

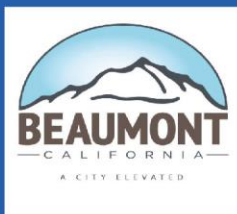


RCTC

**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**

FY 2016-2018

Triennial Performance Audit of City of Beaumont Transit



Draft

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Submitted to:
Riverside County Transportation Commission

Submitted by:

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INTERNATIONAL

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Executive Summary

The Riverside County Transportation Commission (RCTC) engaged Michael Baker International to conduct the Transportation Development Act (TDA) triennial performance audit of the public transit operators under its jurisdiction in Riverside County. This performance audit is conducted for the City of Beaumont Transit (Beaumont, City) covering the most recent triennial period, fiscal years 2015–16 through 2017–18.

The audit includes a review of the following areas:

- Compliance with TDA requirements
- Status of prior audit recommendations
- Transit system performance trends
- Detailed functional review

From the review, recommendations were developed to improve the operational efficiency and effectiveness of the City of Beaumont Transit.

Compliance with TDA Requirements

The City fully complied with five of the eight applicable requirements. The City was in partial compliance regarding the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller and the annual fiscal and compliance audits as well as farebox recovery attainment in FY 2018. Three additional compliance requirements did not apply to Beaumont (i.e., intermediate farebox recovery ratio, exclusive urbanized farebox recovery ratio, and the utilization of federal funds).

Status of Prior Audit Recommendations

Beaumont satisfactorily implemented two of the four prior audit recommendations. The two recommendations pertained to the timely submittal of the annual State Controller Reports and the tracking of mobility devices on driver trip sheets. One recommendation pertaining to receiving reimbursement from Riverside Transit Authority (RTA) and Mt. San Jacinto College for Go-Pass riders was partially implemented and the recommendation pertaining to the completion and submittal of separate State Controller Reports for both general and specialized service was not implemented. Both recommendations are being carried forward for full implementation.

System Performance Trends

1. Based on the available data from the audited City of Beaumont Transit System Financial Statements, the City met its system-wide farebox recovery standard of 10 percent during two of the three years of the audit period, although service expansion during the audit period allows for two full fiscal years of exemption. The farebox recovery ratios were 10.7 percent in FY 2016, 10.4 percent in FY 2017, and 9.1 percent in FY 2018. The average farebox recovery ratio for the period was 10.06 percent.
2. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 5.4 percent system-wide from \$84.98 in the FY 2015 base year to \$89.60 in FY 2018. System-wide operating costs (based on audited data) increased 19.2 percent during the period, while vehicle service hours increased by a lower rate of 13 percent. The average annual increase in operating costs was 9.3 percent. Cost increases were from personnel wage increases for minimum wage and benefits contributions well as continued service expansion and route restructuring. The City is moving forward with a Comprehensive Operations Analysis to create a “blueprint” for the future development of the community’s public transit service.
3. Operating cost per passenger, an indicator of cost effectiveness, increased 34.3 percent system-wide from \$8.37 in FY 2015 to \$11.23 in FY 2018. Ridership system-wide decreased 11.2 percent during the review period from 222,752 passengers in FY 2015 to 197,775 passengers in FY 2018, while operating costs increased by 19.2 percent over the same period.
4. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, decreased 21.5 percent between FY 2015 and FY 2018 system-wide from 10.2 to 8 passengers per hour. Fixed-route operations were consistent with this trend, with a decrease of 20.6 percent over the same period from 10.9 to 8.7 passengers per hour. In contrast, Dial-A-Ride operations exhibited a higher decrease of 43.4 percent from 5.7 to 3.2 passengers per hour. The trend in this indicator demonstrates growth in vehicle service hours as compared to the decline in passenger trips.
5. Passengers per vehicle service mile, another indicator of service effectiveness, decreased 17.1 percent between FY 2015 and FY 2018 system-wide from 0.58 to 0.48 passengers per mile. For fixed-route operations, the number of passengers per service mile decreased by 19.7 percent from 0.61 to 0.49. Passengers per service mile on Dial-A-Ride decreased by a comparable 16.1 percent during the same period, from 0.38 in FY 2015 to 0.32 in FY 2018. From the FY 2015 base year to FY 2018, actual vehicle service miles increased 7.1 percent system-wide.

Functional Review

1. At the request of the City of Calimesa and RTA, Beaumont implemented Route 136 to Calimesa in FY 2017. The route was designed with one-hour headways and an alternative route during peak morning afternoon hours to serve local students. The route only comprised 1 percent of system-wide trips and was eventually discontinued.
2. A second commuter route, Commuter Link 125, was implemented in September 2018 to provide service to the Loma Linda Veterans Administration Hospital and Kaiser in Redlands. Commuter Link Route 120, which was implemented in 2013, was realigned to provide more direct service to the San Bernardino Transit Center.
3. The memorandum of understanding (MOU) between the Cities of Banning and Beaumont was terminated in June 2019, which involved phasing out the Pass Transit brand and the removal of Beaumont Transit Route 2 from operating within the City of Banning. A new interagency services agreement was adopted between the two cities in July 2019.
4. The City's Transit Division is looking to consolidate its administration, operations, and fleet maintenance functions to a parcel that the City has acquired in an industrial area of town at the intersection of West 4th Street and Veile Avenue. The facility would also feature a CNG fueling station open to the general public with plans to include an electric vehicle charging station in order to meet the state's zero-emission vehicle mandates.
5. Beaumont Transit personnel are City employees. Drivers and nonexempt employees are represented by Service Employees International Union (SEIU), Local 721. The current MOU between the City and union is for a two-year term, which included a health and retirement benefit increase and a higher wage scale in anticipation of the increase in the minimum wage.
6. During the audit period, the City procured the Dossier fleet maintenance software program, which operates on a web-based platform. In addition, the City acquired Zonar for pre- and post-trip inspections.

Recommendations

Performance Audit Recommendation	Background	Timeline
<p>#1. Prepare and submit separate State Controller Transit Operators Financial Transactions Reports for general public transit and specialized service.</p>	<p>This recommendation is carried over from the prior performance audit. Beaumont’s annual Transit Operators Financial Transactions Report to the State Controller has historically combined information for both general public (fixed route/commuter) and specialized service for seniors and persons with disabilities (ADA-certified and noncertified). Although the State Controller’s Office has not provided notice to the City, written instructions by the state to prepare this particular report require separate reporting of these modes. In the General Instruction Form completed by the City, a selection must be made as to which mode of transit is represented in the report. The options are general public use or elderly/disabled.</p> <p>The Transit Operators Financial Transactions Report Instructions contain the following passages under the General Instruction Form:</p> <p><i>Transit operators providing two types of service, (general public use and transit service exclusively for the elderly/handicapped) must complete a separate report for each type of service.</i></p> <p><i>... a separate report must be filed for each type of service provided: General Public Use Service or Specialized Service exclusive for elderly and/or handicapped. For example, if an agency has received Article 4 and Article 8(c) monies to provide General Public Use Service, the agency should submit one report. If that agency has also received Article 4 monies to provide Specialized Service for the elderly and/or handicapped, then a report must be submitted for the Specialized Service operations.</i></p> <p>The submission of separate reports to the State Controller will further demonstrate Beaumont’s proactive approach to compliance</p>	<p>High Priority</p>

Performance Audit Recommendation	Background	Timeline
	with state reporting instructions.	
<p>#2. Continue to work with Riverside Transit Agency and Mt. San Jacinto College on fare revenue reimbursement from the College Go-Pass Revenue Agreement.</p>	<p>This recommendation is being carried forward from the prior performance audit. The City had taken steps to reach a fare revenue reimbursement agreement with Mt. San Jacinto College. In the meantime, Beaumont Transit has continued to honor RTA's Go-Pass without an agreement in place. Under the Go-Pass program, Mt. San Jacinto College students get unlimited rides on RTA buses. The City was anticipating that the Mt. San Jacinto College student body would vote on the separate fare revenue agreement in early 2018; however, the vote never materialized. It is recommended that the City continue to work with the college and RTA on having such an agreement in place as a farebox enhancement measure.</p>	<p>High Priority</p>
<p>#3. Include a link to Banning Transit on the Beaumont Transit web page.</p>	<p>The City's website and transit page were updated during the audit period. While there are links to the OmniTrans, RTA, and SunLine Transit Agency websites, there are no links to the Banning Transit website. The MOU or cooperative services agreement between the Cities of Banning and Beaumont that has been in effect since December 2002 was terminated after the audit period and involved phasing out the Pass Transit brand and the removal of Beaumont Transit Route 2 from operating within the City of Banning. In its place, an interagency service agreement between the two cities was adopted in July 2019 and provides continued cooperation of both cities in "providing the public with specific transit information, advertising the operations of both agencies and promoting the general use of transit." Pursuant to the interagency service agreement with the City of Banning, it is recommended that Beaumont include a link to Banning Transit on its transit page.</p>	<p>Medium Priority</p>

Performance Audit Recommendation	Background	Timeline
#4. Report mechanical road calls and other vehicle operation metrics in TransTrack Manager.	The Transit Division indicated that system road calls were not being regularly tracked. A mechanical failure of a bus in revenue service that causes a delay to service, and which necessitates removing the bus from service until repairs are made, can impact overall system performance. Transit performance data are routinely entered into TransTrack for trends analysis across the different service modes. TransTrack features modules that track customer service complaints, Dial-a-Ride no-shows, accidents, and mechanical road calls. The recent implementation of the Dossier fleet maintenance software and Zonar should allow for road call data to be downloaded or migrated into TransTrack. It is recommended that the Transit Division start reporting road call data in TransTrack.	Medium Priority

Section I

Introduction

California's Transportation Development Act (TDA) requires that a triennial performance audit be conducted of public transit entities that receive TDA revenues. The performance audit serves to ensure accountability in the use of public transportation revenue.

The Riverside County Transportation Commission (RCTC) engaged Michael Baker International to conduct the TDA triennial performance audit of the public transit operators under its jurisdiction in Riverside County. This performance audit is conducted for the City of Beaumont Transit (Beaumont, City) covering the most recent triennial period, fiscal years 2015–16 through 2017–18.

