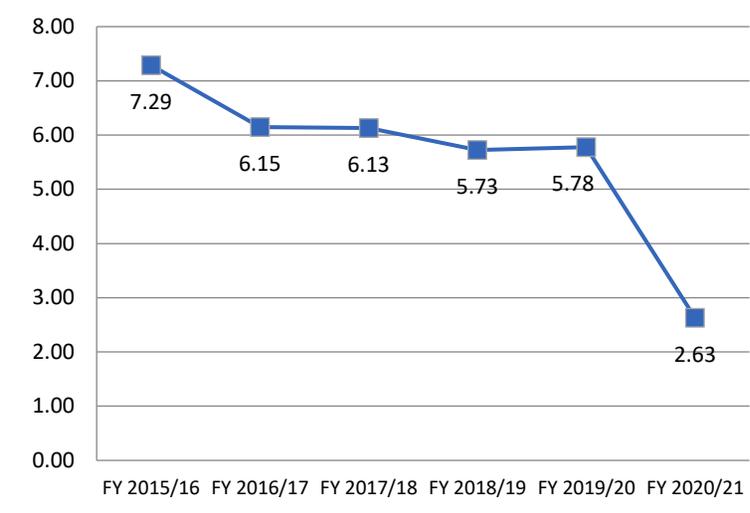


Exhibit 6.19 Fixed-Route Passengers/VSM

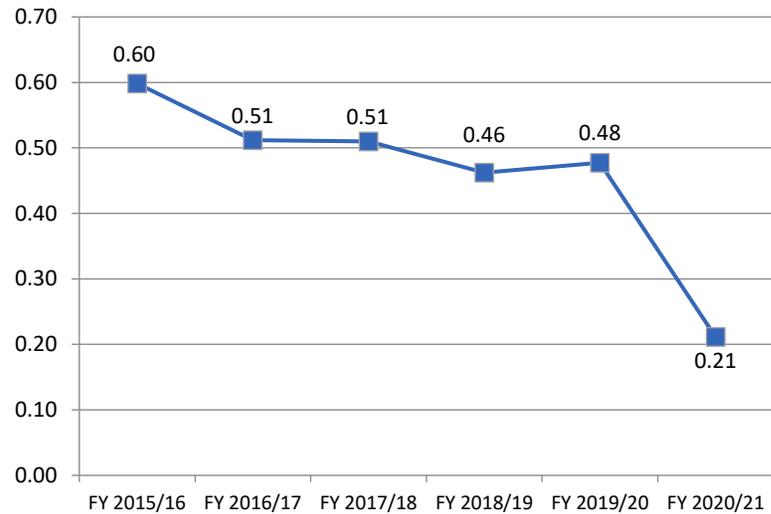


Exhibit 6.20 Fixed-Route VSH/FTE

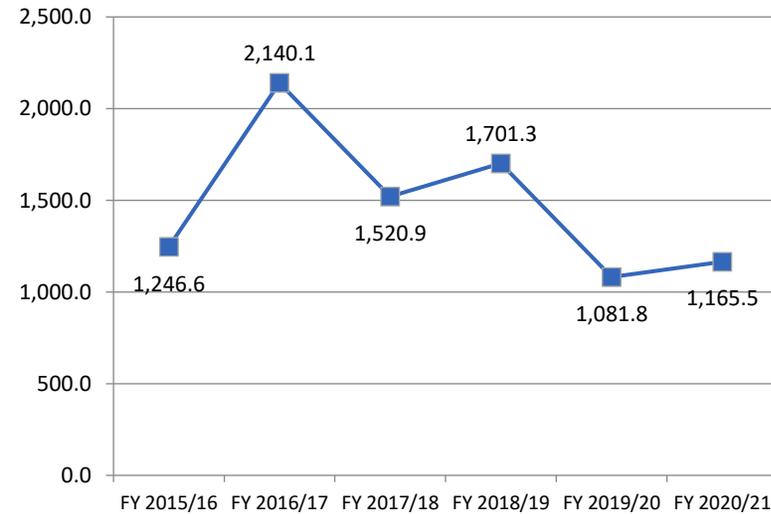




Exhibit 6.21 Fixed-Route Farebox Recovery

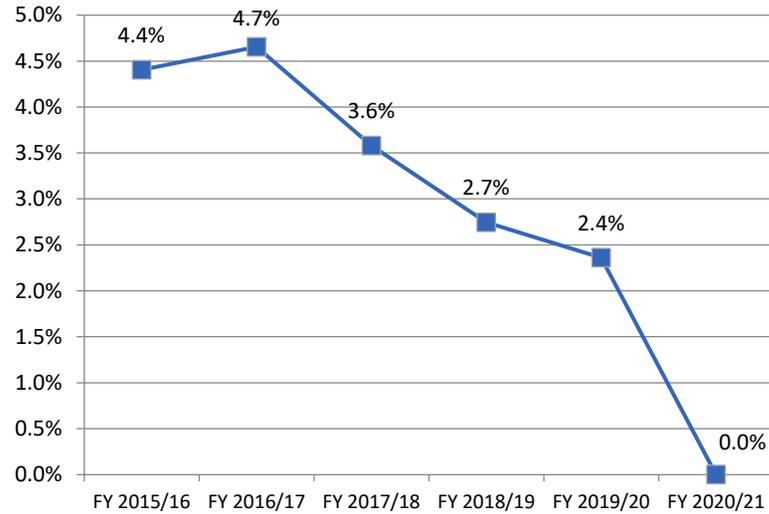
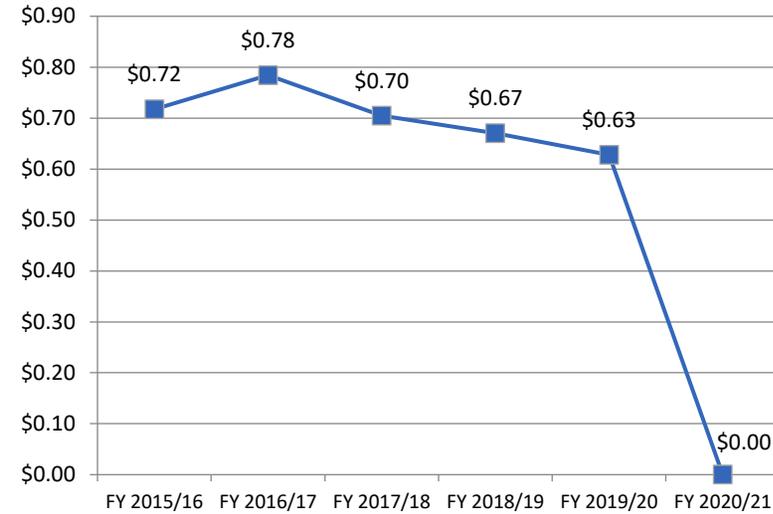


