

Ventura County Transportation Commission



Triennial Performance Audit, FY 2019/20 - FY 2021/22 City of Simi Valley



**FINAL REPORT
APRIL 2023**

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Chapter 1 | Executive Summary

In 2022, the Ventura County Transportation Commission (VCTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the 10 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. Audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Simi Valley Transit 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 Simi Valley Transit's public transit program for the period:

- Fiscal Year 2019/20,
- Fiscal Year 2020/21, and
- Fiscal Year 2021/22.

The City of Simi Valley, located in eastern Ventura County, provides public transit service consisting of three fixed routes and an ADA/senior Dial-A-Ride service within Simi Valley. Route 10 also serves Moorpark College and the Chatsworth Metrolink Station. The service operates Monday through Saturday (excluding designated holidays). Hours of operation are 5:00 a.m. to 8:00 p.m.

The City's Dial-A-Ride is a shared-ride, curb-to-curb service for ADA-certified individuals as well as seniors age 65 and above. Riders must complete a Dial-A-Ride application to be eligible for the service.

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 Simi Valley Transit staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance findings.

Status of Prior Recommendations

The prior audit – completed in April 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included five recommendations:

1. Continue to ensure State Controller Reports are submitted in a timely manner.
Status: Implemented.
2. Expand marketing efforts to attract new riders and reverse the significant ridership loss.
Status: Not implemented due to COVID-19 pandemic.
3. Continue to utilize local supplementation to ensure compliance with the farebox recovery ratio while implementing service changes in an effort to reduce operating cost and increase ridership/fare revenue for the City's fixed-route service.
Status: Implemented.
4. Continue to utilize local supplementation to ensure compliance with the farebox recovery ratio while determining what operational changes can be implemented to reduce demand-response operating cost.
Status: Implemented.
5. The City should ensure it continues to enroll all drivers in the DMV's Employer Pull Notice Program as soon as they are employed for the operation of an eligible vehicle, as required by the program.
Status: Implemented.

Findings and Recommendations

Based on discussions with Simi Valley Transit staff, analysis of program performance, and a review of program compliance and function, the audit team submits no findings or recommendations for Simi Valley Transit.

Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of Simi Valley Transit’s public transit program covers the three-year period ending June 30, 2022. 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 2022, the Ventura County Transportation Commission selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the 10 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 Simi Valley Transit 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 Simi Valley Transit 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 Simi Valley Transit included thorough review of documents relevant to the scope of the audit, as well as information contained on Simi Valley Transit'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;
- National Transit Database reports;

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

Given impacts of the COVID-19 pandemic, the methodology for this audit included a virtual site visit with Simi Valley Transit representatives on February 16, 2023. The audit team met Ben Gonzales (Deputy Public Works Director, Transit), Jasmin Elepano (Senior Management Analyst), Gian Maria Garcia (Management Assistant), Tan Koehler (Management Analyst), Eric Molina (Transit Supervisor), and Carlos Guzman (Transit Supervisor), 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 Simi Valley Transit’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. Simi Valley Transit 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 Simi Valley Transit 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.

No compliance issues were identified for Simi Valley Transit.

Developments Occurring During the Audit Period

The FY 2019/20 – FY 2021/22 audit period was significantly different than prior audit periods. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue, while changes to the TDA provided compliance waivers and amended existing legislation. 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, many transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, this Triennial Performance Audit will provide an assessment not only of how COVID-19 impacted the organization, but how it responded to the crisis.

In the 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 due to the COVID-19 pandemic.

Assembly Bill 90, signed into law on June 29, 2020, provides 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. Assembly Bill 149, signed into law on July 16, 2021, provides additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

Together, these two pieces of legislation include the following provisions specific to transit operator TDA funding under Article 4 and Article 8:

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2022/23.
2. Waives the annual productivity improvement requirement of Section 99244 through FY 2022/23.
3. Adds a temporary provision exempting operators from farebox recovery ratio requirements through FY 2024/25 provided they expend at least the same amount of local funds as in FY 2018/19.
4. Expands 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.
5. Adjusts 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.
6. Requires 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.
7. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

AB 149 also calls 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 2019/20: January 31, 2021 FY 2020/21: January 31, 2022 FY 2021/22: January 31, 2023
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	In compliance	FY 2019/20: February 24, 2021 FY 2020/21: March 25, 2022 FY 2021/22: March 8, 2023
Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	In compliance	October 16, 2018 October 3, 2019 (Unsatisfactory) January 16, 2020 January 12, 2021 January 24, 2022
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 receive Article 8(c) funds.
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 receive Article 8(c) funds.
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 2019/20: -8.82% FY 2020/21: +38.90% FY 2021/22: +1.40% <i>The budget increase in FY 2021 was due to increased personnel costs, primarily resulting from the COVID-19 pandemic.</i>
The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	In compliance	
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 2019/20: 6.23% (waived) FY 2020/21: 1.83% (waived) FY 2021/22: 20.00% <i>FY 2022 includes federal funds per 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 2019/20: 4.69% (waived) FY 2020/21: 1.98% (waived) FY 2021/22: 10.00% <i>FY 2022 includes federal funds per 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 is eligible to receive retirement benefits through CalPERS.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	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	The City does not utilize STA funds for operating purposes, only capital purposes.
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 Simi Valley Transit has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in April 2020 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2019 – included five recommendations:

1. [Continue to ensure State Controller Reports are submitted in a timely manner.](#)

Discussion: In the prior audit, the submittal deadline for both reports for FY 2017/18 was January 31, 2019. The General Services report was submitted electronically on February 2, 2019, while the Specialized Services report was submitted on February 4, 2019. However, the reports for FY 2016/17 and FY 2018/19 were submitted on-time. No specific action was deemed necessary, as the subsequent report was submitted on time.

Progress: During the current audit period, all State Controller Reports were submitted on time.

Status: Implemented.

2. [Expand marketing efforts to attract new riders and reverse the significant ridership loss.](#)

Discussion: In FY 2016/17 and FY 2017/18, the City's fixed-route farebox recovery ratio stood at 13.37 percent and 8.59 percent, respectively. The prior auditor noted the City should expand its marketing budget to accommodate more marketing campaigns, community outreach, and public engagement. It advised a good rule of thumb for transit operator marketing is to spend three percent of the operating budget on marketing. In order to increase ridership, the auditor recommended the City position its transit program as a viable option for choice riders; a reliable mobility option; and a good community partner. The more people can interact with and learn about transit, the more likely they are to consider riding. It also recommended the City start with a transit marketing plan, so as to optimize the value of every marketing dollar.

Progress: Given the stay-at-home order resulting from the COVID-19 pandemic began about the same time as the prior audit was completed, the City did not have an opportunity to expand its marketing efforts to increase ridership. Rather, the focus of much of the audit period was keeping the service operating and retaining and recovering as many riders as possible. While this recommendation was not ultimately implemented, expansion of marketing efforts to increase ridership should remain a goal for the City.

Status: Not implemented due to COVID-19 pandemic.

3. Continue to utilize local supplementation to ensure compliance with the farebox recovery ratio while implementing service changes in an effort to reduce operating cost and increase ridership/fare revenue for the City's fixed-route service.

Discussion: At the time of the prior audit, the City had already begun utilizing General Funds to supplement fare revenue in order to meet the required farebox recovery ratio. It also implemented a service change in an effort to ensure the service provided meets the needs of the community, thereby increasing ridership and fare revenue. In addition, the City was considering a fare increase that would also contribute to increased fare revenue. The prior auditor recommended the City continue with the actions it has already taken, and conduct regular reviews of their status to determine what effect these actions are having on fare revenue and the farebox recovery ratio. In addition, the auditor recommended the City confirm with VCTC that its service change was eligible for exemption from the farebox recovery standard under PUC 99268.8, and ensure it meets the reporting requirements following the end of the first year of implementation. Doing so would exempt the City from farebox recovery ratio compliance for FY 2019/20 (the year of implementation), FY 2020/21, and FY 2021/22. By the end of FY 2021/22, the City should be positioned to meet the 20 percent farebox recovery ratio requirement.

Progress: The City's service change was implemented in March 2020, just prior to the start of the COVID-19 pandemic. As a result, it was difficult to gauge the impact of the service change on ridership or fare revenue. The City has benefited from the waiver of farebox penalties per AB 90 and AB 149. AB 149 also allowed federal funds to be used toward the farebox recovery calculation, which resulted in a farebox recovery ratio well over 20 percent in FY 2021/22. As such, no additional local supplementation is currently needed for TDA compliance, though the identification of additional funding may still be desired.

Status: Implemented.

4. In FY 2016/17 and FY 2017/18, the City's fixed-route farebox recovery ratio stood at 5.04 percent and 3.44 percent, respectively.

Discussion: At the time of the prior audit, the City had already begun utilizing General Funds to supplement fare revenue in order to meet the required farebox recovery ratio. However, the fixed-route service change was not expected to have a significant effect on the farebox recovery ratio for the Dial-A-Ride service, given as fare revenues increased due to increased ridership, operational costs were also likely to increase. A fare increase, which was being considered, would probably have the greatest effect on fare revenue. The prior auditor noted it was unlikely this service would qualify for an exemption from the TDA farebox recovery ratio requirement, as the Dial-A-Ride service area did not appear that it would change. Therefore, the auditor noted that the City would be required to meet the 10 percent requirement across the next three years.

Progress: The City's Dial-A-Ride service continued to perform well under the farebox recovery ratio of 10 percent during the first two years of the audit. As with the fixed-route service, the City benefited from the waiver of farebox penalties per AB 90 and AB 149. In FY 2021/22, federal funds could be used toward the farebox recovery calculation, which resulted in a farebox recovery ratio

well over 10 percent. As such, no additional local supplementation is currently needed for TDA compliance, though the identification of additional funding may still be desired.

Status: Implemented.

5. The City should ensure it continues to enroll all drivers in the DMV’s Employer Pull Notice Program as soon as they are employed for the operation of an eligible vehicle, as required by the program.

Discussion: CHP inspections conducted on May 5, 2016 and October 3, 2019 resulted in Unsatisfactory ratings. Subsequent inspections conducted within 120 days following the Unsatisfactory ratings resulted in a Satisfactory rating. As a result, the City remained compliant with the TDA.

The enrollment of drivers in the Pull Notice Program appears to be the most significant issue with respect to the Unsatisfactory inspections. The prior auditor cautioned the City to be vigilant in its compliance so as to ensure it continues to receive Satisfactory inspections.

Progress: The City has not had any further Unsatisfactory terminal ratings since 2019.

Status: Implemented.

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Chapter 5 | Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, 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 Simi Valley Transit both internally as well as to outside entities during the audit period.

Data items were reported consistently except as indicated below.