The purpose of the performance audit is to evaluate the City's effectiveness and efficiency in its use of TDA funds to provide public transportation in its service area. This evaluation is required as a condition for continued receipt of these funds for public transportation purposes. In addition, the audit evaluates the City's compliance with the conditions specified in the California Public Utilities Code (PUC). This task involves ascertaining whether the transit agency is meeting the PUC's reporting requirements. Moreover, the audit includes calculations of transit service performance indicators and a detailed review of the transit administrative functions. From the analysis that has been undertaken, a set of recommendations has been made which is intended to improve the performance of transit operations.

In summary, this TDA audit affords the opportunity for an independent, constructive, and objective evaluation of the organization and its operations that otherwise might not be available. The methodology for the audit included in-person interviews with management, collection and review of agency documents, data analysis, and on-site observations. The *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, published by the California Department of Transportation (Caltrans), was used to guide the development and conduct of the audit.

Overview of the Transit System

The City of Beaumont has provided public transportation service since 1975. The current transit system is composed of both fixed-route and Dial-A-Ride services. Fixed-route service began as a single 15-mile route in 1979, after the existing general public Dial-A-Ride service could not meet the growing demand. The fixed route serves the City of Beaumont and the unincorporated community of Cherry Valley to the north. Dial-A-Ride is limited to elderly and Americans with Disabilities Act (ADA) certified passengers. However, a combination of Dial-A-Ride and fixed-route deviations is available to the general public to assist passengers who are outside the quarter-mile border of each bus route connection to the fixed-route system.

The Cities of Beaumont and Banning have continued their coordination efforts to implement the Pass Transit Plan, which provides a seamless transit service to the residents of the two communities. The jointly developed service plan includes the Cities of Banning and Beaumont, unincorporated areas of Cherry Valley and Cabazon, and commercial area of the Morongo Indian Reservation. The Pass Transit system consists of two independent but well-coordinated transit systems under a single brand identity and fare structure. The coordinated service area of Pass Transit includes the aforementioned cities and communities. This coordinated transit system allows Dial-A-Ride vehicles to cross jurisdictions and a common trunk line that serves both cities and the Cabazon area east of Banning.

After the audit period, the two cities mutually terminated the memorandum of understanding (MOU) that had been in place since December 2002 and adopted an interagency service agreement in July 2019. With the termination of the MOU, the Pass Transit branding has been phased out and Beaumont Transit Route 2 service was discontinued in the City of Banning.

Based on the 2010 US Census, Beaumont’s population is 36,877, which grew 223.9 percent since the 2000 US Census. The senior citizen population, composed of residents aged 65 and over, is 10.55 percent. The 2019 population for Beaumont is estimated to be 48,401 as reported by the California Department of Finance. The city covers a 30.91-square-mile area.

Major highway connections serving Beaumont are Interstate 10 (I-10) and State Routes (SR) 60 and 79. I-10 is the main east–west highway connecting Beaumont with Banning and the Coachella Valley to the east and the Inland Empire to the west. SR 60 connects Beaumont with Moreno Valley and Riverside to the west and SR 79 connects the city with Hemet to the south. Major arterial streets traversing Beaumont include 1st Street, 6th Street, 8th Street, Beaumont Avenue, Highland Springs Avenue, and Oak Valley Parkway.



System Characteristics

Beaumont Transit operates both fixed-route and demand-responsive transit services. During the audit period, the fixed route system was composed of one commuter and seven local routes. Local routes serve Beaumont, Banning, Cherry Valley, and Cabazon. The commuter route provides service between Beaumont and Calimesa, the San Bernardino Metrolink station, and the Loma Linda VA Hospital. The system operates Monday through Friday from 6:20 a.m. to 7:50 p.m. and weekends from 8:00 a.m. to 6:00 p.m. Beaumont Transit does not operate on New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Limited service is offered on other holidays based on the weekend operating hours. Beaumont Transit’s fixed-route services during the audit period are summarized in Table I-1.

**Table I-1
Beaumont Transit Fixed Route Services**

Route	Destination	Frequency/Operation	Key Time points
Route 2	Beaumont - Cabazon	Every 60 minutes (Monday through Friday from 6:30 a.m. to 7:50 p.m.) Every 2 hours (Saturday & Sunday from 8:00 a.m. to 6:00 p.m.)	<ul style="list-style-type: none"> ▪ Cougar Way @ Beaumont Avenue ▪ Wells Fargo ▪ San Gorgonio Hospital ▪ Food-4-Less/Stater Bros. ▪ Walmart ▪ Banning Courthouse ▪ Casino Morongo ▪ Beaumont Civic Center
Route 3	Beaumont High – Walmart	Every 60 minutes (Monday through Friday from 6:24 a.m. to 6:02 p.m.)	<ul style="list-style-type: none"> ▪ Beaumont High School ▪ Cougar Way & Beaumont Avenue ▪ Chatigny Recreation Center ▪ Noble Creek Apartments ▪ Walmart ▪ San Gorgonio Hospital
Route 4	Downtown Beaumont	Every 60 minutes (Monday through Friday from 6:30 a.m. to 7:35 p.m.)	<ul style="list-style-type: none"> ▪ Pennsylvania & 8th Street ▪ Walmart ▪ San Gorgonio Hospital ▪ Three Rings Ranch Park ▪ Beaumont Library ▪ Cougar Way @ Beaumont Avenue ▪ Beaumont High School
Route 3/4 (Saturday Only)	Walmart – Cherry Valley	Every 60 minutes (Saturday from 8:00 a.m. to 5:00 p.m.)	<ul style="list-style-type: none"> ▪ Beaumont High School ▪ Brookside Avenue (Sports Park) ▪ Chatigny Recreation Center ▪ Pennsylvania & 8th Street ▪ Walmart ▪ San Gorgonio Hospital ▪ Cougar Way
Route 7	Tournament Hills – Fairway Canyon	Four a.m. trips & three p.m. trips (Monday through Friday from 6:35 a.m. to 4:30 p.m. when school is in session)	<ul style="list-style-type: none"> ▪ Oak Valley Parkway & Gateway ▪ Palmer & Morris ▪ Palmer & Trevino ▪ Champions & Bay Hill ▪ Monte Verde & Morgan ▪ Beaumont High School ▪ Cougar Way @ Beaumont Avenue ▪ Oak Valley & Rite Aid

Route	Destination	Frequency/Operation	Key Time points
Route 9	Seneca Springs – Cherry Valley	Two a.m. trips & two p.m. trips (Monday through Friday from 6:35 a.m. to 4:18 p.m. when school is in session)	<ul style="list-style-type: none"> ▪ Manzanita Parkway @ Brownie Way ▪ Seneca Springs Park ▪ Walmart ▪ Pennsylvania Avenue @ 8th Street ▪ Cougar Way @ Beaumont Avenue ▪ Beaumont High School
Route 136¹	Calimesa	Every 35 minutes (Monday through Friday from 6:20 a.m. to 5:32 p.m.)	<ul style="list-style-type: none"> ▪ City Hall ▪ County Line & California ▪ Avenue L & Douglas Street ▪ Avenue L & 3rd Street ▪ “The Shoppes” West Entrance ▪ Stater Bros. Shopping Center
Commuter Link 120	Beaumont Walmart – San Bernardino Metrolink	Three bidirectional a.m. trips & four p.m. trips (Monday through Friday from 5:35 a.m. to 7:25 p.m.). Two bidirectional a.m. trips & two p.m. trips (Saturday from 7:05 a.m. to 6:50 p.m.)	<ul style="list-style-type: none"> ▪ Beaumont Walmart ▪ Beaumont Civic Center ▪ Beaumont Wells Fargo ▪ Calimesa Stater Bros. ▪ Calimesa Fresh & Easy ▪ Loma Linda VA Hospital ▪ San Bernardino Metrolink

Source: Beaumont Transit

Since the audit period, several changes have been made to the fixed-route system. The FY 2019-2020 Short-Range Transit Plan (SRTP) included a plan to discontinue the Route 2 alignment through the City of Banning. Route 136 was discontinued at the end of the audit period due to low ridership. Commuter Link 125 was implemented in September 2018 and is the second regional route connecting the Pass Area with San Bernardino County. Commuter Link 125 was designed to provide more direct service to Loma Linda VA Hospital, thus enabling Commuter Link 120 to operate more frequencies to the San Bernardino Transit Center.

Dial-A-Ride

Dial-A-Ride offers complementary demand-response door-to-door service in the Beaumont/Cherry Valley area to passengers certified under the ADA and seniors (ages 65 years old and older). ADA certification is conducted through the Riverside Transit Agency (RTA). Dial-A-Ride service operates daily from 8:00 a.m. to 5:00 p.m. with Sunday-only ADA service.

¹ Service started in August 2016.

Reservations are required at least 24 hours and up to a month in advance on a first-come, first-serve basis. A \$2.00 cancellation fee is charged in the event of a no-show or insufficient notice of a cancelled trip.

Fares

Beaumont Transit’s fares are structured based on passenger, route, and service type. Multi-trip passes are also available for purchase. The fare structures during the audit period are summarized in Table I-2.

**Table I-2
Beaumont Transit Fixed-Route Fare Schedule**

Fare Category	Fares
General Public	\$1.15
Youth (grades K-12)	\$1.00
Seniors (ages 65 and older)	\$0.65
Persons with Disabilities (ADA or Medicare Card)	\$0.65
Military Veterans (with photo ID)	\$0.65
Active Military	Free
Go-Pass (during school session only)	Free
Jury Duty	Free
Child (46” tall or under accompanied by full-fare paying adult)	\$0.25
Zone Deviations (one way to/from Route 3)	\$0.25
Commuter Link 120 – General Public/Go-Pass	\$3.00
Commuter Link 120 – Youth/Seniors/Disabled/Veterans	\$2.00
10-Tripper Punch Pass (youth)	\$10.00
10-Ticket Book – General Public	\$10.35
10-Ticket Book – Seniors/Disabled/Veterans	\$5.85
Day Pass – General Public	\$3.00
Day Pass – Youth	\$3.00
Day Pass – Seniors/Disabled/Veterans	\$1.80
Commuter Link Punch Pass – General Public/Go-Pass	\$27.00
Commuter Link Punch Pass – Youth	\$18.00
Commuter Link Punch Pass – Seniors/Disabled/Veterans	\$18.00
Monthly Pass – General Public	\$36.00
Monthly Pass – Youth	\$30.00
Monthly Pass – Seniors/Disabled/Veterans	\$21.50

Source: Beaumont Transit

Active military personnel with proper identification and students holding the Go-Pass are able to ride free. All jurors summoned to serve in Banning courthouses are able to ride free on Beaumont Transit Route 2, directly to and from the courthouse, by showing their current and valid juror summons badge to the bus driver.