Exhibit 6.22 Fixed-Route Fare/Passenger



Demand-Response Performance Trends

Demand-response operating cost experienced a net 5.0 percent decrease during the audit period, primarily due to the 9.6 percent decrease in FY 2020/21. Operating cost experienced a net increase of 41.9 percent over the six-year period, rising nearly 20 percent in FY 2016/17. Fare revenue had been decreasing since FY 2017/18, and the system went fare-free in FY 2020/21.

Vehicle Service Hours (VSH) decreased nearly every year, with the most significant decrease occurring in FY 2020/21 (22.1 percent). VSH saw a net 29.2 percent decrease during the audit period. A similar pattern was observed with respect to Vehicle Service Miles (VSM), which had a net 39.1 percent decrease during the audit period and a 42.4 percent decrease over the six-year period. Both metrics experienced an increase in FY 2018/19, which corresponded with an increase in operating cost and a modest increase in ridership. Overall, ridership experienced a net decrease of 36.8 percent during the audit period, and a net decrease of 44.8 percent across the six-year period.

Operating cost per vehicle service hour, vehicle service mile, and passenger all increased significantly during the audit period, reflective of a decline in efficiency. Productivity was mixed, as passengers per VSH decreased and passengers per VSM increased during the audit period.

Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)	\$2,288,633	\$2,735,493	\$2,989,150	\$3,420,191	\$3,591,728	\$3,247,675
<i>Annual Change</i>		19.5%	9.3%	14.4%	5.0%	-9.6%
Fare Revenue (Actual \$)	\$87,367	\$94,274	\$91,910	\$88,818	\$70,542	\$0
<i>Annual Change</i>		7.9%	-2.5%	-3.4%	-20.6%	-100.0%
Vehicle Service Hours (VSH)	31,587	30,593	28,040	31,313	28,448	22,166
<i>Annual Change</i>		-3.1%	-8.3%	11.7%	-9.1%	-22.1%
Vehicle Service Miles (VSM)	398,735	371,753	346,495	377,173	346,021	229,783
<i>Annual Change</i>		-6.8%	-6.8%	8.9%	-8.3%	-33.6%
Passengers	60,692	56,236	52,061	52,952	50,384	33,489
<i>Annual Change</i>		-7.3%	-7.4%	1.7%	-4.8%	-33.5%
Employees	20	13	15	12	15	15
<i>Annual Change</i>		-35.0%	15.4%	-20.0%	25.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$72.45	\$89.42	\$106.60	\$109.23	\$126.26	\$146.52
<i>Annual Change</i>		23.4%	19.2%	2.5%	15.6%	16.0%
Operating Cost/Passenger (Actual \$)	\$37.71	\$48.64	\$57.42	\$64.59	\$71.29	\$96.98
<i>Annual Change</i>		29.0%	18.0%	12.5%	10.4%	36.0%
Passengers/VSH	1.92	1.84	1.86	1.69	1.77	1.51
<i>Annual Change</i>		-4.3%	1.0%	-8.9%	4.7%	-14.7%
Passengers/VSM	0.15	0.15	0.15	0.14	0.15	0.15
<i>Annual Change</i>		-0.6%	-0.7%	-6.6%	3.7%	0.1%
Farebox Recovery	3.8%	3.4%	3.1%	2.6%	2.0%	0.0%
<i>Annual Change</i>		-9.7%	-10.8%	-15.5%	-24.4%	-100.0%
Hours/Employee	1,579.4	2,353.3	1,869.3	2,609.4	1,896.5	1,477.7
<i>Annual Change</i>		49.0%	-20.6%	39.6%	-27.3%	-22.1%
TDA Non-Required Indicators						
Operating Cost/VSM	\$5.74	\$7.36	\$8.63	\$9.07	\$10.38	\$14.13
<i>Annual Change</i>		28.2%	17.2%	5.1%	14.5%	36.2%
VSM/VSH	12.62	12.15	12.36	12.05	12.16	10.37
<i>Annual Change</i>		-3.7%	1.7%	-2.5%	1.0%	-14.8%
Fare/Passenger	\$1.44	\$1.68	\$1.77	\$1.68	\$1.40	\$0.00
<i>Annual Change</i>		16.5%	5.3%	-5.0%	-16.5%	-100.0%

Sources: FY 2015/16 – FY 2017/18 data from prior Triennial Performance Audit.
FY 2018/19 – FY 2020/21 data from State Controller reports.