- **Operating cost:** FY 2019/20 was the most consistent with respect to operating cost, though there was a variance of less than one percent between the data reported to the National Transit Database (NTD) and that reported elsewhere. In FY 2020/21, different data was reported in the three reports, with a variance of approximately 39 percent between the highest and lowest. The City looked into this issue and determined that the State Controller Report included fixed assets and asset disposition under fixed route operating costs, while the fiscal audit excluded those items. In FY 2021/22, the TDA fiscal audit and State Controller Report were consistent, and just slightly lower than the NTD report.
- **Fare Revenue:** Fare revenues reported to the State Controller and in the fiscal audit were consistent with one another and higher than those reported to the NTD. This is due to the City reporting fares and subsidies together under passenger fares in the audit and State Controller Report, and only reporting passenger- and organization-paid fares in the NTD report.
- **Passengers:** Demand-response passengers is consistently higher in the State Controller Report than the other reports. This is due to the inclusion of ECTA trips in the State Controller Reports.
- **Full-Time Equivalent (FTE) Employees:** In FY 2021/22, the data provided by the City showed a total of 29 FTE (16 for fixed route and 13 for Dial-A-Ride), while the State Controller Report showed 33 FTE (19 for fixed route and 14 for Dial-A-Ride). Given the City is using the proper calculation methodology, the cause of this discrepancy is unknown.

Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)			
<i>TDA fiscal audit</i>	\$7,283,313	\$5,138,472	\$6,688,498
<i>National Transit Database</i>	\$7,248,873	\$6,725,876	\$7,076,921
<i>State Controller Report</i>	\$7,283,316	\$7,172,941	\$6,688,500
Fare Revenue (Actual \$)			
<i>TDA fiscal audit</i>	\$338,725	\$72,788	\$180,585
<i>National Transit Database</i>	\$265,136	\$314	\$169,924
<i>State Controller Report</i>	\$338,726	\$72,788	\$180,585
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	38,487	32,606	34,553
<i>National Transit Database</i>	38,487	32,606	34,553
<i>State Controller Report</i>	38,488	32,606	34,623
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	508,614	480,529	510,664
<i>National Transit Database</i>	508,613	480,529	510,664
<i>State Controller Report</i>	508,613	480,529	510,664
Passengers			
<i>Monthly Performance Reports</i>	208,403	142,012	164,630
<i>National Transit Database</i>	208,403	142,012	164,630
<i>State Controller Report</i>	214,505	144,576	167,285
Full-Time Equivalent Employees			
<i>State Controller Report</i>	39	37	33
<i>Per City methodology</i>	39	37	29

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 Simi Valley Transit, 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 raises some questions as to 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. Fare revenue data reported to the State Controller may reflect other revenues not reported as fare revenue to the NTD.
- Vehicle Service Hours (VSH) data were obtained via State Controller Reports for each fiscal year covered by this audit. Simi Valley Transit'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. Simi Valley Transit'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. Simi Valley Transit'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 was confirmed.

System Performance Trends

System-wide, operating cost experienced a net 8.2 percent decrease during the audit period, and a 2.7 percent net decrease across the last six years. Fare revenue, however, steadily decreased during the six-year period, with most of the decline occurring in FY 2020/21. This resulted in a net 46.7 percent decrease during the audit period and a net 66.7 percent decrease across six years.

Vehicle service hours (VSH) experienced modest changes between FY 2016/17 and FY 2018/19, then declined significantly during FY 2019/20 and FY 2020/21 due to the COVID-19 pandemic. This resulted in a net 10.2 percent decrease during the audit period and a net 29.7 percent decrease during the six-year period. Vehicle service miles (VSM) fluctuated over the six-year period. This resulted in an overall net increase of 0.4 percent during the audit period, but a net decrease of 20.1 percent during the six-year period. Ridership declined during four years of the six-year period, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to a 22 percent net decrease during the audit period and a 59.8 percent net decrease 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. Despite the decreased operating cost in FY

2020/21, cost-related metrics increased during the audit period. Operating cost per passenger was impacted the most, given the 22 percent decrease in ridership during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing 13.1 percent and passengers per VSM decreasing 22.3 percent.

Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$6,877,376	\$7,712,839	\$7,570,447	\$7,283,316	\$7,273,627	\$6,688,500
<i>Annual Change</i>		12.1%	-1.8%	-3.8%	-0.1%	-8.0%
Fare Revenue (Actual \$)	\$541,598	\$468,903	\$460,401	\$338,726	\$72,788	\$180,585
<i>Annual Change</i>		-13.4%	-1.8%	-26.4%	-78.5%	148.1%
Vehicle Service Hours (VSH)	49,162	49,252	43,953	38,488	32,606	34,553
<i>Annual Change</i>		0.2%	-10.8%	-12.4%	-15.3%	6.0%
Vehicle Service Miles (VSM)	639,016	637,386	536,014	508,613	480,529	510,664
<i>Annual Change</i>		-0.3%	-15.9%	-5.1%	-5.5%	6.3%
Passengers	416,615	312,433	316,852	214,505	144,576	167,285
<i>Annual Change</i>		-25.0%	1.4%	-32.3%	-32.6%	15.7%
Employees	41	40	39	39	37	33
<i>Annual Change</i>		-2.4%	-2.5%	0.0%	-5.1%	-10.8%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$139.89	\$156.60	\$172.24	\$189.24	\$223.08	\$193.57
<i>Annual Change</i>		11.9%	10.0%	9.9%	17.9%	-13.2%
Operating Cost/Passenger (Actual \$)	\$16.51	\$24.69	\$23.89	\$33.95	\$50.31	\$39.98
<i>Annual Change</i>		49.5%	-3.2%	42.1%	48.2%	-20.5%
Passengers/VSH	8.47	6.34	7.21	5.57	4.43	4.84
<i>Annual Change</i>		-25.1%	13.6%	-22.7%	-20.4%	9.2%
Passengers/VSM	0.65	0.49	0.59	0.42	0.30	0.33
<i>Annual Change</i>		-24.8%	20.6%	-28.7%	-28.7%	8.9%
Farebox Recovery	7.9%	6.1%	6.1%	4.7%	1.0%	2.7%
<i>Annual Change</i>		-22.8%	0.0%	-23.5%	-78.5%	169.8%
Hours/Employee	1,199.1	1,231.3	1,127.0	986.9	881.2	1,047.1
<i>Annual Change</i>		2.7%	-8.5%	-12.4%	-10.7%	18.8%
TDA Non-Required Indicators						
Operating Cost/VSM	\$10.76	\$12.10	\$14.12	\$14.32	\$15.14	\$13.10
<i>Annual Change</i>		12.4%	16.7%	1.4%	5.7%	-13.5%
VSM/VSH	13.00	12.94	12.20	13.21	14.74	14.78
<i>Annual Change</i>		-0.4%	-5.8%	8.4%	11.5%	0.3%
Fare/Passenger	\$1.30	\$1.50	\$1.45	\$1.58	\$0.50	\$1.08
<i>Annual Change</i>		15.4%	-3.2%	8.7%	-68.1%	114.4%

Sources: FY 2016/17 – FY 2018/19 data from prior audit. FY 2019/20 – FY 2021/22 data from State Controller Reports.