**Table I-3
Beaumont Transit Dial-A-Ride Fare Schedule**

Fare Category	Fares
One-Way	\$2.00
Companion	\$3.00
Personal Care Attendant (with ID)	Free
No-Show (collected during the next ride)	\$2.00
Child (46" tall or under accompanied by full-fare paying adult)	\$3.00
10-Ride Punch Card	\$18.00

Source: Beaumont Transit

Fleet

There were 18 vehicles in the transit fleet during the audit period: 13 fixed-route and 5 demand-response vehicles. In addition, Beaumont Transit uses five support vehicles. Vehicles are wheelchair accessible with tie-downs in compliance with the ADA. Table I-4 summarizes the Beaumont Transit fleet.

**Table I-4
Beaumont Transit Fleet**

Year	Make/Model	Quantity	Fuel Type	Service Mode	Seating Capacity
2008	Ford E-450 El Dorado National	1	Gasoline	Demand Response	16 (2 W/C)
2009	Chevy C5500 Starcraft	1	CNG	Demand Response	28 (2 W/C)
2009	Ford E-450 El Dorado National	1	Gasoline	Demand Response	16 (2 W/C)
2009	Chevy C5500 Starcraft	1	CNG	Fixed-Route	28 (2 W/C)
2010	Chevy C5500 Starcraft	1	CNG	Fixed-Route	28 (2 W/C)
2010	Chevy C5500 Starcraft	1	Gasoline	Fixed-Route	30 (2 W/C)
2010	Ford E-450 Starcraft	3	Gasoline	Fixed-Route	16 (2 W/C)
2011	Ford F550 El Dorado National	2	Gasoline	Fixed-Route	30 (2 W/C)
2011	El Dorado National	1	Gasoline	Fixed-Route	30 (2 W/C)
2011	El Dorado National	1	CNG	Fixed-Route	30 (2 W/C)
2015	El Dorado National XHF 40	3	CNG	Fixed-Route	43 (2 W/C)
2016	Ford E-450 El Dorado National	1	CNG	Demand Response	20 (2 W/C)
2016	Ford F550 El Dorado National	1	CNG	Demand Response	30 (2 W/C)
Total		18			

Source: Beaumont Transit

Section II

Operator Compliance Requirements

This section of the audit report contains the analysis of the City’s ability to comply with state requirements for continued receipt of TDA funds. The evaluation uses the Caltrans guidebook *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies, September 2008* (third edition) to assess transit operators. The guidebook contains a checklist of 11 measures taken from relevant sections of the PUC and the California Code of Regulations. Each of these requirements is discussed in the table below, including a description of the system’s efforts to comply with the requirements. In addition, the findings from the compliance review are described in the text following the table.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
The transit operator has submitted annual reports to the RTPA based upon the Uniform System of Accounts and Records established by the State Controller. Report is due 90 days after end of fiscal year (Sept. 28/29), or 110 days (Oct. 19/20) if filed electronically (Internet).	Public Utilities Code, Section 99243	<p>Completion/submittal dates: FY 2016: December 29, 2016 FY 2017: January 31, 2018* FY 2018: January 30, 2019*</p> <p>The FY 2016 Transit Operators Financial Transactions Report was submitted after the statutory deadline.</p> <p>*Note: New state legislation was passed (AB 1113, Bloom) on July 21, 2017, that changes the timeline to submit the annual Transit Operators Financial Transaction Reports to the State Controller effective reporting year FY 2017. The submittal date has been extended from within 110 days after fiscal year end to 7 months after fiscal year end, or end of January. This is an extension of about 100 days from the original deadline. With the change in dates, these reports are required</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>to contain underlying data from audited financial statements.</p> <p>It is also noted that a single Transit Operators Financial Transaction Report was prepared by the City for both fixed route and Dial-A-Ride. Since Dial-A-Ride has been designated as a specialized service for ADA-certified, senior and disabled passengers, State Controller instructions require that separate reports be submitted for each service type.</p> <p>Conclusion: Partial compliance.</p>
<p>The operator has submitted annual fiscal and compliance audits to the RTPA and to the State Controller within 180 days following the end of the fiscal year (Dec. 27), or has received the appropriate 90-day extension by the RTPA allowed by law.</p>	<p>Public Utilities Code, Section 99245</p>	<p>Completion/submittal dates:</p> <p>FY 2016: September 20, 2017 FY 2017: June 15, 2018 FY 2018: March 28, 2019</p> <p>A 90-day extension was granted by RCTC pursuant to the TDA statute.</p> <p>The FY 2016 & FY 2017 fiscal audits were submitted after the 90-day extension period.</p> <p>Conclusion: Partial Compliance.</p>
<p>The CHP has, within the 13 months prior to each TDA claim submitted by an operator, certified the operator’s compliance with Vehicle Code Section 1808.1 following a CHP inspection of the operator’s</p>	<p>Public Utilities Code, Section 99251 B</p>	<p>The City participates in the CHP Transit Operator Compliance Program in which the CHP has conducted inspections within the 13 months prior to each TDA claim.</p> <p>Inspections were conducted at the</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
terminal.		<p>City of Beaumont located at 550 East 6th Street.</p> <p>Inspection dates applicable to the audit period were: July 13 & 14, 2015; June 19 & 20, 2017; and June 4 & 6, 2018.</p> <p>Conclusion: Complied.</p>
The operator’s claim for TDA funds is submitted in compliance with rules and regulations adopted by the RTPA for such claims.	Public Utilities Code, Section 99261	<p>As a condition of approval, the City of Beaumont’s annual claims for Local Transportation Funds and State Transit Assistance are submitted in compliance with the rules and regulations adopted by RCTC.</p> <p>Conclusion: Complied.</p>
If an 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.	Public Utilities Code, Section 99270.1	<p>This requirement is not applicable, as Beaumont Transit only serves a nonurbanized area.</p> <p>Conclusion: Not Applicable.</p>
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).	Public Utilities Code, Section 99266	<p>Percentage change in the City of Beaumont’s transit operating budget:</p> <p>FY 2016: +20.2%</p> <p>FY 2017: +14.9%</p> <p>FY 2018: +4.7%</p> <p>The increases in the FY 2016 & FY 2017 budgets were attributed to higher salary and benefit costs and</p>

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		major service expansion and route restructuring. <i>Source: City of Beaumont Annual Budgets for FYs 2015-2018.</i> Conclusion: Complied.
The operator’s definitions of performance measures are consistent with Public Utilities Code Section 99247, including (a) operating cost, (b) operating cost per passenger, (c) operating cost per vehicle service hour, (d) passengers per vehicle service hour, (e) passengers per vehicle service mile, (f) total passengers, (g) transit vehicle, (h) vehicle service hours, (i) vehicle service miles, and (j) vehicle service hours per employee.	Public Utilities Code, Section 99247	The City of Beaumont’s definition of performance is consistent with PUC Section 99247. A review of trip sheets generated during the audit period indicates that correct performance data are being collected. Conclusion: Complied.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at least equal to one-fifth (20 percent), unless it is in a county with a population of less than 500,000, in which case it must maintain a ratio of fare revenues to operating costs of at least equal to three-twentieths (15 percent), if so determined by the RTPA.	Public Utilities Code, Sections 99268.2, 99268.3, 99268.12, 99270.1	This requirement is not applicable, as Beaumont Transit only serves a nonurbanized area. Conclusion: Not Applicable.
If the operator serves a rural area, or provides exclusive	Public Utilities Code, Sections 99268.2,	Operating ratios for Beaumont Transit using audited data and

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
services to elderly and disabled persons, it has maintained a ratio of fare revenues to operating costs at least equal to one-tenth (10 percent).	99268.4, 99268.5	<p>excluding new or expanded service were as follows:</p> <p>FY 2016: 10.7% FY 2017: 10.4% FY 2018: 9.1%</p> <p>Beaumont Transit is subject to a system-wide farebox standard of 10 percent. The FY 2018 farebox recovery ratio was not attained.</p> <p><i>Source: City of Beaumont Transit System Financial Statements (audited).</i></p> <p>Conclusion: Partial Compliance.</p>
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 within 40 years.	Public Utilities Code, Section 99271	<p>To be eligible for TDA funds, the annual TDA claims form requires a sign-off from the transit claimant to comply with standard assurances, one of which is that the City of Beaumont’s retirement system is funded.</p> <p>City staff’s retirement is funded through the California Public Employees’ Retirement System.</p> <p>Conclusion: Complied.</p>
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.	California Code of Regulations, Section 6754(a)(3)	<p>As a recipient of State Transit Assistance funds, the City of Beaumont does not utilize federal funds (other than those funds that are passed through RCTC).</p> <p>Conclusion: Not Applicable.</p>

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to Beaumont, the operator fully complied with five of the eight applicable requirements. The City was in partial compliance regarding the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller and the annual fiscal and compliance audits as well as farebox recovery attainment in FY 2018. Three additional compliance requirements did not apply to Beaumont (i.e., intermediate farebox recovery ratio, exclusive urbanized farebox recovery ratio, and the utilization of federal funds).
2. Beaumont met its system-wide farebox recovery standard of 10 percent during two of the three years of the audit period, although service expansion during the audit period allows for two full fiscal years of exemption. The farebox recovery ratios were 10.7 percent in FY 2016, 10.4 percent in FY 2017, and 9.1 percent in FY 2018. The average farebox recovery ratio for the period was 10.06 percent.
3. The City of Beaumont participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Inspections conducted during the audit period were rated satisfactory.
4. The operating budget exhibited notable increases during the audit period. Beaumont exhibited a 20.2 percent increase in its transit budget for FY 2016 and a 14.9 percent increase in FY 2017. The increases are attributed to higher salary and benefit costs as well as continued service expansion and route restructuring. The budget increased by a modest 4.7 percent in FY 2018.