Exhibit 6.24 Demand-Response Ridership

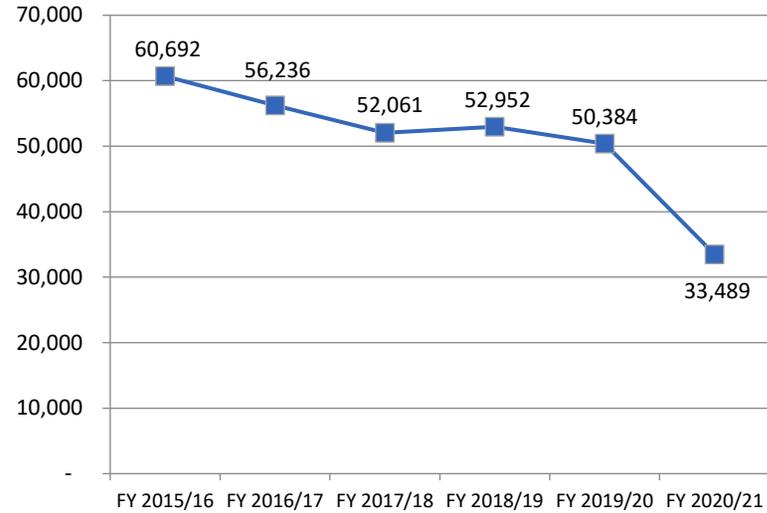


Exhibit 6.25 Demand-Response Operating Cost/VSH

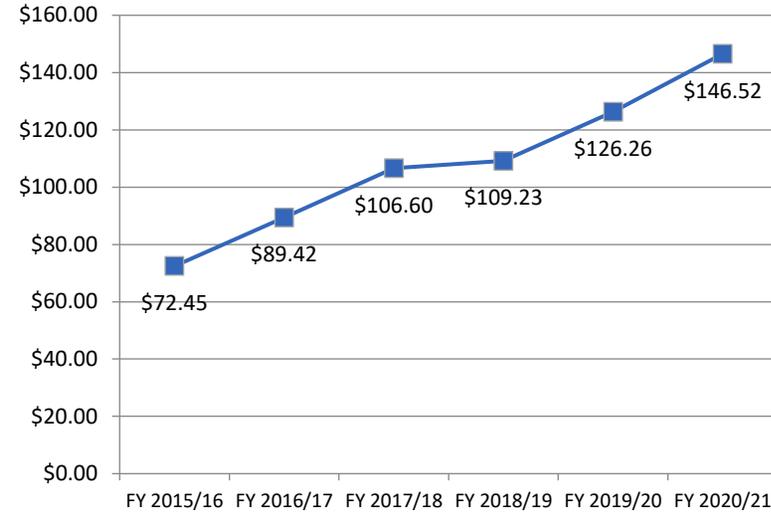


Exhibit 6.26 Demand-Response Operating Cost/VSM

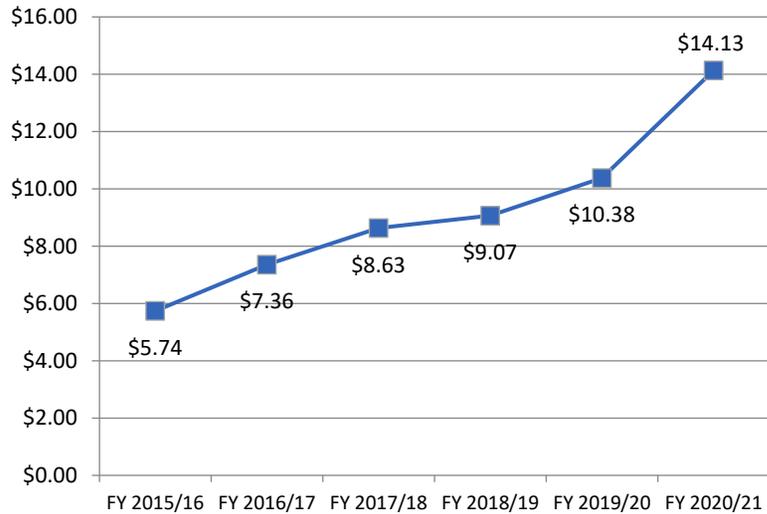


Exhibit 6.27 Demand-Response VSM/VSH

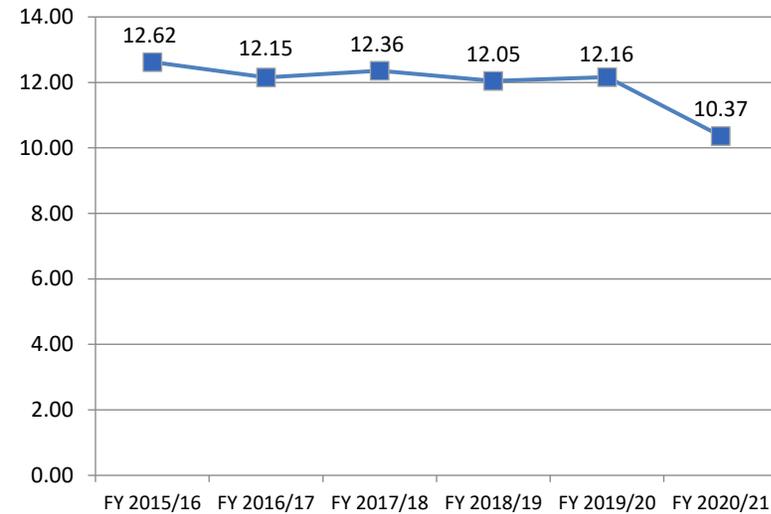




Exhibit 6.28 Demand-Response Operating Cost/Passenger

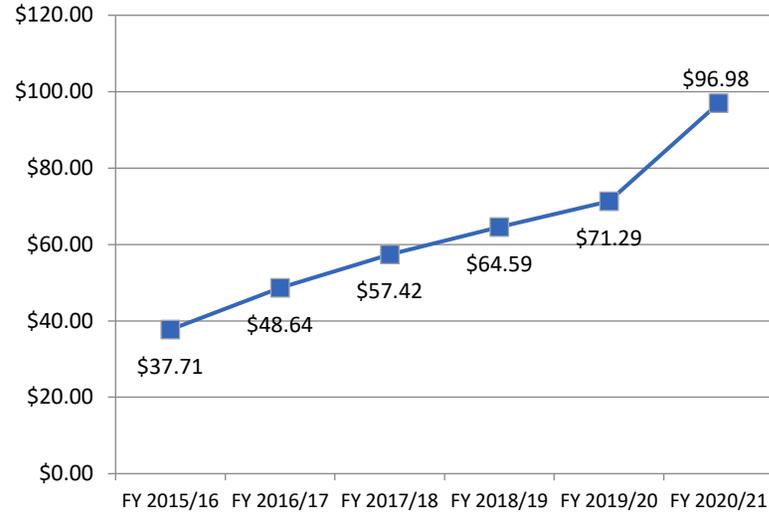


Exhibit 6.29 Demand-Response Passengers/VSH

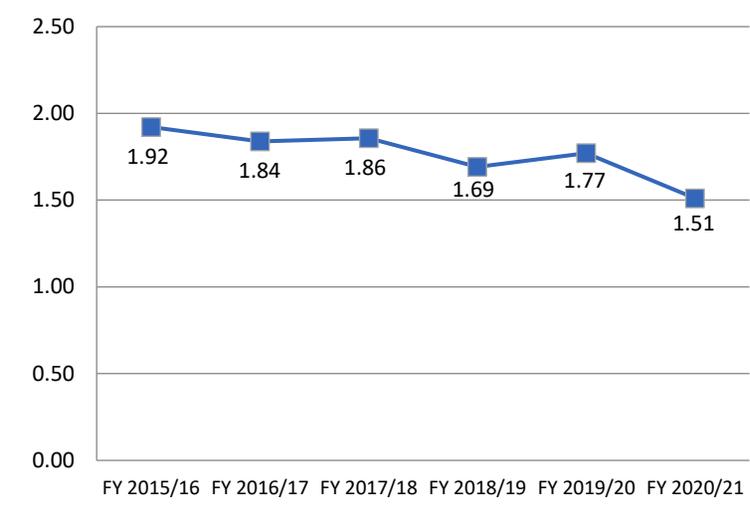


Exhibit 6.30 Demand-Response Passengers/VSM

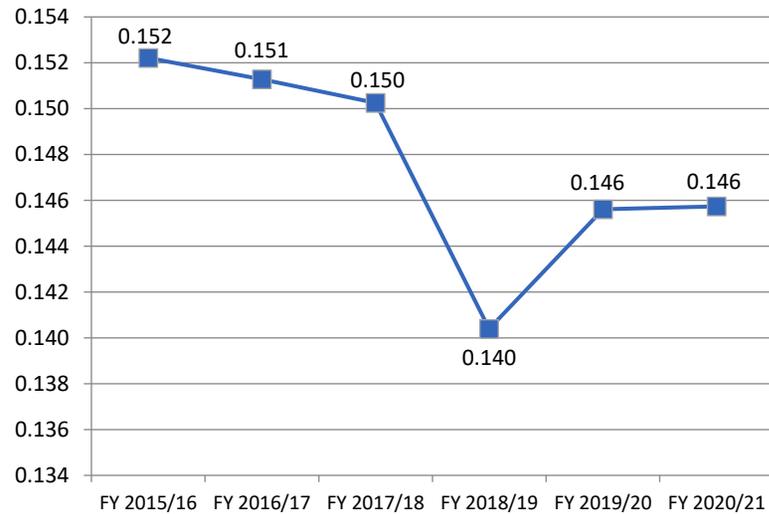


Exhibit 6.31 Demand-Response VSH/FTE

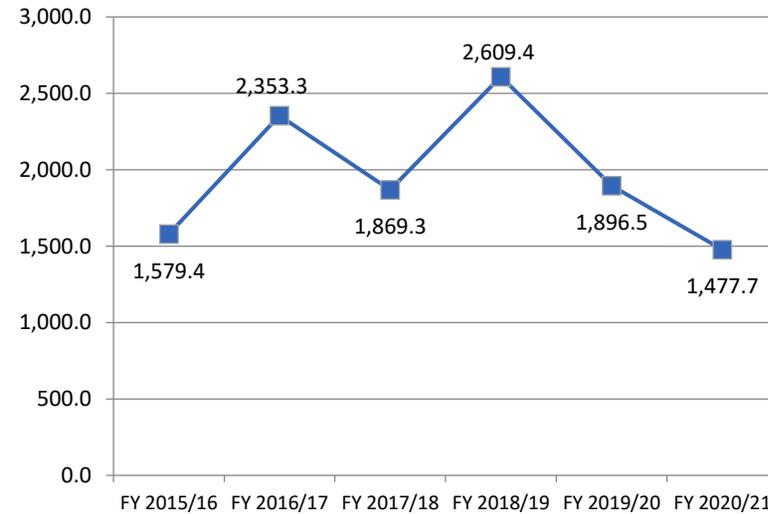




Exhibit 6.32 Demand-Response Farebox Recovery

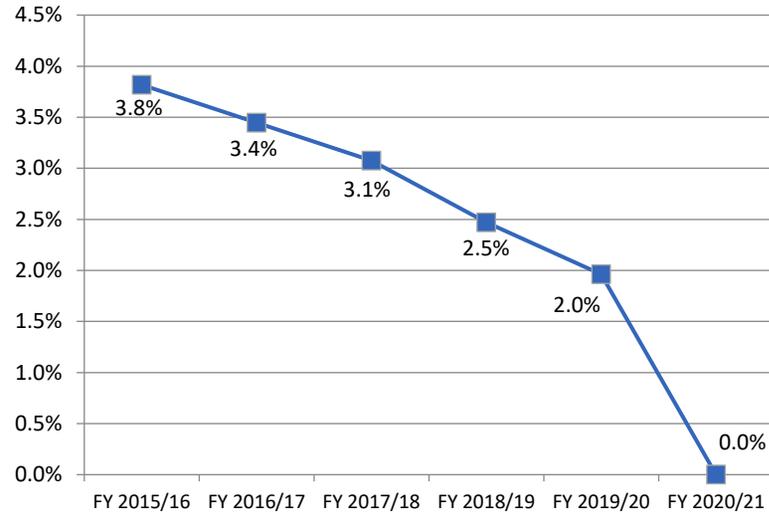
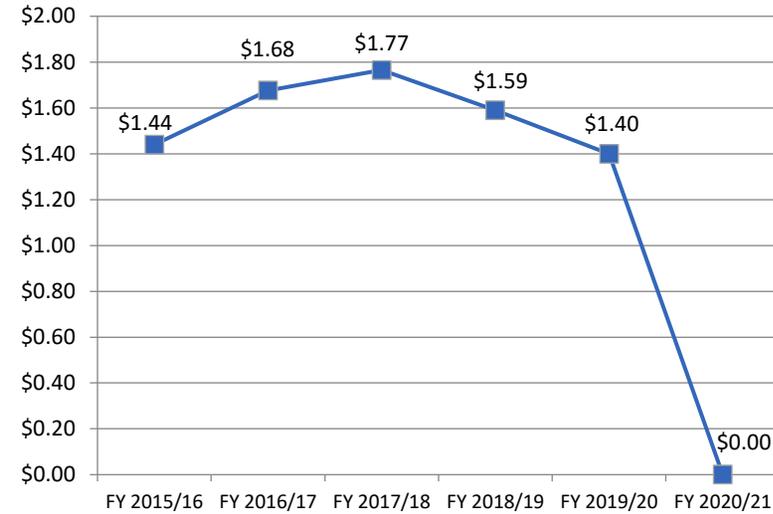


Exhibit 6.33 Demand-Response Fare/Passenger



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Chapter 7 | Functional Review

A functional review of the City of Clovis’ public transit program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the City’s transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by the City through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

Service Overview

The City of Clovis operates Stageline, a fixed-route service featuring four routes. Service is available on weekdays from 6:15 a.m. through 6:30 p.m. along with limited Saturday service. The service does not operate on Sunday or designated holidays.



The City of Clovis also operates Round Up, a curb-to-curb, on-demand service available to qualifying persons with disabilities. The service operates within Clovis, Fresno, and nearby areas. Trips are provided on a first-come, first-served basis. Requests for service require a one-day advance notice prior to pick-up. Round Up service hours are weekdays from 6:15 a.m. through 7:15 p.m., and weekends from 7:30 a.m. through 3:30 p.m. Round Up weekend service is limited to trips within Clovis only. Weekday service to Fresno is available from 7:00 a.m. to 5:00 p.m.