Exhibit 6.2 System Ridership

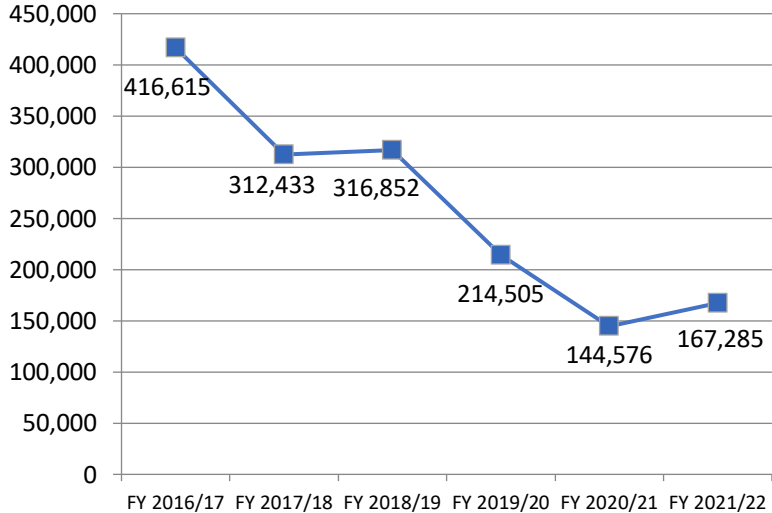


Exhibit 6.3 System Operating Cost/VSH

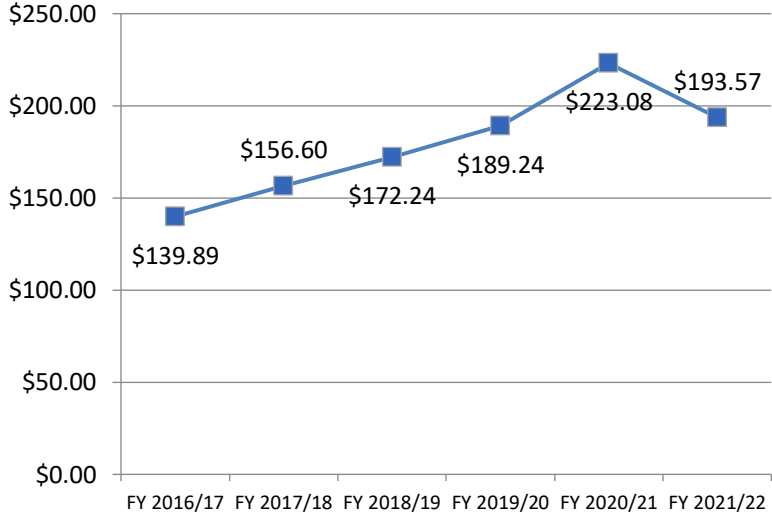


Exhibit 6.4 System Operating Cost/VSM

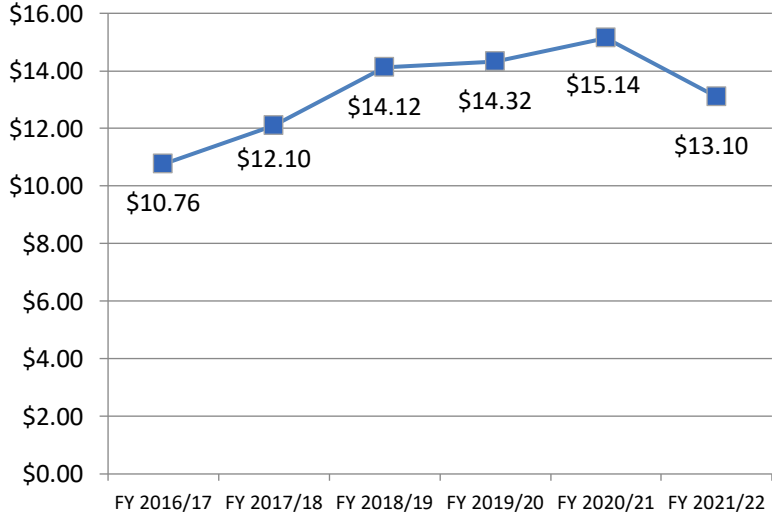


Exhibit 6.5 System VSM/VSH

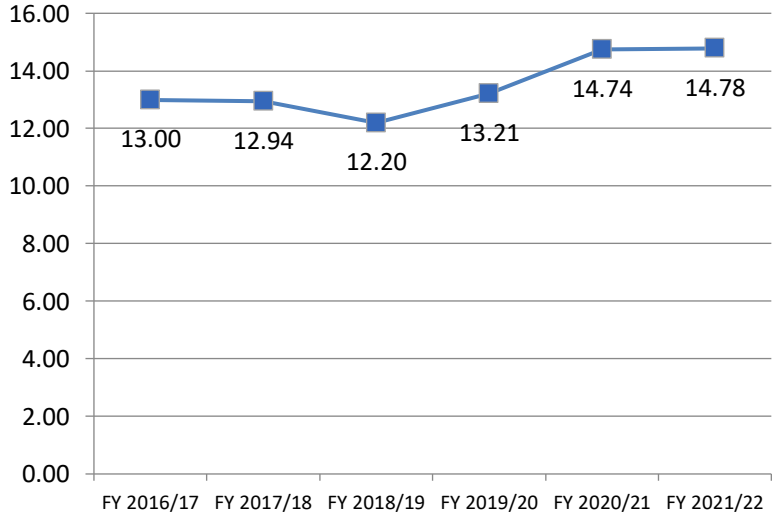


Exhibit 6.6 System Operating Cost/Passenger

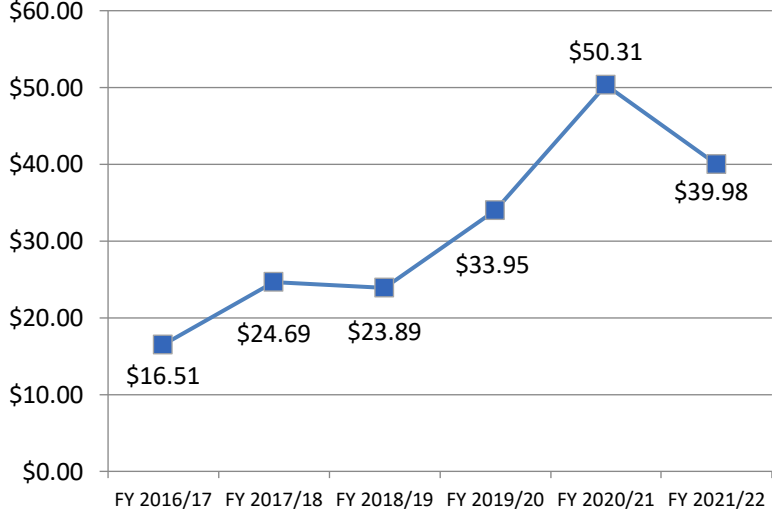


Exhibit 6.7 System Passengers/VSH

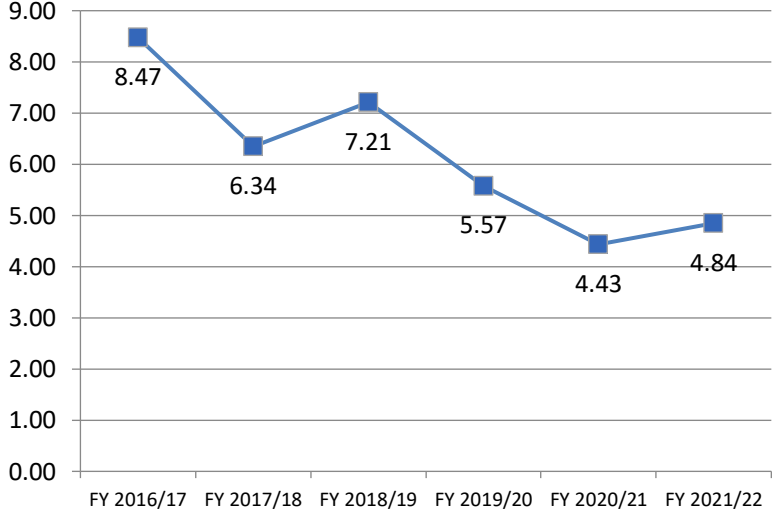


Exhibit 6.8 System Passengers/VSM

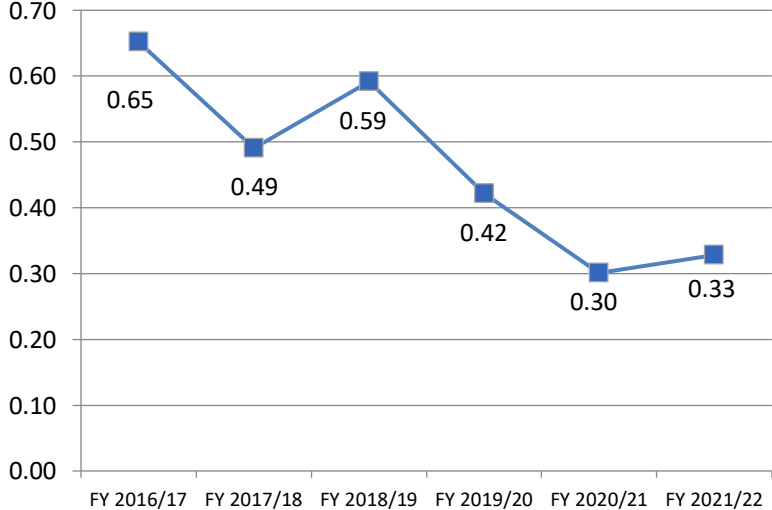


Exhibit 6.9 System VSH/FTE

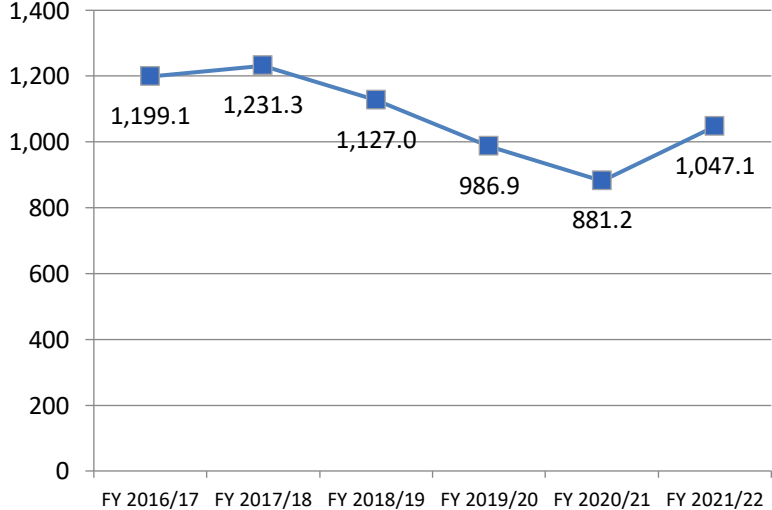


Exhibit 6.10 System Farebox Recovery

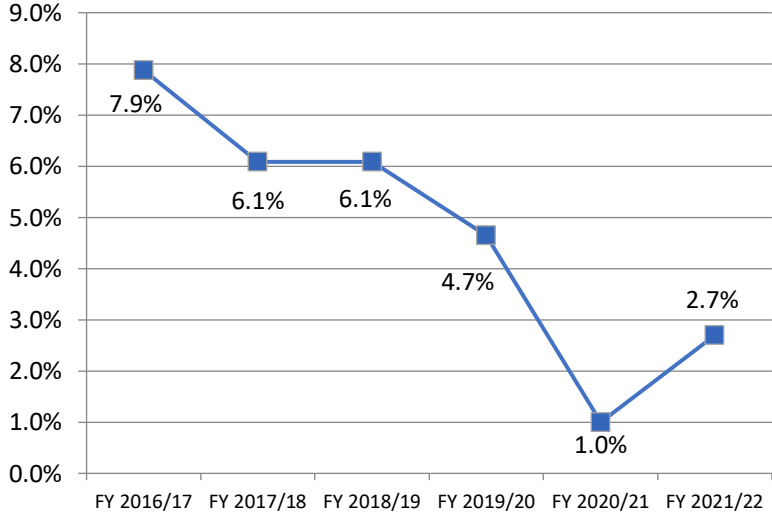
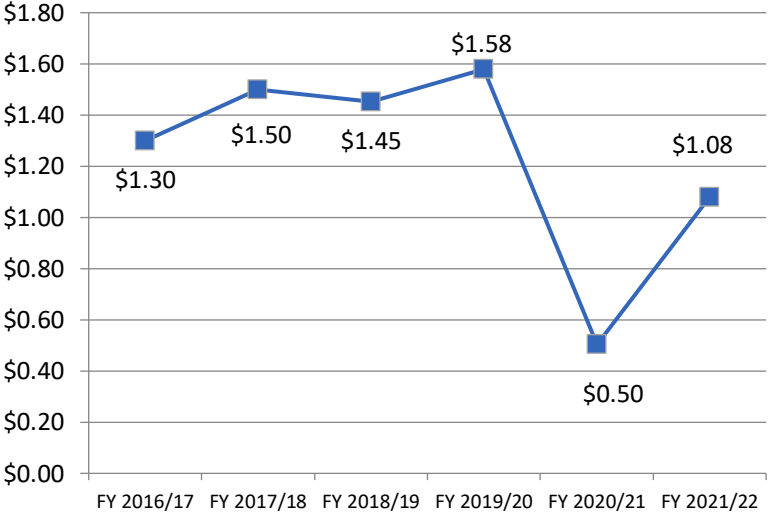


Exhibit 6.11 System Fare/Passenger



Fixed-Route Performance Trends

Fixed-route operating cost experienced a net 4.6 percent increase during the audit period, and a 39.9 percent net increase across the last six years. Fare revenue, however, steadily decreased during five years of the six-year period, with the greatest decline occurring in FY 2020/21. This resulted in a net 49.1 percent decrease during the audit period and a net 65.9 percent decrease over six years.

Vehicle service hours (VSH) fluctuated during the six-year period. This resulted in a net 5.8 percent increase during the audit period and a net 0.6 percent decrease during the six-year period. Vehicle service miles (VSM) experienced a net 4.8 percent increase during the audit period and a net 6.7 percent increase during the six-year period. Ridership declined during three years of the six-year period, though the significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic. This led to a 27.4 percent net decrease during the audit period and a 64 percent net decrease across the six-year period.