Section III

Prior Triennial Performance Recommendations

The City of Beaumont’s efforts to implement the recommendations made in the prior triennial audit are examined in this section of the report. For this purpose, each prior recommendation for the agency is described, followed by a discussion of the City of Beaumont’s efforts to implement the recommendation. Conclusions concerning the extent to which the recommendations have been adopted by the agency are then presented.

Prior Recommendation 1

Continue to ensure the timely completion and submittal of the annual State Controller Transit Operators Financial Transactions Reports.

Background: This recommendation was carried over from the prior performance audit. Pursuant to PUC 99243 (a), “the operators shall prepare and submit annual reports of their operation to the transportation planning agencies having jurisdictions over them and to the Controller within 90 days of the end of the fiscal year.” If the report is filed in electronic format as mandated by the State Controller, the report shall be furnished within 110 days after the close of the fiscal year.

Although the City had taken steps to ensure the completion and timely submittal of its annual Transit Operators Financial Transactions Reports, two out of the three reports submitted during the prior audit period were beyond the statutory deadline. The FY 2013 report was submitted in November 2013 and the FY 2015 report was not submitted until April 2016. It is noted that the State Controller granted a one-year extension for the City to submit its FY 2015 report. This was attributed to a major reorganization of the City’s administration and an investigation of the City’s financial practices by the State Controller in 2015. With more stringent administrative and financial controls in place, the City would be on track to submit these reports within the prescribed time frame.

It was recommended that internal procedures be developed that provide the timeline and staff assignments to complete the annual report. The desktop procedures should be made available to all Finance Department staff and made part of a finance orientation package in the event of turnover in the department.

Actions taken by the City of Beaumont

In response to this recommendation and as part of an overall reorganization of the City’s administration during the audit period, the City hired a new finance director in August 2016. With the addition of trained staff, procedures have been implemented to ensure the timely completion and submittal of the Transit Operators Financial Transactions Reports to the State

Controller. New state legislation was passed (AB 1113, Bloom) on July 21, 2017, that changes the timeline to submit the annual Transit Operators Financial Transaction Reports to the State Controller effective reporting year FY 2017. The submittal date has been extended from within 110 days after fiscal year end to 7 months after fiscal year end, or end of January. This is an extension of about 100 days from the original deadline. Even though the FY 2016 Transit Operators Financial Transactions Report was completed and submitted after the statutory deadline (December 2016), subsequent reports for FY 2017 and FY 2018 were completed and submitted by the new statutory deadline.

Conclusion

This recommendation has been implemented.

Prior Recommendation 2

Prepare and submit separate State Controller Transit Operators Financial Transactions Reports for general public transit and specialized service.

Background: This recommendation was carried over from the prior performance audit. Beaumont’s annual Transit Operators Financial Transactions Report to the State Controller has historically combined information for both general public (Pass Transit fixed route) and specialized service for seniors and persons with disabilities (ADA-certified and noncertified). Although the State Controller’s Office has not provided notice to the City, written instructions by the state to prepare this particular report require separate reporting of these modes. In the General Instruction Form completed by the City, a selection must be made as to which mode of transit is represented in the report. The options are general public use or elderly/disabled.

The Transit Operators Financial Transactions Report Instructions contain the following passages under the General Instruction Form:

Transit operators providing two types of service, (general public use and transit service exclusively for the elderly/handicapped) must complete a separate report for each type of service.

... a separate report must be filed for each type of service provided: General Public Use Service or Specialized Service exclusive for elderly and/or handicapped. For example, if an agency has received Article 4 and Article 8(c) monies to provide General Public Use Service, the agency should submit one report. If that agency has also received Article 4 monies to provide Specialized Service for the elderly and/or handicapped, then a report must be submitted for the Specialized Service operations.

The submission of separate reports to the State Controller would further demonstrate Beaumont’s proactive approach to compliance with state reporting instructions.

Actions taken by the City of Beaumont

A review of the Transit Operators Financial Transactions Reports completed and submitted by the City to the State Controller revealed that the City has continued its practice of including information for both general public (Pass Transit fixed route) and specialized service for seniors and persons with disabilities (ADA-certified and noncertified) in the same report. Since Beaumont Dial-a-Ride is considered a specialized service for ADA-certified and seniors, the City would still need to complete the report entitled “Transit Operators Financial Transactions – Specialized Service.”

Conclusion

This recommendation has not been implemented and is carried forward for full implementation.

Prior Recommendation 3

Work with Riverside Transit Agency (RTA) and Mt. San Jacinto College on fare revenue reimbursement from the College Go-Pass Revenue Agreement.

Background: Beaumont Transit serves the San Gorgonio Pass Campus of Mt. San Jacinto College. Students are assessed a \$6.00 transportation fee when they enroll at the college, which allows for unlimited transit rides on any RTA bus as part of the Go-Pass program. Students participating in the Go-Pass program may use the Beaumont Transit system at no additional charge with a “Pass Transit” sticker on the card. The prior audit noted that the City was not receiving any of the revenues generated from this program. Given the recent trend in the audited farebox recovery attainment, it was suggested that the City work with RTA and Mt. San Jacinto College on a reimbursement agreement whereby Beaumont Transit receives a share of the revenues generated from this program.

Actions taken by the City of Beaumont

In response to this recommendation, the City had taken steps to reach a fare revenue reimbursement agreement with Mt. San Jacinto College. In the meantime, Beaumont Transit has continued to honor RTA’s Go-Pass without an agreement in place. Under the Go-Pass program, Mt. San Jacinto College students get unlimited rides on RTA buses. The City was anticipating that the Mt. San Jacinto College student body would vote on the separate fare revenue agreement in early 2018 raising the annual fee in order for the GO-Pass to be applicable to the Pass Transit systems; however, the vote never materialized. It is recommended that the City continue to work with the college on having such an agreement in place as a farebox enhancement measure.

Conclusion

This recommendation has been partially implemented and is carried forward for full implementation.

Prior Recommendation 4

Track ridership trends for those using mobility devices.

Background: The prior audit discussed how industry trends showed that passengers using mobility devices such as wheelchairs, mobility aids, and other devices were on the rise. With growth in wheelchair-bound riders and those using mobility devices on transit, active tracking of ridership trends for these types of passengers would help with dispatching and proper deployment of vehicles. On driver trip sheets for fixed route and Dial-A-Ride, it was suggested that transit staff add a column to include number of passengers using mobility devices. Daily trip sheets might also be able to identify wheelchair riders by vehicle by day so that trends can be developed on the impact of mobility devices on transit productivity. This information could be part of the statistics being developed by the City's transit management.

Actions taken by the City of Beaumont

In response to this recommendation, all Beaumont Transit trip sheets now include a column for drivers to capture passengers utilizing mobility devices. City transit staff continues to track overall ridership trends as part of the normal passenger data tracking process.

Conclusion

This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews Beaumont Transit’s performance in providing transit service to the community in an efficient and effective manner. The TDA requires that at least five specific performance indicators be reported, which are contained in the following tables. Farebox recovery ratio is not one of the five specific indicators but is a requirement for continued TDA funding. Therefore, farebox calculation is also included. Two additional performance indicators, operating cost per mile and average fare per passenger, are included as well. Findings from the analysis are contained in the section following the tables.

Tables IV-1 through IV-3 provide the performance indicators for Beaumont Transit system-wide, fixed route, and Dial-A-Ride. Charts are also provided to depict the trends in the indicators. It is noted that the system-wide operating costs and fare revenues are based on audited data. Total operating costs and fare revenues are shown in the tables and include the exempted services to illustrate overall expenses and revenue for the transit system. The exempted services are then excluded from expenses and revenue to generate the farebox recovery ratios as allowed by TDA and shown in the audit figures.

**Table IV-1
Beaumont Transit TDA Performance Indicators
System-wide**

Performance Data and Indicators	Audit Period				% Change FY 2015-2018
	FY 2015	FY 2016	FY 2017	FY 2018	
Operating Cost*	\$1,863,516	\$2,109,575	\$1,599,462	\$2,221,266	19.2%
Total Passengers	222,752	213,736	196,362	197,775	-11.2%
Vehicle Service Hours	21,930	23,460	25,602	24,791	13.0%
Vehicle Service Miles	385,704	391,638	429,336	413,009	7.1%
Employee FTEs	19	24	24	24	26.3%
Passenger Fares**	\$236,771	\$226,051	\$166,782	\$201,811	-14.8%
Operating Cost per Passenger	\$8.37	\$9.87	\$8.15	\$11.23	34.3%
Operating Cost per Vehicle Service Hour	\$84.98	\$89.92	\$62.47	\$89.60	5.4%
Operating Cost per Vehicle Service Mile	\$4.83	\$5.39	\$3.73	\$5.38	11.3%
Passengers per Vehicle Service Hour	10.2	9.1	7.7	8.0	-21.5%
Passengers per Vehicle Service Mile	0.58	0.55	0.46	0.48	-17.1%
Vehicle Service Hours per Employee	1,154.2	977.5	1,066.8	1,033.0	-10.5%
Average Fare per Passenger	\$1.06	\$1.06	\$0.85	\$1.02	-4.0%
Farebox Recovery Ratio	12.71%	10.72%	10.43%	9.09%	-28.5%
Consumer Price Index - (CPI-All)		1.9%	2.8%	3.5%	8.4%

Source: City of Beaumont Transit System Financial Statements (Audited); RCTC TransTrack Manager; Transit Operator Financial Transactions Reports

*Audited operating costs exclude depreciation and extension of services permissible by TDA.