After the City temporarily suspended fares in response to the COVID-19 pandemic, it transitioned to a permanent Zero Fare policy in October 2020. Stageline and Roundup are now permanently operating fare free. Prior to this, during the audit period, fixed-route passes were available for purchase on Clovis Stageline buses, the Clovis Senior Center, and Clovis city hall. Single-ride passes for Stageline and Round Up were also available via Token Transit.

Exhibit 7.1 Fixed-route fare structure (prior to October 2020)

Fare Category	Cost
One-way fare	\$1.25
Seniors (65+) and persons with disabilities	Free
Children age 5 and under (up to four with fare-paying adult)	Free
Transfer (valid on Stageline or FAX)	Free
10-ride pass (valid on Stageline or FAX)	\$11.25
31-day pass (valid on Stageline or FAX)	\$48.00

Exhibit 7.2 Demand-response fare structure (prior to October 2020)

Fare Category	Cost
One-way fare within Clovis	\$1.25
One-way fare to Fresno	\$2.00 - \$2.75

Response to COVID-19 pandemic

As of October 2021, the City’s transit program stood at approximately 50 percent of its pre-pandemic ridership (a little lower for fixed-route and a little higher for dial-a-ride). When the state shut down, the City lost 97 percent of its ridership the next day. During the first few weeks, slight modifications were made to adjust to the unstable environment. The fixed-route service operated on a holiday schedule as the City sought to determine how best to provide a safe environment for both drivers and riders.

All City employees who could work from home were asked to do so. Transit changed how drivers reported to work in an effort to keep employees as socially distanced as possible. All critical parts of the operation were handled on the first floor, while all administrative activities were on the second floor. Unfortunately, this also eliminated all social aspects for drivers overnight.

The City continued operating the same route network and schedule for its fixed-route service as before the pandemic. There have been no trip denials on the dial-a-ride service. There was some discussion (from a non-transit perspective) about shutting the system down because it might be a disease vector, but this never happened.