Due to the increase in operating cost in FY 2020/21, fixed-route cost-related metrics increased during the audit period. Operating cost per passenger was impacted the most, given the 27.4 percent decrease in ridership during the audit period. Passenger-related metrics fell during the audit period, with passengers per VSH decreasing 31.4 percent and passengers per VSM decreasing 30.8 percent.

Exhibit 6.12 Fixed-Route Performance Indicators

Performance Measure	Fixed-Route					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$3,145,484	\$4,080,778	\$3,983,139	\$4,207,282	\$5,112,389	\$4,399,164
<i>Annual Change</i>		29.7%	-2.4%	5.6%	21.5%	-14.0%
Fare Revenue (Actual \$)	\$388,706	\$350,526	\$335,942	\$260,256	\$63,830	\$132,549
<i>Annual Change</i>		-9.8%	-4.2%	-22.5%	-75.5%	107.7%
Vehicle Service Hours (VSH)	26,904	27,340	26,727	25,283	26,816	26,746
<i>Annual Change</i>		1.6%	-2.2%	-5.4%	6.1%	-0.3%
Vehicle Service Miles (VSM)	380,354	378,284	376,506	387,056	409,132	405,822
<i>Annual Change</i>		-0.5%	-0.5%	2.8%	5.7%	-0.8%
Passengers	364,810	262,024	266,718	181,098	121,642	131,392
<i>Annual Change</i>		-28.2%	1.8%	-32.1%	-32.8%	8.0%
Employees	17	18	17	18	19	19
<i>Annual Change</i>		5.9%	-5.6%	5.9%	5.6%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$116.92	\$149.26	\$149.03	\$166.41	\$190.65	\$164.48
<i>Annual Change</i>		27.7%	-0.2%	11.7%	14.6%	-13.7%
Operating Cost/Passenger (Actual \$)	\$8.62	\$15.57	\$14.93	\$23.23	\$42.03	\$33.48
<i>Annual Change</i>		80.6%	-4.1%	55.6%	80.9%	-20.3%
Passengers/VSH	13.56	9.58	9.98	7.16	4.54	4.91
<i>Annual Change</i>		-29.3%	4.1%	-28.2%	-36.7%	8.3%
Passengers/VSM	0.96	0.69	0.71	0.47	0.30	0.32
<i>Annual Change</i>		-27.8%	2.3%	-34.0%	-36.5%	8.9%
Farebox Recovery	12.4%	8.6%	8.4%	6.2%	1.2%	3.0%
<i>Annual Change</i>		-30.5%	-1.8%	-26.7%	-79.8%	141.3%
Hours/Employee	1,582.6	1,518.9	1,572.2	1,404.6	1,411.4	1,407.7
<i>Annual Change</i>		-4.0%	3.5%	-10.7%	0.5%	-0.3%
TDA Non-Required Indicators						
Operating Cost/VSM	\$8.27	\$10.79	\$10.58	\$10.87	\$12.50	\$10.84
<i>Annual Change</i>		30.4%	-1.9%	2.7%	15.0%	-13.2%
VSM/VSH	14.14	13.84	14.09	15.31	15.26	15.17
<i>Annual Change</i>		-2.1%	1.8%	8.7%	-0.3%	-0.5%
Fare/Passenger	\$1.07	\$1.34	\$1.26	\$1.44	\$0.52	\$1.01
<i>Annual Change</i>		25.6%	-5.8%	14.1%	-63.5%	92.2%

Sources: FY 2016/17 – FY 2018/19 data from prior audit. FY 2019/20 – FY 2021/22 data from State Controller Reports.