**Audited system-wide passenger fare data exclude revenues related to new routes or extension of services

**Table IV-2
Beaumont Transit TDA Performance Indicators
Fixed Route**

Performance Data and Indicators	Audit Period				% Change FY 2015-2018
	FY 2015	FY 2016	FY 2017	FY 2018	
Operating Cost	\$1,500,529	\$1,805,146	\$2,182,939	\$2,270,933	51.3%
Total Passengers	204,112	202,826	185,493	187,489	-8.1%
Vehicle Service Hours	18,665	19,912	22,164	21,605	15.8%
Vehicle Service Miles	336,591	346,064	385,354	380,714	13.1%
Employee FTEs	17	22	22	22	29.4%
Passenger Fares	\$206,678	\$202,047	\$216,632	\$236,651	14.5%
Operating Cost per Passenger	\$7.35	\$8.90	\$11.77	\$12.11	64.8%
Operating Cost per Vehicle Service Hour	\$80.39	\$90.66	\$98.49	\$105.11	30.7%
Operating Cost per Vehicle Service Mile	\$4.46	\$5.22	\$5.66	\$5.96	33.8%
Passengers per Vehicle Service Hour	10.9	10.2	8.4	8.7	-20.6%
Passengers per Vehicle Service Mile	0.61	0.59	0.48	0.49	-19.7%
Vehicle Service Hours per Employee	1,097.9	905.1	1,007.5	982.0	-10.6%
Average Fare per Passenger	\$1.01	\$1.00	\$1.17	\$1.26	24.7%
Farebox Recovery Ratio	13.77%	11.19%	9.92%	10.42%	-24.3%
Consumer Price Index - (CPI-All)		1.9%	2.8%	3.5%	8.4%

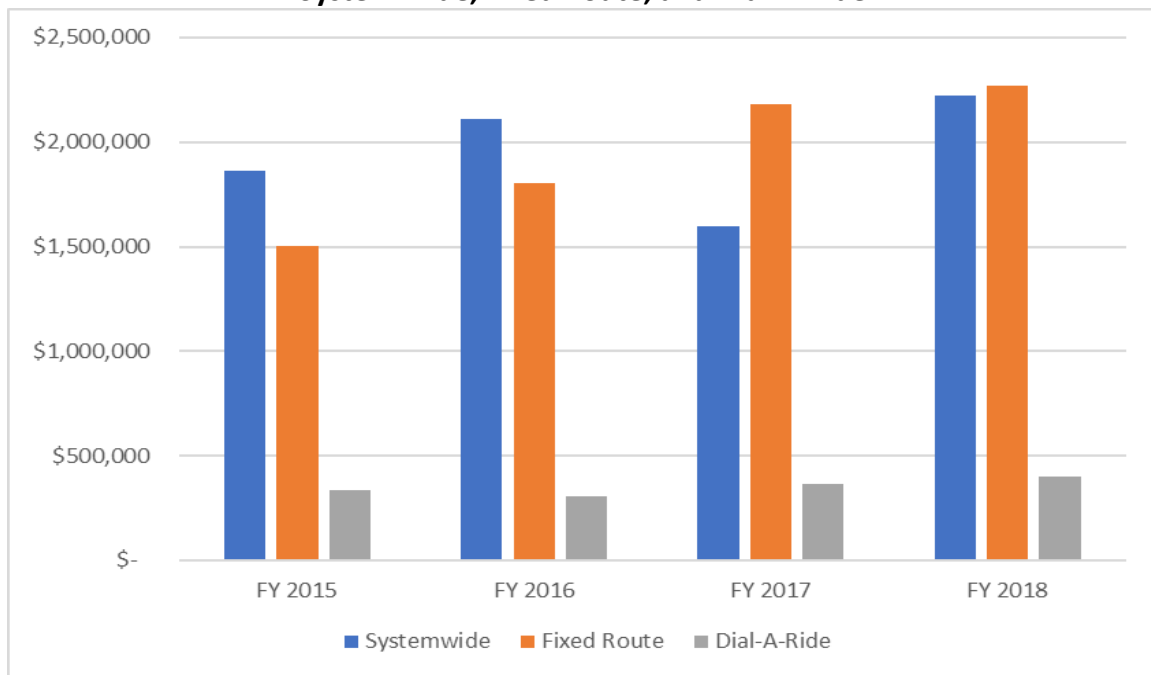
Source: City of Beaumont Transit System Financial Statements (Audited); RCTC TransTrack Manager; Transit Operator Financial Transactions Reports

**Table IV-3
Beaumont Transit TDA Performance Indicators
Dial-A-Ride**

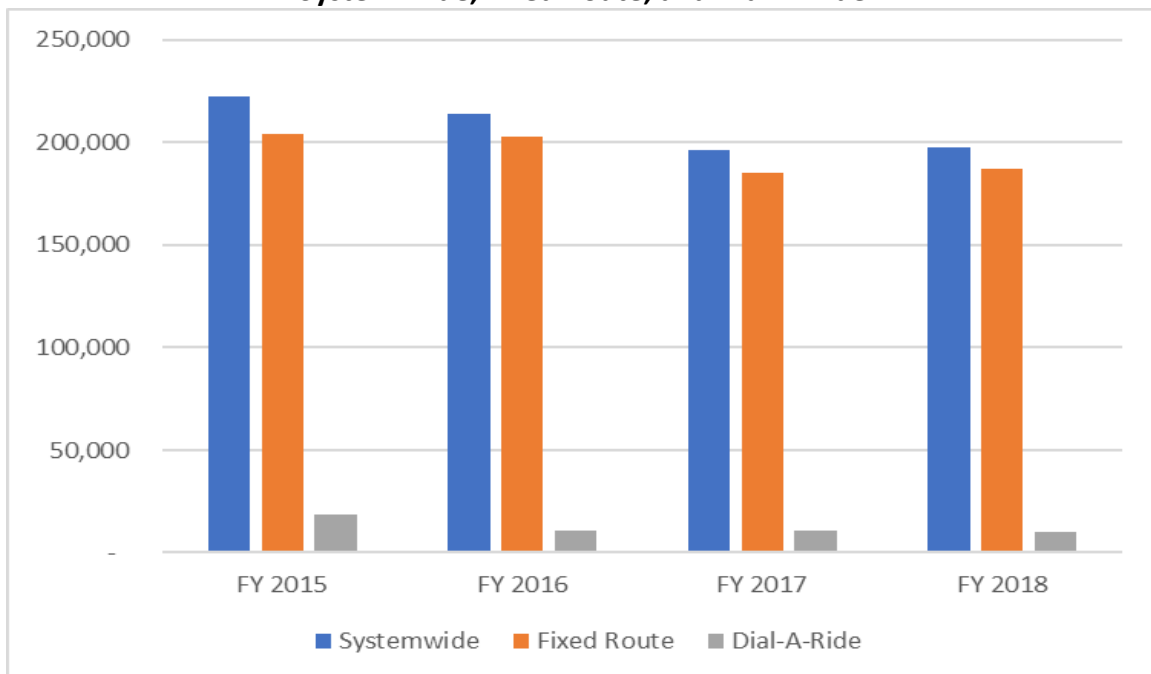
Performance Data and Indicators	Audit Period				% Change FY 2015-2018
	FY 2015	FY 2016	FY 2017	FY 2018	
Operating Cost	\$335,986	\$304,429	\$367,000	\$400,000	19.1%
Total Passengers	18,640	10,910	10,869	10,286	-44.8%
Vehicle Service Hours	3,265	3,548	3,438	3,186	-2.4%
Vehicle Service Miles	49,113	45,574	43,982	32,295	-34.2%
Employee FTEs	2	2	2	2	0.0%
Passenger Fares	\$30,093	\$24,004	\$25,000	\$30,443	1.2%
Operating Cost per Passenger	\$18.03	\$27.90	\$33.77	\$38.89	115.7%
Operating Cost per Vehicle Service Hour	\$102.91	\$85.80	\$106.75	\$125.55	22.0%
Operating Cost per Vehicle Service Mile	\$6.84	\$6.68	\$8.34	\$12.39	81.1%
Passengers per Vehicle Service Hour	5.7	3.1	3.2	3.2	-43.4%
Passengers per Vehicle Service Mile	0.38	0.24	0.25	0.32	-16.1%
Vehicle Service Hours per Employee	1,632.5	1,774.0	1,719.0	1,593.0	-2.4%
Average Fare per Passenger	\$1.61	\$2.20	\$2.30	\$2.96	83.3%
Farebox Recovery Ratio	8.96%	7.88%	6.81%	7.61%	-15.0%
Consumer Price Index - (CPI-All)		1.9%	2.8%	3.5%	8.4%

Source: City of Beaumont Transit System Financial Statements (Audited); RCTC TransTrack Manager; Transit Operator Financial Transactions Reports