The transit operation completely changed as a result of the pandemic, which included enhanced cleaning (foggers, PPE, hand sanitizer, etc.). Ridership began returning when the Clovis Unified School District returned to in-person classes. Fresno State University and Fresno City College continued to hold some classes virtually even as the campuses opened back up to in-person learning. Ridership cannot be the metric it was in the past.

The City continued having a hard time recruiting and retaining commercially licensed bus drivers. It is looking for vehicles which can be driven by Class C drivers yet are capable of transporting up to seven passengers. The City continues to recruit drivers and hire as fast as it can so as to ensure uninterrupted service each day.

The City suspended fare collection at the beginning of the pandemic as a safety measure. Initially clear shower curtains were used to separate drivers, then transitioned to barriers of marine vinyl to provide a safe space, though these left drivers unable to interact with riders. These were kept throughout the summer.

When the City collected fares, it did not collect a lot of revenue (approximately two to four percent of the operating cost), and incurred additional costs to process the fares. Since seniors and persons with disabilities rode the fixed-route service for free, not a lot of passengers pay to ride the bus in Clovis. The Clovis City Council approved Zero Fares as a continuing measure in October 2020, which would use Measure C to replace fares once the AB 149 farebox recovery ratio waiver ends. Four factors contributed to this decision: 1) the ongoing pandemic. 2) access to Measure C funds, 3) the failure of the City’s electronic farebox program (which resulted in the removal of fareboxes), and 4) the farebox recovery ratio

penalty waiver. Collectively, these factors supported the City’s transition to a fare-free transit service. The transit program is now permanently fare free.