Exhibit 6.13 Fixed-Route Ridership

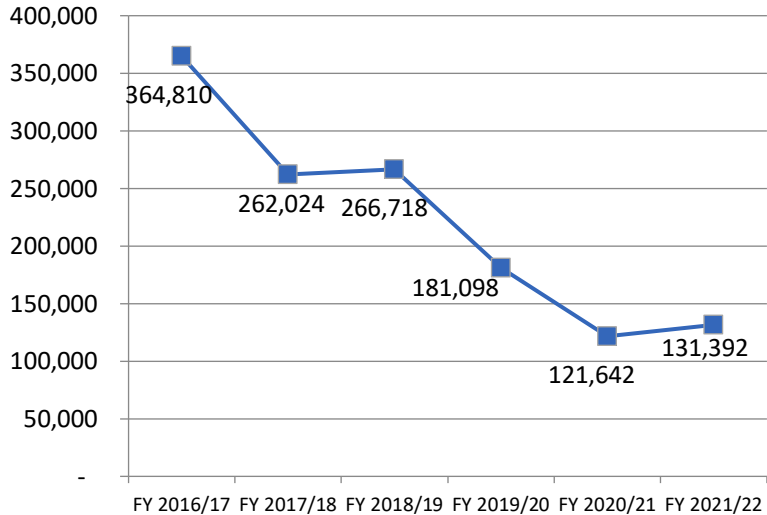


Exhibit 6.14 Fixed-Route Operating Cost/VSH

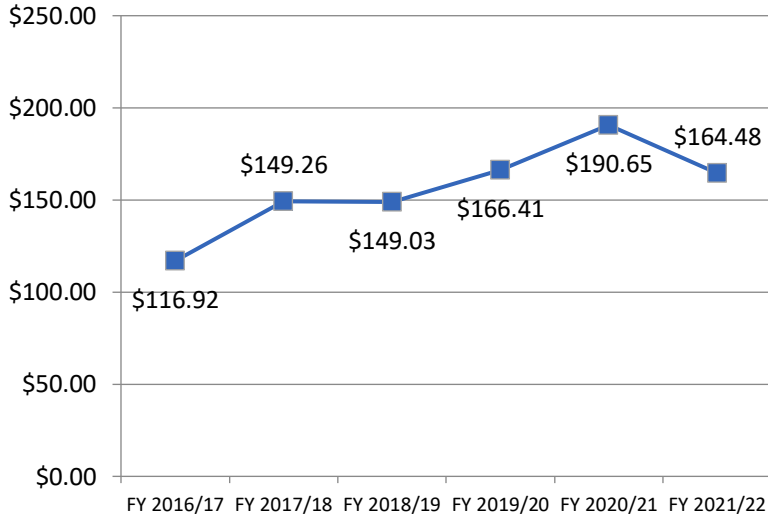


Exhibit 6.15 Fixed-Route Operating Cost/VSM

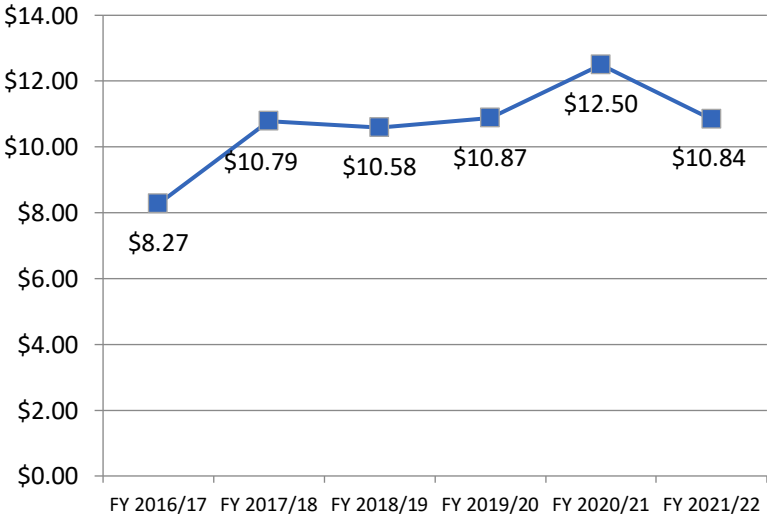


Exhibit 6.16 Fixed-Route VSM/VSH

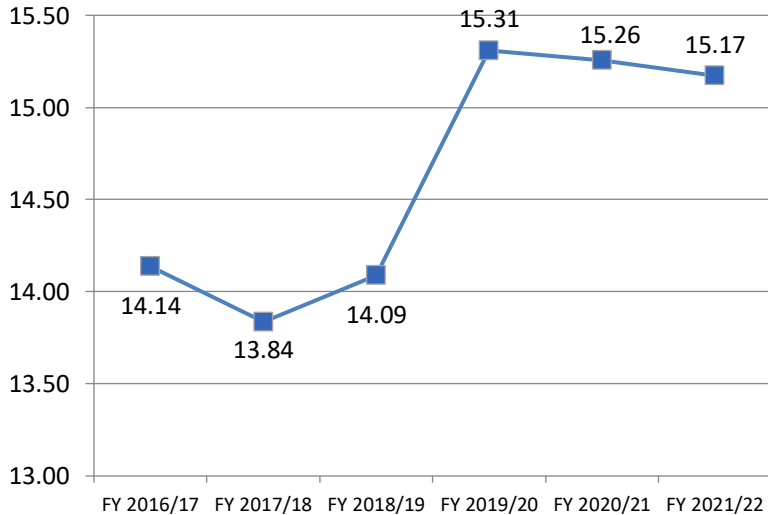


Exhibit 6.17 Fixed-Route Operating Cost/Passenger

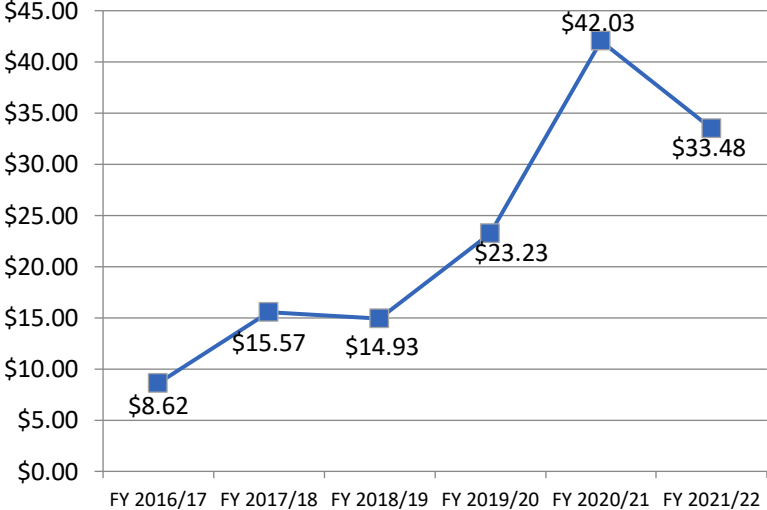


Exhibit 6.18 Fixed-Route Passengers/VSH

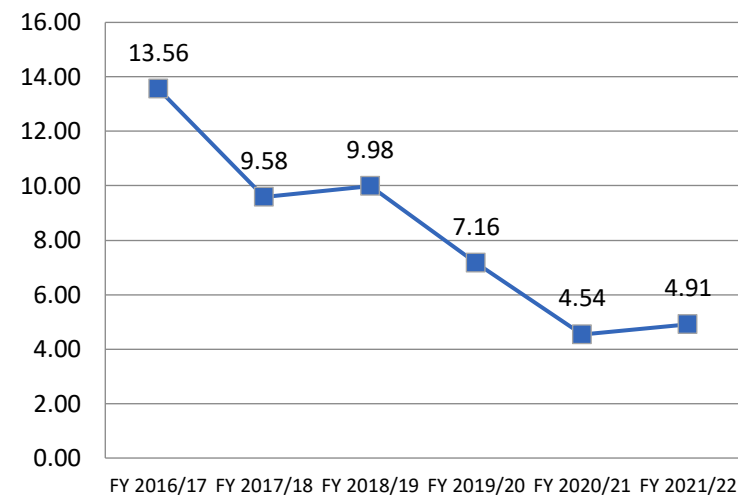


Exhibit 6.19 Fixed-Route Passengers/VSM

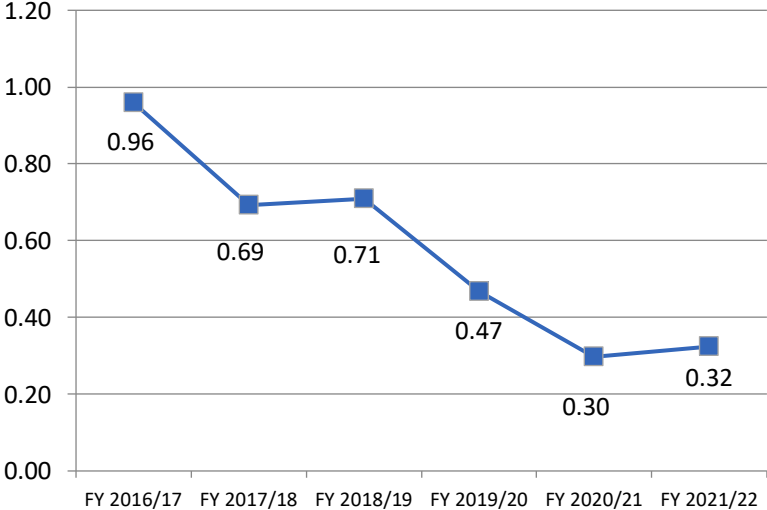


Exhibit 6.20 Fixed-Route VSH/FTE

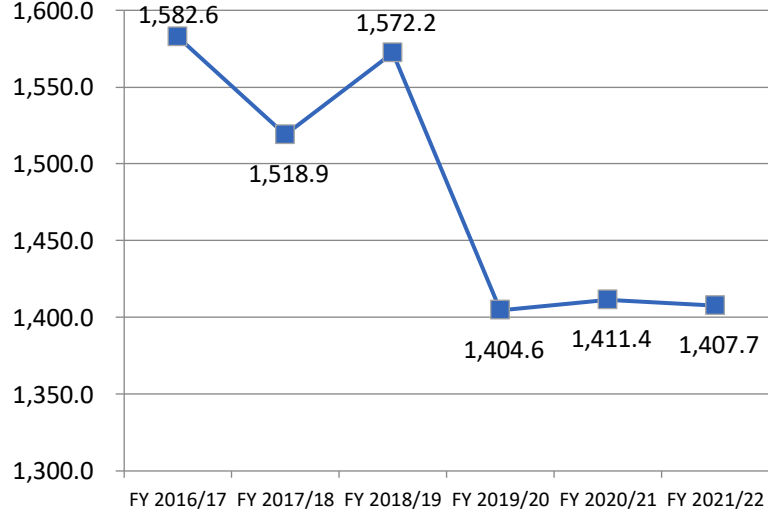


Exhibit 6.21 Fixed-Route Farebox Recovery

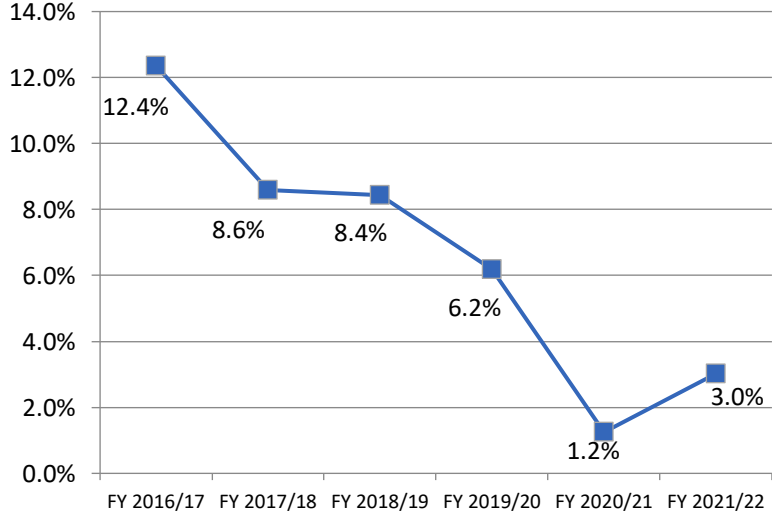
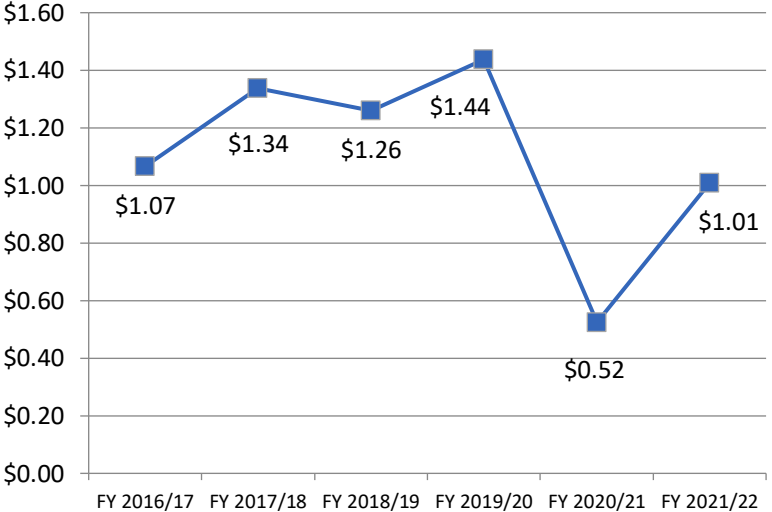


Exhibit 6.22 Fixed-Route Fare/Passenger



Demand-Response Performance Trends

Demand-response operating cost experienced a net 25.6 percent decrease during the audit period, and a net 38.7 percent decrease across the last six years. Fare revenue steadily decreased during the six-year period, with the greatest decline occurring in FY 2020/21. This resulted in a net 38.8 percent decrease during the audit period and a net 68.6 percent decrease over six years.

Vehicle service hours (VSH) decreased each year of the six-year period with the exception of FY 2021/22. This resulted in a net 40.9 percent decrease during the audit period and a net 64.9 percent decrease during the six-year period. Vehicle service miles (VSM) experienced the same pattern. This resulted in a net 13.8 percent decrease during the audit period and a net 59.5 percent decrease during the six-year period. Ridership declined during five years of the six-year period, though the most significant declines did not occur until FY 2019/20 and FY 2020/21 in response to the COVID-19 pandemic before increasing significantly in FY 2021/22. This led to a 7.4 percent net increase during the audit period, but a 30.7 percent net decrease across the six-year period. *(Note: Ridership reported to the State Controller included ECTA trips.)*

Cost-related metrics were mixed, with operating cost per VSH increasing 25.9 percent and operating cost per passenger decreasing 30.7 percent during the audit period. Passenger-related metrics rose during the audit period, with passengers per VSH increasing by 81.7 percent and passengers per VSM increasing by 24.6 percent.

Exhibit 6.23 Demand-Response Performance Indicators

Performance Measure	Demand-Response					
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Operating Cost (Actual \$)	\$3,731,892	\$3,632,061	\$3,587,308	\$3,076,034	\$2,161,238	\$2,289,336
<i>Annual Change</i>		-2.7%	-1.2%	-14.3%	-29.7%	5.9%
Fare Revenue (Actual \$)	\$152,892	\$118,377	\$124,459	\$78,470	\$8,958	\$48,036
<i>Annual Change</i>		-22.6%	5.1%	-37.0%	-88.6%	436.2%
Vehicle Service Hours (VSH)	22,258	21,912	17,226	13,205	5,790	7,807
<i>Annual Change</i>		-1.6%	-21.4%	-23.3%	-56.2%	34.8%
Vehicle Service Miles (VSM)	258,662	259,102	159,508	121,557	71,397	104,842
<i>Annual Change</i>		0.2%	-38.4%	-23.8%	-41.3%	46.8%
Passengers	51,805	50,409	50,134	33,407	22,934	35,893
<i>Annual Change</i>		-2.7%	-0.5%	-33.4%	-31.3%	56.5%
Employees	24	22	22	21	18	14
<i>Annual Change</i>		-8.3%	0.0%	-4.5%	-14.3%	-22.2%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$167.67	\$165.76	\$208.25	\$232.94	\$373.27	\$293.24
<i>Annual Change</i>		-1.1%	25.6%	11.9%	60.2%	-21.4%
Operating Cost/Passenger (Actual \$)	\$72.04	\$72.05	\$71.55	\$92.08	\$94.24	\$63.78
<i>Annual Change</i>		0.0%	-0.7%	28.7%	2.3%	-32.3%
Passengers/VSH	2.33	2.30	2.91	2.53	3.96	4.60
<i>Annual Change</i>		-1.2%	26.5%	-13.1%	56.6%	16.1%
Passengers/VSM	0.20	0.19	0.31	0.27	0.32	0.34
<i>Annual Change</i>		-2.9%	61.6%	-12.6%	16.9%	6.6%
Farebox Recovery	4.1%	3.3%	3.5%	2.6%	0.4%	2.1%
<i>Annual Change</i>		-20.4%	6.4%	-26.5%	-83.8%	406.2%
Hours/Employee	927.4	996.0	783.0	628.8	321.7	557.6
<i>Annual Change</i>		7.4%	-21.4%	-19.7%	-48.8%	73.4%
TDA Non-Required Indicators						
Operating Cost/VSM	\$14.43	\$14.02	\$22.49	\$25.31	\$30.27	\$21.84
<i>Annual Change</i>		-2.8%	60.4%	12.5%	19.6%	-27.9%
VSM/VSH	11.62	11.82	9.26	9.21	12.33	13.43
<i>Annual Change</i>		1.8%	-21.7%	-0.6%	34.0%	8.9%
Fare/Passenger	\$2.95	\$2.35	\$2.48	\$2.35	\$0.39	\$1.34
<i>Annual Change</i>		-20.4%	5.7%	-5.4%	-83.4%	242.6%

Sources: FY 2016/17 – FY 2018/19 data from prior audit. FY 2019/20 – FY 2021/22 data from State Controller Reports.