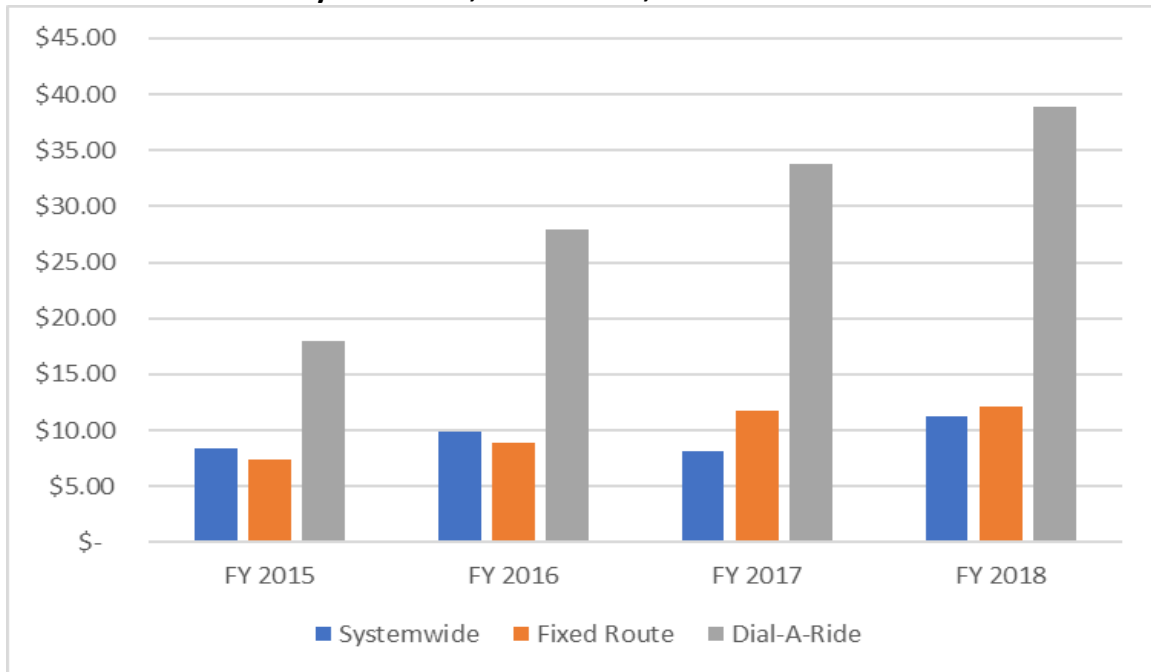
Graph IV-1
Operating Costs (without exemptions)
System-wide, Fixed Route, and Dial-A-Ride



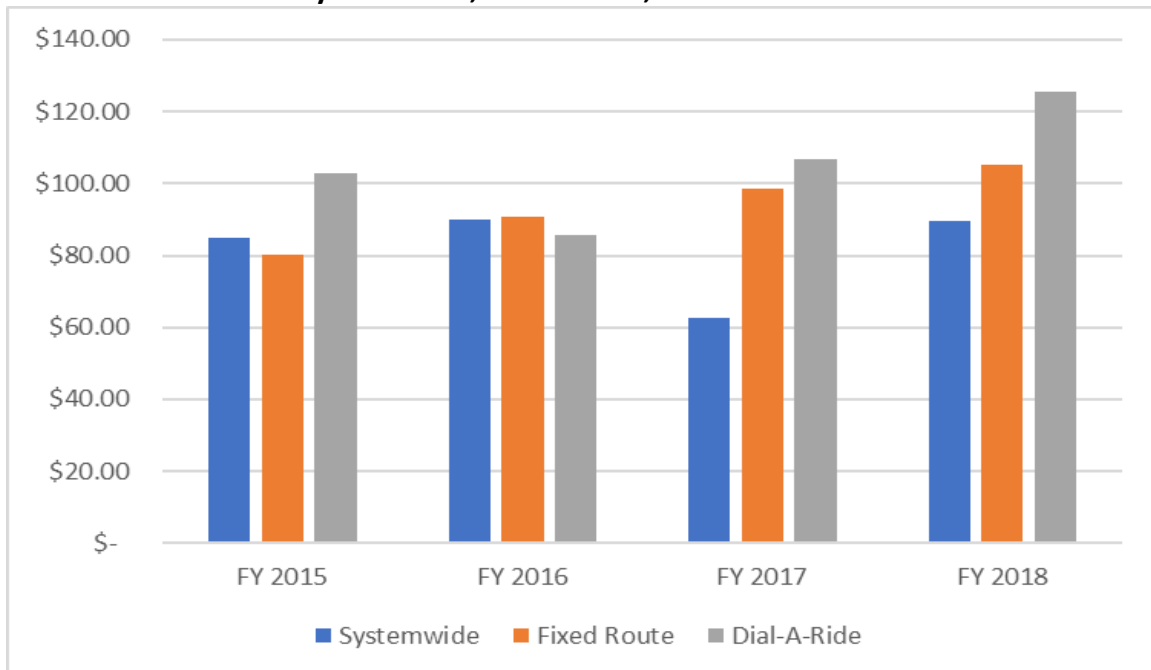
Graph IV-2
Ridership
System-wide, Fixed Route, and Dial-A-Ride



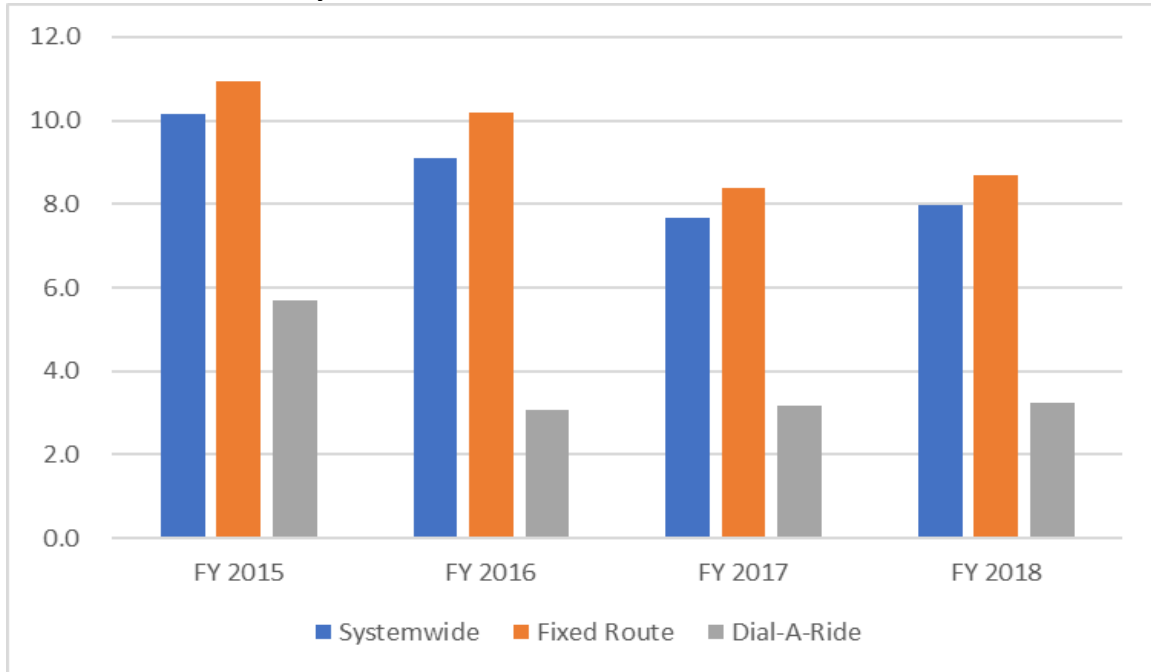
Graph IV-3
Operating Cost per Passenger
System-wide, Fixed Route, and Dial-A-Ride



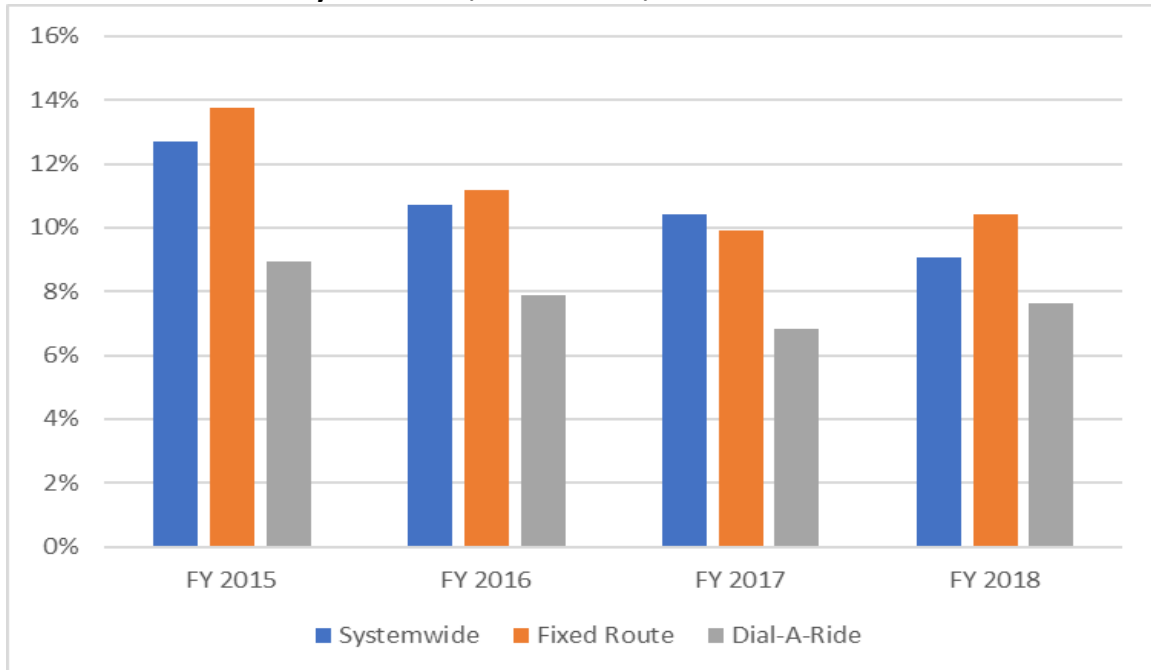
Graph IV-4
Operating Cost per Vehicle Service Hour
System-wide, Fixed Route, and Dial-A-Ride



Graph IV-5
Passengers per Vehicle Service Hour
System-wide, Fixed Route, and Dial-A-Ride



Graph IV-6
Fare Recovery Ratio (with fixed route exemptions)
System-wide, Fixed Route, and Dial-A-Ride



Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, increased 5.4 percent system-wide from \$84.98 in the FY 2015 base year to \$89.60 in FY 2018. System-wide operating costs (based on audited data) increased 19.2 percent during the period, while vehicle service hours increased by a lower rate of 13 percent. The average annual increase in operating costs was 9.3 percent.
2. **Operating cost per passenger**, an indicator of cost effectiveness, increased 34.3 percent system-wide from \$8.37 in FY 2015 to \$11.23 in FY 2018. Ridership system-wide decreased 11.2 percent during the review period from 222,752 passengers in FY 2015 to 197,775 passengers in FY 2018, while operating costs increased by 19.2 percent over the same period.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, decreased 21.5 percent between FY 2015 and FY 2018 system-wide from 10.2 to 8 passengers per hour. Fixed-route operations were consistent with this trend, with a decrease of 20.6 percent over the same period from 10.9 to 8.7 passengers per hour. In contrast, Dial-A-Ride operations exhibited a higher decrease of 43.4 percent from 5.7 to 3.2 passengers per hour. The trend in this indicator demonstrates growth in vehicle service hours as compared to the decline in passenger trips.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, decreased 17.1 percent between FY 2015 and FY 2018 system-wide from 0.58 to 0.48 passengers per mile. For fixed-route operations, the number of passengers per service mile decreased by 19.7 percent from 0.61 to 0.49. Passengers per service mile on Dial-A-Ride decreased by a comparable 16.1 percent during the same period, from 0.38 in FY 2015 to 0.32 in FY 2018. From the FY 2015 base year to FY 2018, actual vehicle service miles increased 7.1 percent system-wide.
5. **Vehicle service hours per employee** decreased 10.5 percent system-wide between FY 2015 and FY 2018. This increase was associated with a net increase in vehicle service hours from fixed-route services, and an increase of fixed-route full-time equivalents (FTE) in FY 2016. This measure is based on the number of employee FTEs using employee pay hours from the State Controller Report and dividing by 2,000 hours per employee.
6. **Farebox recovery** exhibited an overall decrease of 28.5 percent system-wide between FY 2015 and 2018 from 12.71 percent to 9.09 percent, excluding new routes and service extensions. System-wide, passenger fare revenues decreased 14.8 percent based on audited data while operating costs increased 19.2 percent. At a modal level, fixed-route farebox recovery decreased 24.3 percent whereas Dial-A-Ride farebox recovery decreased 15 percent. City of Beaumont revenue contributions to the operations of the transit system

were eliminated starting in FY 2014, according to the annual fiscal audit, further reducing the transit system's ability to maintain farebox recovery.

Conclusion from the Verification of TDA Performance Indicators

Despite the introduction of new and expanded services along with the associated increases in vehicle service hours and miles, ridership has decreased across both service modes. After an increase in demand over the prior audit period, passenger trips exhibited an annual decline of 3.8 percent from the FY 2015 base year to FY 2018. The decline on fixed route averaged 2.7 percent annually. On the other hand, average annual decreases in Dial-A-Ride ridership averaged 15.7 percent. Fixed-route operating costs grew 51.3 percent during the reporting period while Dial-a-Ride operating costs grew 19.1 percent. The modal increases in cost do not include exclusions for new routes or expanded services. Vehicle service hours increased overall by 13 percent and vehicle service miles increased 7.1 percent. Farebox recovery should be monitored closely as the audited ratios with exclusions have hovered or dipped below the minimum standard of 10 percent system-wide. The City is moving forward with a COA to create a "blueprint" for the future development of the community's public transit service.

Section V

Review of Operator Functions

This section provides an in-depth review of various functions in the Beaumont Transit System. The review highlights accomplishments, issues, and/or challenges that were determined during the audit period. The following functions were reviewed at the City of Beaumont:

- Operations
- Maintenance
- Planning
- Marketing
- General Administration and Management

Within some departments are subfunctions that require review as well, such as Grants Administration that falls under General Administration.

Operations

Beaumont Transit has continued to expand and harmonize its transit system to meet the growing area population and service demand from commuters and students. The system operates six local fixed routes, two commuter routes, and a demand-response paratransit service. Routes operate on hourly headway, but as more residents and economic development move into the area, the City sees the potential for implementation for 30-minute headways in the future.

Route 2 is the system's primary trunk route running between Beaumont, Banning, and Cabazon. The route operates on hourly headways and serves many traffic generators in the Pass area including grocery stores, the DMV, and the Banning Justice Center. Two buses operate on this route during the week and one bus on the weekend.

Route 3 has grown to be one of the busiest routes in the system due to the new subdivisions and requests for service in Cherry Valley. Tripper service was added to Route 3 to service Beaumont High School and Cherry Valley. Route 4 was realigned to run in an east-west orientation, while Route 9 was implemented in response to the high student ridership in southern Beaumont. Routes 7 and 9 operate the morning and afternoon peak hours when school is in session. Route 3/4 combines Routes 3 and 4 and operates hourly headway service on Saturday and limited service on holidays. More than 50 percent of the local fixed-route ridership is composed of students. Beaumont Transit also interlines with RTA, Banning Transit, and SunLine routes at Walmart, which serves as the main transit hub for the system.

At the request of the City of Calimesa and RTA, Beaumont implemented Route 136 to Calimesa in FY 2017. The route was designed with one-hour headways and an alternative route during peak morning afternoon hours to serve local students. The route only comprised 1 percent of system-wide trips and was eventually discontinued.

A second commuter route, Commuter Link 125, was implemented in September 2018 to provide service to the Loma Linda Veterans Administration Hospital and Kaiser in Redlands. Commuter Link Route 120, which was implemented in 2013, was realigned to provide more direct service to the San Bernardino Transit Center. This has allowed for better coordination and interline connections with Omnitrans pursuant to an interagency agreement.

Compressed natural gas (CNG) vehicles are equipped with speed governors to ensure that the maximum speed does not exceed 66 miles per hour. Destination signage on the vehicles was updated.

Passenger amenities include the installation of 22 bus shelters in Beaumont. Half of the shelters installed are along Route 2. The other half were installed along high-capacity corridors adjacent to high-density residential areas and schools. The City has applied for Low Carbon Transit Operations Program (LCTOP) funding to make improvements at three busy bus stop locations. Vehicles operated on the commuter routes are equipped with USB ports and luggage racks.

Transit operations are administered by the Community Services Department from Building D at the Beaumont Civic Center Complex from the Fleet Maintenance facility at 550 North California Avenue. A surveillance camera system was installed with 24-hour monitoring of the bus yard by the Police Department.

The City's Transit Division is looking to consolidate its administration, operations, and fleet maintenance functions to a parcel that the City has acquired in an industrial area of town at the intersection of West 4th Street and Veile Avenue. The facility would also feature a CNG fueling station open to the general public with plans to include an electric vehicle charging station in order to meet the state's zero-emission vehicle mandates.

The Pass Transit Memorandum of Understanding (MOU) between the Cities of Banning and Beaumont has allowed for each respective agency to cross jurisdictional boundary lines, allowing simplified travel for passengers throughout the Pass area. In recent years, Banning has expressed concerns about the adverse impacts that Beaumont's Route 2 has had on its system's ridership along the Ramsey Street corridor. Coordination of fares was also an issue. The MOU between the two cities was terminated in June 2019, which involved phasing out the Pass Transit brand and the removal of Beaumont Transit Route 2 from operating within the City of Banning. Route 2 restructuring will create opportunities to shift assets to Commuter Link Routes 120 and 125. Operating costs savings from Route 2 will be used toward an additional bus on Commuter Link Route 120.

A new interagency services agreement was adopted between the Cities of Beaumont and Banning in July 2019. The new agreement allows for interline transfers between the two systems at the Walmart in Beaumont and the San Gorgonio Memorial Hospital in Banning. Beaumont will limit Banning to no more than three buses per hour at Walmart and Banning will limit Beaumont to no more than three buses per hour at the San Gorgonio Memorial Hospital bus stop.

Beaumont Transit has seen an increased number of disabled and wheelchair-bound passengers. Newer vehicles that have been ordered will be able to accommodate three wheelchairs. In response to a prior audit recommendation, the City reformatted its trip sheets to account for the number of wheelchair-bound and disabled passengers, given the higher demand.

All buses are equipped with five surveillance cameras and Motorola radio systems. The radio system underwent an upgrade as part of an overall upgrade to the City's communication system spearheaded by the City Police Department. The upgrade to a five-channel trunked 800-megahertz system has allowed the Beaumont Police and other City departments to be on the same frequency with other county, state, and federal public safety agencies in the event of a major emergency. In addition, the new radio system has allowed for better reception in more remote areas of the service area.

Dial-A-Ride serves Beaumont and the unincorporated community of Cherry Valley with service provided on Sunday for ADA-certified passengers. Three peak vehicles are used for Dial-A-Ride. ADA-certified passengers have priority over other eligible riders on Dial-A-Ride, including seniors. The City uses a self-certification process with professional verification and accepts ADA certification by the RTA. This allows Beaumont to work under the umbrella of RTA's ADA policy as a provider of ADA paratransit. There have been no ADA denials reported. Also, according to the City's website, the City charges a cancellation fee if inadequate notice to cancel is given by the passenger.

Beaumont utilizes DoubleMap commuter-aided dispatching with an automatic vehicle locator feature for its fixed and Commuter Link routes. DoubleMap provides real-time bus data which are utilized to track on-time performance. On-time performance has averaged 92 percent for fixed-route and commuter services.

ScheduleVIEW software is utilized in the scheduling of Dial-A-Ride trips, generating manifests and tracking no-shows. Driver trip sheets for both service modes include sections for recording the passenger count and fare categories, fuel mileage, revenue hours and miles, and yard hours and miles. The yard hours and miles include deadhead hours and mileage. Drivers also use Samsung-branded tablets to assist with routing and communications with dispatch.

Vehicles are equipped with Diamond vaulted fareboxes. At the end of each shift, drivers pull out the vaults but do not handle the revenues. The vaults are placed in a locked cabinet in the office of the transit operations manager overnight. Fare revenues are counted the following day by two Transit Division employees and reconciled with the trip sheets. The transit operations manager prepares the deposit slips and the revenues are picked up by Dunbar Armored service

and transported to the bank for deposit. The Finance Department receives a copy of the deposit record and matches it up with the deposit slip for comparison.

Beaumont Transit implemented the Token Transit mobile ticketing platform for online pass and ticket purchases at the beginning of FY 2019. Token Transit receives a 10 percent commission on fares in excess of \$2.00 per trip. For all other transactions under \$2.00, the fee is \$0.06 plus 7 percent of the purchase. In addition, Beaumont phased out punch card passes, which were used by students.