From August to October 2019 the City sponsored a “free fare” promotion funded through LCTOP. While that effort resulted in a significant (up to 35 percent) increase in ridership, going Zero Fare during the pandemic did not have the same effect. As a result, ridership cannot be used to assess the impact of this change.

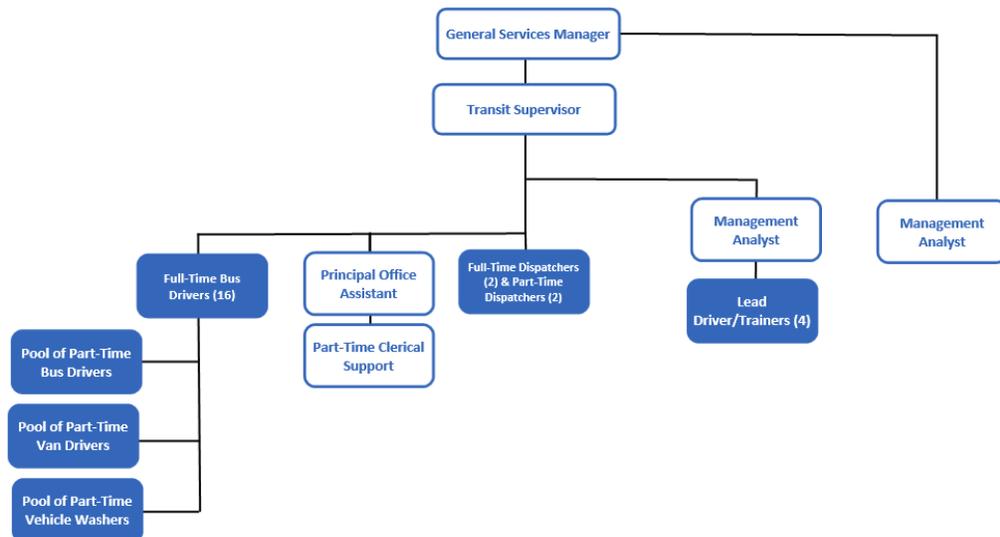
General Management and Organization

The City’s transit program is operated in-house. The General Services Manager monitors on-time performance regularly and prepares a monthly report inclusive of collisions/road calls, no-shows, complaint calls, and ridership. Management receives and reviews performance and financial data on a monthly basis and acts appropriately.

The program is structured and staffed appropriately with respect to management, but could use more staff. The internal organization structure is appropriate, effective, and efficient.

The governing body for the City’s transit program is the Clovis city council. The city council meets the first, second, and third Monday of the month at 6:00 p.m. at Clovis City Hall (1033 Fifth Street, Clovis). This location is served by Clovis Transit Routes 10 and 50. The Council does not have any particular areas of concern. An ADA advisory committee meets twice annually.

Exhibit 7.3 Organizational Chart



The City has a good relationship with the Fresno Council of Governments. City staff are active on many of the COG’s committees. The City participates in Fresno COG’s Social Services Transportation Advisory Council (SSTAC) and is active in CalACT.

The City had several capital programs and planning efforts underway at the time of the site visit. One of those efforts was engaging a consultant to explore what it would look like for the City to begin using federal funds. Another effort has been the development of an electrification master plan funded through a Sustainable Communities Grant through a partnership with CalSTART. The City had been focusing on battery-electric vehicles, but are also exploring hydrogen options.

The City has started construction on Landmark Square, which will house a senior activity center, transit center, and public library. The project was delayed due to some unforeseen soil conditions. Construction began in February 2021, and the City hopes it will be open to the public in mid-2023.

The City had to abandon its GFI farebox project as it was deemed infeasible. The PTMISEA funding designated for that project was returned and reallocated into two separate projects – the purchase of automated passenger counters (APCs) for the fixed-route fleet and to be applied toward the transit offices at Landmark Square. The City recently completed a Request for Proposals (RFP) for the APCs and also requested information about other technologies they could add at the same time, such as onboard annunciators, “infotainment” video displays, Nextbus technology, onboard Wi-Fi, etc.

The City is also using a Measure C new technology grant to fund a pilot project for battery-electric shuttles using Phoenix vehicles. The infrastructure is in place and the vehicles have been deployed. During the pilot, the City will be collecting data and using the electric vehicles to supplement the current fleet. This will help the City determine what it will look like to transition to a zero-emission fleet. It intends to share that data with other agencies once they have something to report.

Service Planning

The only service change occurring during the audit period was the transition to Zero Fares, which was made permanent in October 2020.

The most recent Short Range Transit Plan (SRTP) for the Fresno-Clovis Metropolitan Area was adopted in June 2021. The SRTP provided a post-COVID plan for transit development in the region. Rather than focusing on system restructuring or extensive service recommendations, it detailed existing projects identified through other planning efforts (such as the Regional Transportation Plan and Long-Range Transit Plan) and offered an overview of operating and capital budget for the City’s transit program.

Administration

The General Services Manager is responsible for annual budgeting. The transit budget goes to City Council for approval and is wrapped into the overall city budget. The General Services Manager also handles grants. In addition to TDA claims, the City receives state and local PTMISEA, LCTOP, and Measure C funds.

Risk management is handled by the City’s Personnel department. The City has a procedure for processing accident and injury claims. The City is self-insured through the Central San Joaquin Valley Risk Management Authority (CSJVRMA). There is a disaster preparedness and response plan. The public safety department uses buses for training. They like being able to record their training activities using the onboard cameras.

The only service contracted out is advertising. Bus stop maintenance is performed by City utility workers.