Exhibit 6.24 Demand-Response Ridership

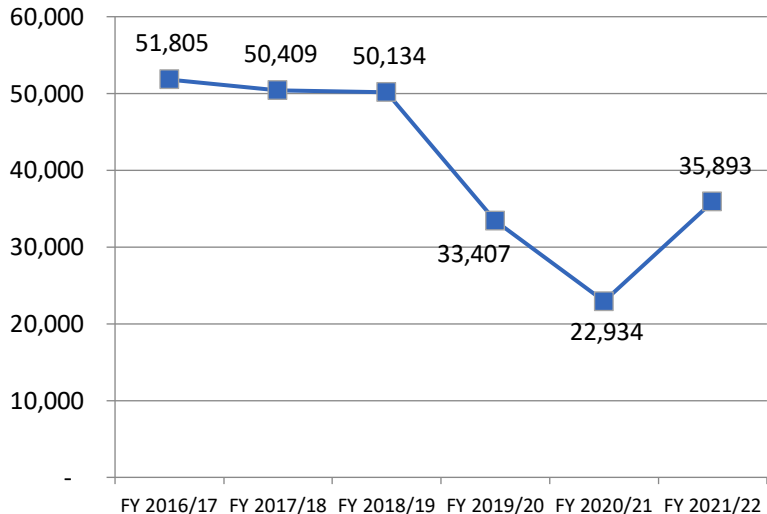


Exhibit 6.25 Demand-Response Operating Cost/VSH

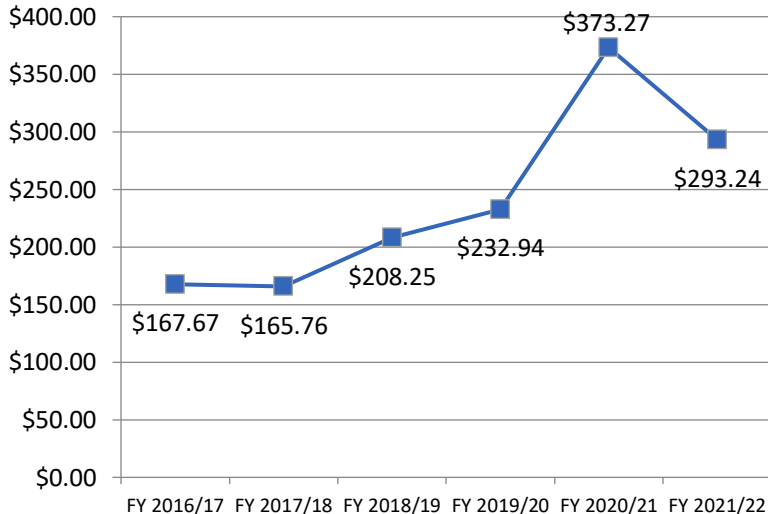


Exhibit 6.26 Demand-Response Operating Cost/VSM

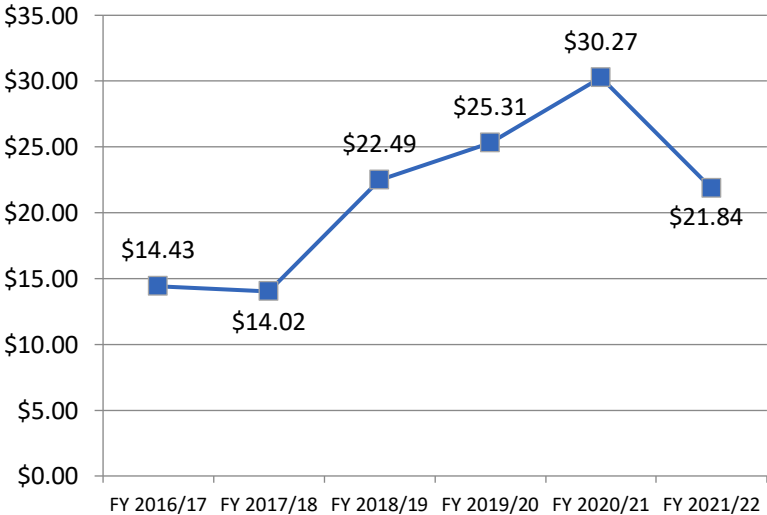


Exhibit 6.27 Demand-Response VSM/VSH

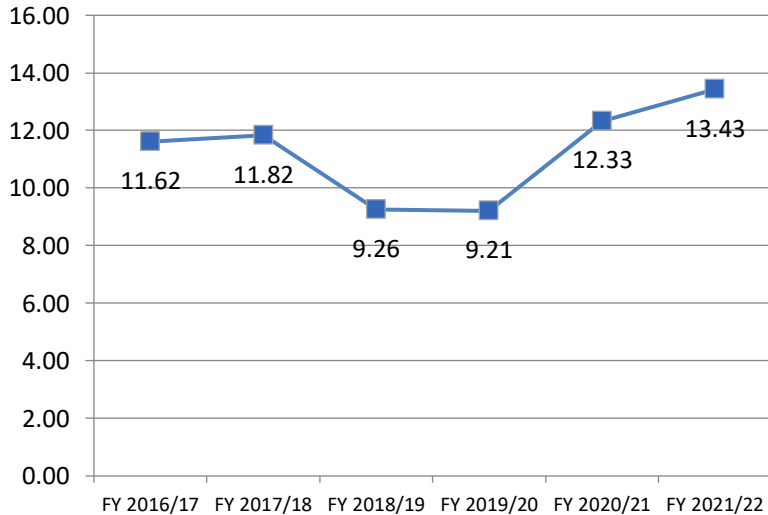


Exhibit 6.28 Demand-Response Operating Cost/Passenger

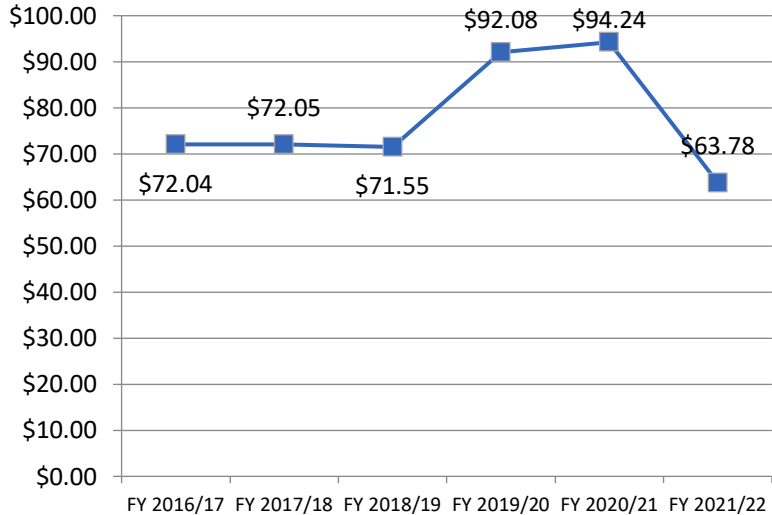


Exhibit 6.29 Demand-Response Passengers/VSH

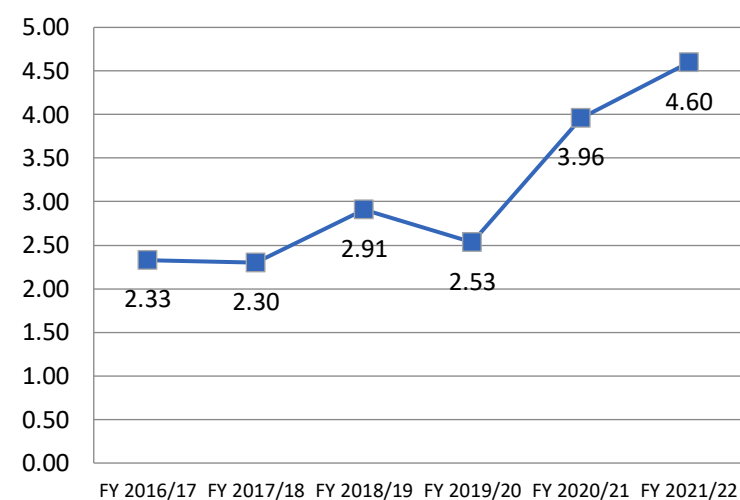


Exhibit 6.30 Demand-Response Passengers/VSM

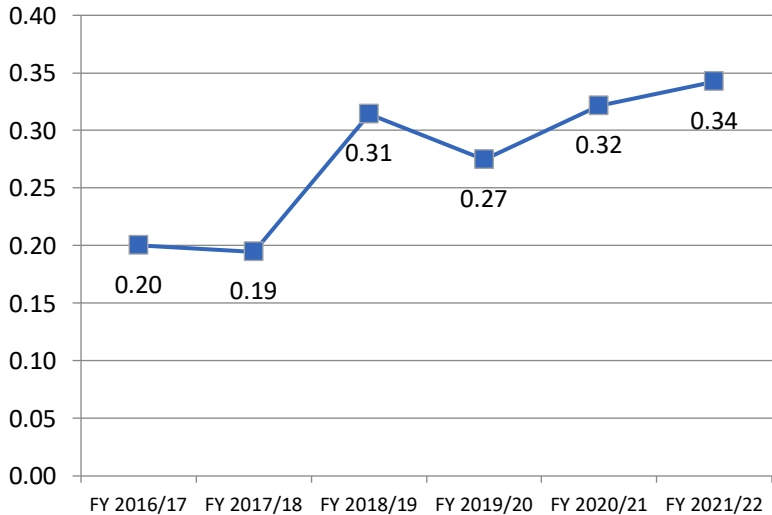


Exhibit 6.31 Demand-Response VSH/FTE

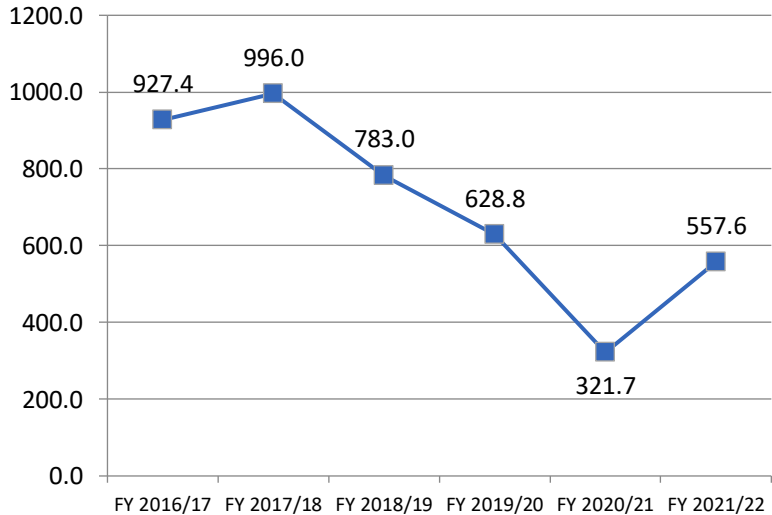


Exhibit 6.32 Demand-Response Farebox Recovery

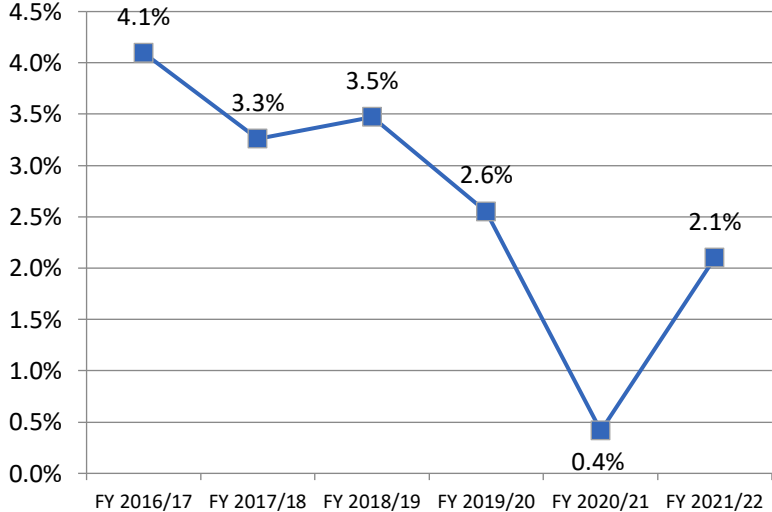
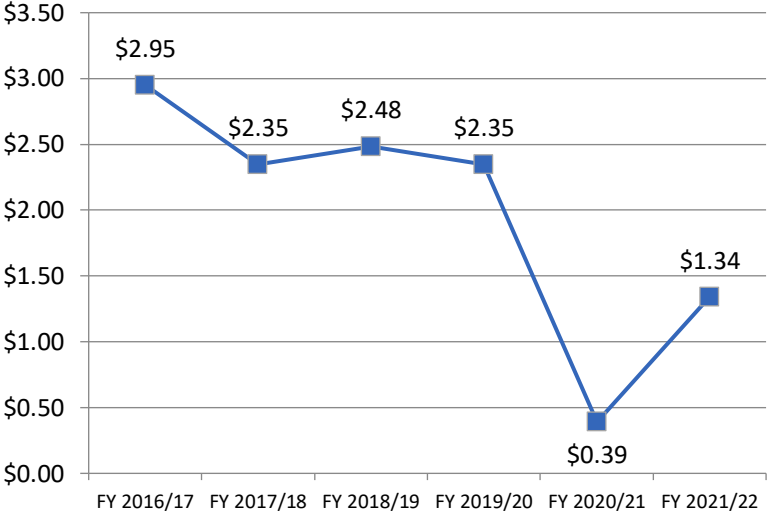


Exhibit 6.33 Demand-Response Fare/Passenger



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Chapter 7 | Functional Review

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

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

Service Overview

The City of Simi Valley, located in eastern Ventura County, provides public transit service consisting of three fixed routes and an ADA/senior Dial-A-Ride service within Simi Valley. Route 10 also serves Moorpark College and the Chatsworth Metrolink Station. The service operates Monday through Saturday (excluding designated holidays). Hours of operation are 5:00 a.m. to 8:00 p.m.

The City’s Dial-A-Ride is a shared-ride, curb-to-curb service for ADA-certified individuals as well as seniors age 65 and above. Prospective riders must complete a Dial-A-Ride application in order to be eligible for the service.

The current fare structure for fixed-route service is shown in Exhibit 7.1, while Exhibit 7.2 details the Dial-A-ride fare structure. Upon request, the City also provides transfers to Ventura County Transportation Commission’s Intercity Bus. College students and youth, age 18 and under, ride any public transit bus in Ventura County free for during the 2022/2023 and 2023/2024 school year. Students must show their school ID.

Passes may be purchased at City Hall and most middle and senior high schools. Riders may also purchase trips and passes using the City’s mobile ticketing app, Token Transit, as well as use stored value and passes on the VCbuspass through the county-wide ticketing app, Umo. Using stored value from the VCbuspass also provides a discount of 10 percent per ride.

Exhibit 7.1 Fixed-Route Fare Structure

Fare Category	Base Price	VCbuspass stored value	VCbuspass 31-day pass Zone 1
Full Fare			
Single trip	\$1.50		N/A
Youth (up to age 18)	Free	N/A	N/A
College students	Free	N/A	N/A
Unlimited Day Pass	\$5.00	N/A	N/A
Unlimited Monthly Pass	\$50.00	N/A	\$50.00
Reduced Fare			
Single trip	\$0.75		N/A
Unlimited Day Pass	\$2.50	N/A	N/A
Unlimited Monthly Pass	\$25.00	N/A	\$25.00

Exhibit 7.2 Demand-Response Fare Structure

Fare Category	Price
Single trip (one-way)	\$2.00
Personal Care Attendant (PCA) (w/ ADA-certified rider)	Free
10-ride book of passes	\$20.00
Out-of-area service (one-way) (ECTA)	\$6.00

Recent service and fare changes

In early 2020, the City began implementing recommendations from its 2019 Short Range Transit Plan. This included the launch of Token Transit in February and a complete revisioning of the route network beginning March 2, replacing Route C with Route 10 and Routes A, B, and D with Routes 20 and 30. The new system offered 30-minute service between 6:00 a.m. and 6:00 p.m., and 60-minute service until 8:00 p.m., Monday through Saturday. It also established a temporary transit center at Avenida Simi and Tapo Canyon Blvd. and recommended the introduction of an app-based electronic fare media. The new routes were in place a very short time before the onset of the COVID-19 pandemic, which impacted the City's ability to gauge the effectiveness of the changes.

The City Manager is interested in possible micro-transit service; however, the City would need additional operators to run the service.

Response to COVID-19 pandemic

In response to the pandemic, Simi Valley Transit required masks onboard, employed rear-door boarding, and enhanced cleaning practices. Staffing was the greatest challenge during the COVID-19 pandemic. Operators were short staffed, resulting in no back-up. The City struggled to get the service out, and had to call on supervisors to cover several routes, as the City does not have an extra board. Fares were suspended beginning April 10, 2020 and were reintroduced on September 1, 2021. There has been a significant recovery noted since October 2022.

Simi Valley Transit has begun attending in-person events again to get the word out about transit. Staff are definitely seeing positive trends, although the program remains short-staffed.

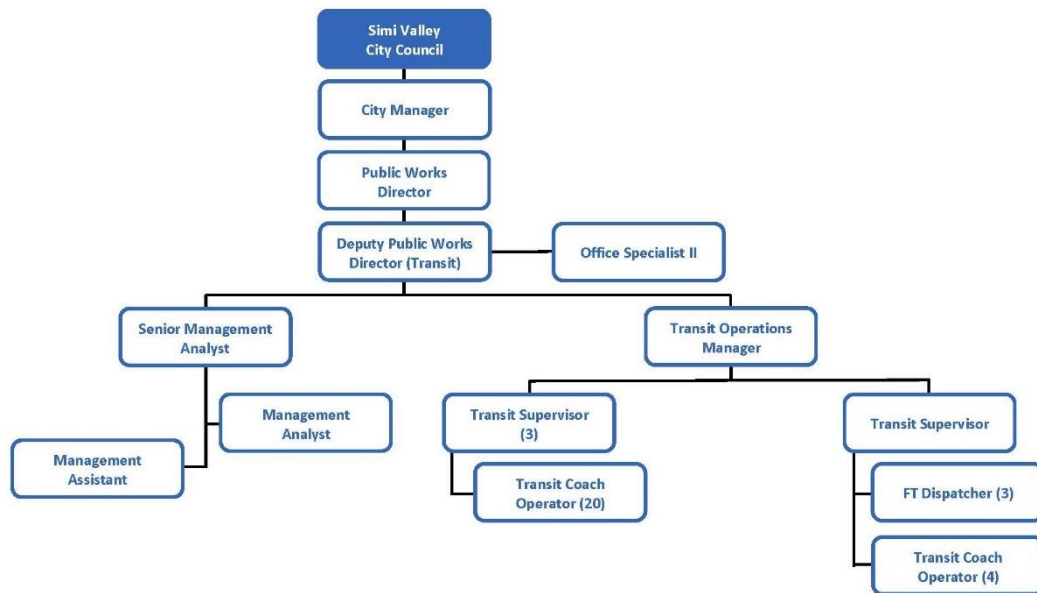
General Management and Organization

The Simi Valley City Council is the governing body for the City’s transit program. The City Council meets at 6:30 p.m. on Monday at city hall (2929 Tapo Canyon Road) typically twice monthly.

The City’s transit system is a division of the City of Simi Valley’s Community Services Department. The Transit Division occupies the Transit Maintenance Facility (490 West Los Angeles Avenue). The division is managed by the Deputy Public Works Director (Transit), supported by a Senior Management Analyst, Management Analyst, Management Assistant, and Transit Operations Manager. The Transit Operations Manager is supported by four Transit Supervisors who oversee drivers, dispatchers, and Transit Operations Assistants. Fleet maintenance lies under the Deputy Public Works Director (Maintenance Services).

The City’s Transit organizational chart is included as Exhibit 7.3.

Exhibit 7.3 Organizational Chart



With the exception of transit operators, the program is organized effectively and staffed appropriately. A newly created Management Analyst position was filled approximately six months prior to the site visit, which has been helpful.

The City’s Transit Supervisors monitor performance measures on a daily basis. Fixed-route metrics include ridership, farebox, and on-time performance. DAR metrics include trip denials, productivity, missed trips/no-shows, and additional resources needed to meet demand. In-service evaluations of drivers/ride-alongs are conducted at least twice yearly.

City staff believes VCTC provides sufficient support and is a valuable resource. City staff participate in VCTC’s Transcom for transit operators, which fosters regional collaboration. The City is also a member of CalACT.