Payroll is processed in the Transit department twice each month and sent to the City. Paper timesheets are signed by the Transit Supervisor. Direct deposit is now mandatory due to the COVID-19 pandemic.

Accounts payable is handled within the Transit department. Purchasing is decentralized. The Facility Maintenance Manager handles a lot of the large purchases. Larger projects are placed on PlanetBids. Invoice terms, quantities, and prices are verified against approved purchase orders. There is a system which ensures goods or services have been received before an invoice is paid. Buses are purchased by the General Services Manager through the CalACT bid. There is no internal audit function.

Scheduling, Dispatch, and Operations

Full-time drivers and dispatchers are represented by the Clovis Transit Employees Bargaining Unit (TEBU) through the Operating Engineers Local 3, which represents public utilities. Bids are conducted at least once a year. All drivers are cross-utilized between Stageline and Round Up. There are 17 full-time drivers and three utility workers (bus washers). The City maintains an extra “floater” driver assignment each day. This driver always gets a shift, either on fixed-route or demand-response, given at least one driver calls out every night.

Higher-capacity buses are assigned to the higher-demand routes. On weekends, the City attempts to balance miles by using vehicles used the least during the week.

The City used GFI GenFare Fastfare fareboxes until April 2020. Once weekly vaults were pulled from half of the fleet, alternating between fixed-route and Dial-A-Ride. They were brought in and counted during the week in the Transit Supervisor’s office. Cameras were positioned outside of the office. The farebox keys were accessed via a dual custody process. The safe inside the Transit Supervisor’s office holding the vault keys required a key and code. Lead drivers had access to the safe key and select staff had the code. The cash was taken to the Finance department where it was recounted and deposited.

Personnel Management and Training

Recruitment is ongoing. Jobs are posted on the City’s website. Other avenues have been attempted with little success. The City employs three full-time in-house trainers who cover the entire training process. New recruits must have a year of driving experience. Regardless of experience, all drivers receive the same training curriculum following initial hire.

Employees are eligible to receive health, life, and dental benefits. Pay differentials are available for supervisory positions, training positions, and standby status. A safety incentive pilot program offers an annual safety bonus for employees based on the number of injury/accident-free years, for a minimum of two years. The City also offers tuition reimbursement as part of its professional development program.

Driver turnover tends to occur within part-time positions. There is little to no turnover among full-time drivers. The City conducts annual driver evaluations, and a formal process is being implemented to include annual “ride alongs” and spot checks. Drivers are paid to attend mandatory monthly safety meetings. Vehicles include first aid kits, fire extinguisher, and biohazard response kits. All vehicles are ADA-compliant and have bike racks.

Marketing and Public Information

Marketing is handled in-house. The City does not have an official marketing plan, but participates regularly in community events. The City hired a PIO to coordinate all of the City's social media and communications. A recent bus shelter purchase reflects a decision to obtain shelters with poster kiosks to support potential display advertising.

The City promoted its free-fare program as well as did extensive marketing during the peak of the COVID pandemic. The City also conducted a rider survey regarding route redesign.

Customer concerns and complaints are received by all office staff. All are trained to answer the phones. Calls are entered into the CRM system and categorized. Complaints and responses are documented. The EasyRides software program is used for Dial-A-Ride dispatching.



Maintenance

All maintenance is conducted in-house. While staffing is a concern it has not affected pullout.

Body damage is likely to be sent out; the City does not have its own paint shop. Anything beyond basic fabrication is sent out, as is some transmission work. The number of bays and lifts is sufficient to support the current transit fleet.

A schedule is in place for vehicle replacement. Maintenance contacts the Transit Supervisor with a down list each day. There are two shifts of mechanics. Much of the work on the buses is done during the night shift. While the night mechanics are not dedicated to transit, they tend to have more experience and training on the buses. Given there are no dedicated mechanics, billing is based on the vehicle being worked on.

Access to the locked parts room is limited to storekeepers. Maintenance is notified promptly of breakdowns and can service a vehicle in the field when necessary.

A pilot project for battery-electric shuttles using Phoenix vehicles is currently in place utilizing funding for the Measure C new technology grant. Data will be used to determine the success of the transition to battery-electric vehicles.

Exhibit 7.4 City of Clovis Transit Fleet

Vehicle #	Year	Model	Length	Fuel	PAX
5004	2007	Glaval Cutaway	27'	Gasoline	21
50016	2008	Glaval Cutaway	27'	Diesel	21
50018	2008	Glaval Cutaway	27'	Diesel	21
50019	2008	Glaval Cutaway	27'	Diesel	21
50020	2008	Glaval Cutaway	27'	Diesel	21
50021	2008	Glaval Cutaway	27'	Diesel	21
50022	2008	Glaval Cutaway	27'	Diesel	21
50023	2012	Arboc Low Floor	26'	Diesel	21
50024	2012	Arboc Low Floor	26'	Diesel	21
50025	2012	Arboc Low Floor	26'	Diesel	21
50026	2012	Arboc Low Floor	26'	Diesel	21
50027	2012	Arboc Low Floor	26'	Diesel	21
50028	2012	Arboc Low Floor	26'	Diesel	21
50029	2019	Champion LF	28'	Diesel	18
50030	2019	Champion LF	28'	Diesel	18
50031	2019	Champion LF	28'	Diesel	18
50051	2015	Champion	32'	Diesel	29
50052	2015	Champion	32'	Diesel	30
50068	2008	Glaval GMC	27'	Diesel	21
50069	2008	Glaval GMC	27'	Diesel	21
50073	2008	Glaval GMC	27'	Diesel	21
50074	2008	Glaval GMC	27'	Diesel	21
50075	2008	Glaval GMC	27'	Diesel	21
50076	2008	Glaval GMC	27'	Diesel	21
50077	2019	Champion	32'	Diesel	29
50078	2019	Champion	32'	Diesel	29
50079	2019	Champion	32'	Diesel	29
50080	2019	Champion	32'	Diesel	29
50081	2019	Champion	32'	Diesel	29
50039	2018	Dodge Caravan		Gasoline	4
50040	2018	Dodge Caravan		Gasoline	4
5041	2013	Braun Activan		Gasoline	4
5042	2013	Braun Activan		Gasoline	4
5043	2011	Braun Activan		Gasoline	4
5044	2011	Braun Activan		Gasoline	4
5045	2007	Dodge Caravan		Gasoline	5
5046	2007	Dodge Caravan		Gasoline	5