Service Planning

The last SRTP, completed in 2019, included development of a Transit mission statement, goals, and performance standards for the program. It also included recommendations for a transit management system, staff reductions, cost allocations, and technology, in addition to recommendations about routes. The SRTP also included an ADA/DAR service plan, which addressed recent performance for the City's local ADA/DAR program and ECTA CONNECT and included recommendations specific to the demand-response mode. Finally, the SRTP set forth a series of marketing objectives and strategies focusing on maximizing ridership on the revised system. While many elements of the SRTP were implemented in March 2020, it was difficult to evaluate their impact given the changes resulting from the COVID-19 pandemic. The City intends to update its SRTP in 2023.

During the 2019 SRTP, the City (through its consultant) conducted five facilitated focus groups, two open house sessions, interviews with 27 stakeholders, an onboard rider survey (490 completed questionnaires) two public workshops, and three meetings with transit drivers.

Simi Valley Transit has now returned to in-person events such as street fairs, health and wellness fairs, and the touch-a-truck event. A representative brings a vehicle, a driver, and a customer service representative to staff a booth and will participate at local schools.

At present, VCTC is finalizing its county-wide Transit Integration and Efficiency Study (TIES), which further examines opportunities for regional coordination and service integration. The TIES project, which was launched after it became apparent COVID would have a long-term impact on transit, has presented three separate alternatives: 1) better coordination between procurement, technology, and marketing; 2) consolidating some of the services; and 3) full consolidation of all transit operators.

Administration

The transit budget is handled by the Public Works Director and the Senior Management Analyst. Together they look at revenues, capital projects, etc. The draft budget then goes through the division, then a department meeting, the City manager, and then for approval by the City Council. Finance provides monthly YTD budgets reports to the City Council. Financial data is tracked using Munis software. Staff review grant projects and expenses every time they process an invoice.

Grants are handled by the Senior Management Analyst, Management Analyst, and Accounting Assistant. Progress is reported quarterly in TrAMS. The City actively pursues discretionary grants.

The City's Risk Management department oversees insurance and risk management. Transit reports all accidents and injuries immediately, whether a claim is filed or not. The report is then sent to the City's risk management department. Transit provides supporting information, videos, etc. for any claims that are filed.

The City participates in the Drug and Alcohol Monitoring and Information System (DAMIS), which provides information about emerging trends in drug misuse, to enable quick action regarding employees who misuse drugs. The City also participates in the CalTIP self-insurance pool and utilizes self-funded workers' compensation insurance. Vehicles have onboard cameras for added security. Transit's role in the City's emergency plan is well-defined; the Deputy Public Works Director (Transit) serves as one of the emergency services leads and attends quarterly meetings with emergency response team.

While the transit service is operated in-house, several contracts are managed by the transit department. These include software contracts, reimbursement contracts (with VCTC and Metrolink), and the Simi Valley Unified School District (regarding fuel sales). Assigned project managers regularly monitor contract performance.

Payroll is processed through Executime, with Supervisor approval of time submittals. Direct deposit is offered, but participation is voluntary.

The City maintains a procurement manual, which is updated to reflect changes to regulations and other requirements. Each purchase order must go through the City's approval process. The City does utilize joint procurements, such as the CalACT bid for vehicles and a joint VCTC procurement for Synchromatics software.

The City does not have an internal audit function. The transit program is routinely subject to IRS, Proposition 1B, TDA, and FTA audits through contracted auditors.

Marketing and Public Information

The City utilizes multiple channels for marketing and public information, including media releases, websites, onboard notices, Rider Guides, and outreach to community partners. It is planning additional marketing activities in the next fiscal year, which will also include digital signage. Transit has been more present in the community since the pandemic, including launch of mobile ticketing. The City has worked with local schools and the Youth in Government committee to promote the countywide Youth Ride Free program. The City recently added seven new bus shelters which will feature advertisements for City activities. As the City procures new buses (CNG cutaways and fixed-route buses) in the next 18 months, it is considering new branding. The first zero-emission buses are expected to arrive in 2026.

Customer concerns/complaints are documented within TransTrack and escalated as necessary. Driver issues are routed to the driver's supervisor, with the operations manager and Deputy Public Works Director copied, and the driver is brought in for counseling. Complainants are contacted within 48 hours. Bilingual (English/Spanish) customer service is provided in-house.

Ridership is typically the key performance indicator with respect to marketing, as well as the frequency of complaints. Staff also review participation in events to evaluate what works and what does not. Public perception of Simi Valley Transit is generally positive.

Scheduling, Dispatch, and Operations

Simi Valley Transit is operated in-house. Service is currently staffed by 11 full-time employees and 12 part-time employees. To be fully staffed, there would need to be 11 full-time drivers and 16 to 17 part-time drivers. Since the site visit, the City has hired three new drivers, who are currently undergoing training. Employees are represented by SEIU Local #721. Drivers bid on schedules two times per year, with assignments based on seniority. Both full-time and part-time drivers receive the same licensing and certifications. Full-time drivers work fixed routes Monday through Friday, while part-time drivers are primarily assigned to part-time Dial-A-Ride shifts.

Absences, whether scheduled vacations or call-outs, utilize off-duty drivers whenever possible. Supervisors may also be assigned to cover a driver shift. Approval of time off requests is based on available manpower.

Vehicles are assigned after maintenance produces its daily hold list. Fixed-route vehicles are rotated through routes and drivers. Downed vehicles are communicated effectively on a daily basis via email. Mechanics can pull vehicles from service if they do not meet operability requirements.

The City uses GFI Genfare fareboxes, with which drivers manually enter the fare type when riders board. At the end of each shift, transit supervisors pull the secured fareboxes and Dial-A-Ride vaults from vehicles and place them in the secure cash room. The cash room features controlled access and is monitored by cameras. Two dispatchers count fare revenue. The money is then stored in the safe, which is only accessible by supervisors. An armored car picks up the money twice a week and delivers to the bank. Dial-A-Ride fares are reconciled against trip manifests. Bank deposits are monitored against unclassified fares. Fixed-route fare media is sold at city hall and the Transit Maintenance Facility (with an appointment). One-day passes are sold onboard the bus. Credit card payments are processed into the transit account. Mobile ticketing is offered through Token Transit and Umo. Token Transit has been working well for several years. Umo is the county-wide contactless app that is part of the VCbuspass program. It is still fairly new to Simi Valley Transit users.

Personnel Management and Training

As mentioned earlier, the City is not currently recruiting enough drivers to meet its needs. Drivers are recruited using a variety of methods, including CalOpps, TransitTalent, Simi Valley *Acorn*, Facebook, LinkedIn, and other websites. So far LinkedIn and TransitTalent have been the most effective. Simi Valley Transit is also interested in advertising at City events, including a job fair later this year.

Until recently, driver candidates had to already possess a Class B commercial driver's license with the proper endorsement. Given they were not getting any candidates, the City has revisited this requirement and is now advertising for recruits with a Class C license and a good driving record. Recruitment has increased since this change. Training new drivers through commercial licensing takes longer, typically between eight and ten weeks, although this could be as little as seven weeks.

One of the biggest motivators for employees is that the transit program is operated in-house. Employees are eligible for City pay and excellent benefits. Food is also a great motivator. Prior to COVID, Transit staff held potlucks, chili cookoffs, and other events. Late last fall they held a couple of barbecues and intend to continue these activities. The City is more limited in what they can give as incentives. They are looking at acknowledging driver birthdays and other celebrations, but want to be able to do so without the employees having to contribute.

The City also tries to engage in meaningful dialogue with its drivers. Formal communications are provided during performance evaluations, which have been the subject of positive comments from drivers. Before COVID, turnover was low; however, over the last year five part-time drivers went elsewhere due to better opportunities (Amazon and Waste Management are two competitors). Many of the full-time drivers have been with the City from 10 to 15 years.

Comprehensive training is capable of taking an inexperienced driver all the way through commercial licensing. Training typically takes eight to ten weeks to complete. It includes 40 hours in the classroom, 30 hours on the vehicle, 30 hours behind-the-wheel, and 10 hours cadetting for an experienced recruit. The City also conducts mandatory monthly safety meetings. Ongoing training exceeds state requirements.

Full-time drivers receive a full benefits package, including health insurance, dental and vision insurance, life insurance, retirement, health accounts, employee assistance program, tuition reimbursement, alternative work schedule, annual leave, and holidays. Part-time drivers receive prorated benefits. Drivers receive proportionate benefits based on hours worked. There is no threshold for receiving the benefit adjustment; anything above their full-time status is compensated. Benefits are detailed in the employee handbook.

Maintenance

The City's Transit Maintenance Facility (490 West Los Angeles Avenue) is a certified LEED-Gold building which realized a 25 percent energy savings following renovations in 2011. The City's renovations included a CNG fueling facility that enables the City to sell fuel to other fleet operators, including the City of Moorpark, Simi Valley Unified School District, and a local waste management company.

At present, one mechanic is dedicated to transit while another is approximately 60 percent transit. Others are shared between transit, police, and other public works vehicles. All time is logged and charged appropriately.

The City's preventive maintenance program includes monthly inspections, pre- and post-trip driver inspections, and servicing every 6,000 miles. This schedule complies with manufacturers' recommended schedules. Other issues are addressed based on need. Maintenance staff can reschedule preventive maintenance to optimize vehicle availability.

The Maintenance Facility and Garage are sufficient for the current transit fleet, including three bays, two lifts, and a pit. Specialized repairs such as engine/transmission overhauls, body work, and warranty work may be contracted out.

The facility features a parts room which is secure and accessible by all maintenance personnel. All parts are labeled and access is limited to the parts room. Parts are tracked via an Excel spreadsheet.

Maintenance schedules are repeatedly communicated to dispatch. Should an unsafe vehicle be identified, it is tagged out and marked on the fleet status board, and dispatch is notified. If there is any doubt to a vehicle's soundness, it is kept out of service.

The City's fleet is summarized in Exhibit 7.4.

Exhibit 7.4 Simi Valley Transit's Fleet

Year	Make/Model	Length	Capacity	Fuel type	Mode	Qty
2010	New Flyer	40'	37/2 WC	CNG	Fixed-route	2
2014	New Flyer	40'	40/2 WC	CNG	Fixed-route	3
2014	New Flyer	35'	32/2 WC	CNG	Fixed-route	3
2020	New Flyer	35'	32/2 WC	CNG	Fixed-route	3
2015	Chevrolet	28'	13/3 WC	CNG	ADA/DAR	12
2003	Dodge Caravan		7/0 WC	Gas	Supervisory	1
2000	Ford Crown Victoria		4/0 WC	Gas	Supervisory	1
2020	Ford Fusion		5/0 WC	Hybrid	Relief	5

Chapter 8 | Findings and Recommendations

Conclusions

Moore & Associates, Inc. finds Simi Valley Transit 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 Simi Valley Transit staff, analysis of program performance, and an audit of program compliance and function, the audit team presents no compliance or functional findings or recommendations.

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