Vehicle #	Year	Model	Length	Fuel	PAX
5047	2007	Dodge Caravan		Gasoline	5
50048	2019	Dodge Caravan		Gasoline	5
50049	2019	Dodge Caravan		Gasoline	5
50053	2019	Dodge Caravan		Gasoline	5
50082	2019	American Trolley	30'	Diesel	26
50083	2018	Zeus	24'	Electric	16
50084	2018	Zeus	24'	Electric	16

Chapter 8 | Findings and Recommendations

Conclusions

With two exceptions, Moore & Associates, Inc. finds the City of Clovis to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

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

1. In FY 2018/19, FY 2019/20, and FY 2020/21, TDA fiscal audits were not submitted within the extended timeframe.
2. The City did not demonstrate use of the TDA definition for reporting full-time equivalent (FTE) employees.

The audit team has identified no functional findings.

Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the City of Clovis' public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance. Each finding is presented with the elements identified within the 2011 *Government Auditing Standards* as well as one or more recommendations.

Given there are no functional findings, only compliance findings and recommendations are provided below.

Compliance Finding 1: In FY 2018/19, FY 2019/20, and FY 2020/21, TDA fiscal audits were not submitted within the extended timeframe.

Criteria: PUC 99245 requires all Article 4 recipients to submit an annual fiscal audit to the State Controller within 180 days of the end of the fiscal year. The RTPA has the authority to extend the deadline for another 90 days, typically to March 31. The RTPA cannot release Article 4 funds for the next year until the audit is submitted.

Condition: In FY 2018/19, the City's TDA fiscal audit was completed on May 6, 2020. This was more than a month after the deadline established under PUC 99245. In FY 2019/20, the City's audit was completed on March 9, 2022, nearly a full year after the extended deadline of March 31, 2021. The FY 2020/21 audit was pending at the time of this report. For FY 2020/21, completion of that year's audit could not begin until the FY 2019/20 audit was completed, as each audit includes data from the prior year. This meant

the FY 2020/21 audit could not begin until March 2022, which significantly impacted the ability to complete the audit by March 31, 2022.

Cause: The cause of the late audits is unknown.

Effect: Such late completion of the audit (more than a year after the extended deadline) has a significant impact on the RTPA's ability to release TDA funding to the City.

Recommendation: Work with TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31 following the end of the fiscal year.

Recommended Action: If completion of the City's audited financials is impacting the TDA auditor's ability to prepare the TDA audit, work with the City auditors to ensure they are aware of the transit-specific TDA audit deadline. If the issue is with the TDA auditors, work with them and Fresno COG to ensure appropriate deadlines have been built into the auditor's contract.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Compliance Finding 2: The City did not demonstrate use of the TDA definition for reporting full-time equivalent (FTE) employees.

Criteria: The State Controller, for its Transit Operator Financial Transaction Report, utilizes the TDA definition of full-time equivalent (FTE) employee for the reporting of employees. This definition, included as part of PUC 99247, calls for a definition of "employee" as total work hours divided by 2,000.

Condition: The data provided by the City with respect to FTE included a summary of employees, but did not demonstrate whether the TDA definition was being used. The summary appeared to be based on organizational FTE, and defined the 14 part-time drivers as each comprising 0.5 FTE. Each full-time driver was counted as 1.0 FTE, which may or may not be correct depending on the actual hours worked. The City does not appear to base its calculation on actual hours worked, nor does it appear to include mechanic/maintenance time. (While City mechanics are not dedicated to transit, their time should still be included in the Employee calculation.)

Cause: This issue is typically caused by a lack of understanding of the TDA definition and how Employees should be reported to the State Controller.

Effect: Ultimately, this results in incorrect data being reported to the State Controller and the operator being out of compliance with the TDA.

Recommendation: Ensure the TDA definition of full-time equivalent (FTE) employees is used for reporting to the State Controller.

Recommended Action: Document all actual hours worked related to transit. For administrative staff dedicated to transit, hours may be estimated, but still need to be factored into the calculation (e.g., a position that is 0.5 FTE would equal 1,040 hours). Hours should be allocated between fixed route (general operations) and demand-response (specialized services) based on either actual work performed or a formula based on vehicle service hours by mode. The basic calculation might look like the following example (using hypothetical data):

	Hours
Driver 1 (FT) (actual hours)	1,984
Driver 2 (FT) (actual hours)	2,015
Driver 3 (FT) (actual hours)	1,958
Driver 4 (PT) (actual hours)	1,085
Driver 5 (PT) (actual hours)	786
Admin 1 (1.0 FTE) (estimated hours)	2,080
Admin 2 (0.5 FTE) (estimated hours)	1,040
Admin 3 (0.25 FTE) (estimated hours)	720
Mechanic (actual hours)	525
Total hours	12,193
FTE (hours/2,000)	6.10
FTE reported to State Controller	6

Some variation between the calculated figure and what is reported to the State Controller is normal, especially if FTE is split between modes and must be rounded up. Only whole numbers can be reported to the State Controller.

Ensure the individual(s) completing the reports are aware of how to calculate this data using the TDA definition.

Timeline: FY 2021/22.

Anticipated Cost: Negligible.

Exhibit 8.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	Work with TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31 following the end of the fiscal year.	High	Ongoing
2	Ensure the TDA definition of full-time equivalent (FTE) employees is used for reporting to the State Controller.	Medium	FY 2021/22

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