The overall fare structure remained unchanged during the audit period. The last fare increase was implemented in 2011. In July 2018, the student fares were raised from \$1.00 to \$1.15 per trip and tickets were raised from \$10.85 to \$11.50. Monthly passes for all riders were raised to \$36.00. Subsequent fare increases are under consideration.

Personnel

Beaumont Transit personnel are City employees. Drivers and nonexempt employees are represented by Service Employees International Union (SEIU), Local 721. The current MOU between the City and union is for a two-year term, which included a health and retirement benefit increase and a higher wage scale in anticipation of the increase in the minimum wage.

Based on the recent organization chart, the Transit Division is composed of a transit director, management analyst, customer service coordinator, operations supervisor, vehicle maintenance supervisor, 17 full-time equivalent drivers, and 5 full-time equivalent mechanics. The City hired two drivers in November 2015 to serve growing demand. The management analyst/planner position was hired in November 2016. The customer service coordinator also fills the role of dispatcher. Staff turnover and attrition has been minimal.

Prospective drivers are recruited through job postings at City Hall and on the City's website as well as through newspaper classified advertising. Candidates are required to submit an H-6 printout from the Department of Motor Vehicles as well as undergo an interview, background checks, Department of Transportation medical clearance, and fingerprinting. Drivers are required to have a Class B license with a passenger endorsement. School bus operator experience is considered a plus. Training consists of 40 hours behind-the-wheel instruction. There are two driver trainers on staff. Drivers also undergo sensitivity training that includes wheelchair securement, as well as sessions from the CHP and quarterly police training.

Maintenance

Vehicle maintenance for Beaumont Transit is conducted by the City. Preventive maintenance inspections (PMIs) are performed on a 3,000-mile or 45-day inspection schedule in accordance with the state's General Public Paratransit Vehicle regulations. Additional preventive maintenance is conducted on a 5,000-mile or 90-day interval while newer vehicles are inspected

at 6,000 miles. Diesel vehicles are certified annually in October. Fire suppression systems are inspected every six months and CNG tanks are inspected every 36,000 miles.

Bus vehicle maintenance occurs at the City Fleet Maintenance facility located at 550 North California Avenue. The garage has three service bays; however, the service bays cannot accommodate the vehicles due to their size. Therefore, a portable lift is used to service the vehicles outside. Maintenance employees are composed of a vehicle maintenance supervisor and five mechanics. The City has been seeking Automotive Service Excellence certification for its mechanics. A-Z Bus Sales offers wheelchair lift maintenance training.

During the audit period, the City procured the Dossier fleet maintenance software program, which operates on a web-based platform. In addition, the City acquired Zonar for pre- and post-trip inspections. The City previously used Fleetmate fleet management software to track PMIs and work orders. Under the old program, mechanics would manually complete the repair and work orders before entering the data into the system. An Excel spreadsheet was used to track service mileage for each vehicle. Vehicle parts are procured from a local vendor, O'Reilly Auto Parts, located at 695 East 6th Street in Beaumont.

Flyers Energy is the primary fuel vendor. The CNG vehicles are fueled at stations at the Beaumont Unified School District's transportation yard, located at 1001 Cougar Way. During the audit period, Beaumont Transit vehicles were not able to fuel at the school district's facility for up to a year. The City had to arrange for fueling at facilities in Hemet, Redlands, and Moreno Valley. Under construction is a dedicated \$1.5 million CNG fueling facility located on a parcel at the intersection of West 4th Street and Veile Avenue.

The CHP is responsible for certifying Beaumont's maintenance facilities and inspecting vehicles on an annual basis. Inspections conducted during the audit period were rated satisfactory. Road call data were not provided by the operator. The recent implementation of the Dossier fleet maintenance software and Zonar should allow for road call data to be downloaded or migrated into TransTrack. It is recommended that the Transit Division start reporting road call data in TransTrack.

Planning

The City of Beaumont prepares a Short-Range Transit Plan (SRTP) on an annual basis. The SRTP covers a three-year planning horizon and includes a system overview; services and performance analysis for each route and service provided; service changes; and financial and capital plans. Under the Existing Service and Route Performance chapter, a series of recommendations for service improvements is presented for each route or program.

Performance data from TransTrack Manager is also included to provide an annual comparison. In adhering to the SRTP analysis element, Beaumont must meet at least four out of seven discretionary performance indicators. These indicators are in relation to **RCTC's Productivity Improvement Program**. There is one mandatory indicator which is the farebox recovery ratio set



at 10 percent. Using the SRTP covering FY 2017-18 through FY 2019-20, Table V-1 summarizes the FY 2017-18 performance targets. Beaumont met three out of the seven performance indicator targets.

**Table V-1
Beaumont Transit Performance Targets**

Performance Indicators	FY 2017-18 Target	Actual Performance	Met Target
Farebox Recovery	>=10.00%	10.00%*	Yes
Operating Cost Per Revenue Hour	<=\$82.60	\$105.87	No
Subsidy Per Passenger	>=\$7.37 & <=\$9.97	\$10.24	No
Subsidy Per Passenger Mile	>=\$1.55 & <=\$2.09	\$1.44	Yes - Better
Subsidy Per Hour	>=\$57.85 & <=\$78.27	\$95.28	No
Subsidy Per Mile	>=\$3.43 & <=\$4.63	\$5.64	No
Passengers Per Revenue Hour	>=6.63 & <=8.97	9.30	Yes - Better
Passengers Per Revenue Mile	>=0.39 & <=0.53	0.55	Yes - Better

Source: City of Beaumont, TransTrack Manager

*Farebox recovery ratio is derived from unaudited cost and revenue data.

In addition to the annual SRTP process, Beaumont is intending to conduct a Comprehensive Operational Analysis (COA). The last COA was conducted in May 2014 and resulted in route changes for the entire system including the addition of a second bus on Route 2 and expansion of the route to Cabazon via Banning. The purpose of this latest COA will be to analyze demographic changes and needs as well as improving connectivity to the commuter routes. The City is moving forward with a COA to create a “blueprint” for the future development of the community’s public transit service.

Marketing

Beaumont uses several media approaches in marketing its transit services. The transit system operates in coordination with Banning Transit under a cooperative branding and marketing agreement. This agreement has allowed for a common service brand, coordinating schedules and connections to regional commuter services.

In a recent development, in June 2019, the two cities terminated the MOU that created the Pass Transit branding. Under the current interagency service agreement, each agency has agreed to cooperate in providing the public with specific transit information by advertising the operations of both agencies and promoting the general usage of public transit. In the spirit of this agreement, it is suggested that Beaumont include a link on its transit page to Banning Transit.

Printed schedules and other marketing materials are produced in-house. Nevertheless, the City has relied primarily on electronic media to promote transit. The City of Beaumont website (<https://www.beaumontca.gov/90/Transit>) contains a page devoted to the transit program, which was updated during the audit period. The transit page provides general information,

fares, and modal links to the fixed-route, commuter, and Dial-A-Ride services as well as links to other regional transit services and trip planning tools. The trip planner interactive tool is powered by Google Transit. With the phase out of the Pass Transit brand, the City has requested capital funding for a rebrand and logo update.

The City offers a text messaging service, which allows for mobile phone users to text "BMTtransit" to 90210 to receive text updates regarding Beaumont Transit. There are quick response (QR) codes on route maps and at bus stops for smartphone users to download transit information. Bus shelters have been equipped with kiosks containing schedule information. In the area of social media, the City posts content on Facebook, Instagram, and Twitter.

In addition, transit buses are equipped with GPS locators that can be accessed through a mobile app called DoubleMap which includes website access (<http://beaumont.doublemap.com/map/>) so that users can access real-time information and GPS coordinates of all routes currently in service.

Beaumont Transit staff engages the community through events and presentations. A free shuttle service is offered during the annual Cherry Festival held in Beaumont. During school orientations, staff meets with students and their parents to educate them on their transit options in the service area. In conjunction with the Commuter Link Routes 120 and 125, staff participates in regional veteran committees to promote veteran transportation services from the Pass Area to Loma Linda VA Hospital. Travel training presentations have been conducted at local homeowners' associations.

Beaumont Transit participates in the Go-Pass program in conjunction with Mt. San Jacinto College. Student pass holders ride the system for free by presenting their student identification card with the Go-Pass sticker. The agreement for the Go-Pass program is between RTA and the college; however, there are no provisions in the agreement for Beaumont to receive any of the revenues despite participating in the program and offering free rides to the students.

General Administration and Management

The City of Beaumont was incorporated November 18, 1912, as a general law city and currently operates under a council/manager form of government. The five-member City Council serves as the City's principal legislative body and each councilmember is elected for a four-year term. The mayor and the mayor pro tem are elected from the City Council and serve one-year terms but no more than two consecutive terms. The City Council meets the first and third Tuesdays of each month at 6:00 p.m. at the Beaumont Civic Center. The council is reported to be supportive of the transit service.

The chief administrative officer for the City is the City manager, who is appointed by the City Council. The City manager oversees and coordinates City departments and services including transit operations. Transit is a division of the Community Services Department and overseen by

a transit operations director who is assisted by two administrative employees: a transit operations manager and a management analyst.

Another change impacting transit administration concerns the termination of the Pass Transit MOU and the adoption of an interagency service agreement between the Cities of Banning and Beaumont. In June 2019, administrative staff from the two cities met to discuss the terms and conditions of the agreement. The interagency service agreement became effective on July 1, 2019 and allows for continued cooperation between the two transit systems under their respective branding. Neither system would board passengers at any other bus stop within the other party's jurisdiction.

The primary source of transit funding support is derived from the Local Transportation Fund (LTF) for operations. The City submits the annual TDA claim for funds to RCTC. TDA claims are based on the City's annual budget projections and the financial element of the SRTP. Based on the audited financial statements, the City's LTF allocation was \$2,063,600 in FY 2016; \$2,203,702 in FY 2017; and \$2,426,067 in FY 2018. State Transportation Assistance (STA) funds received by the City were \$227,694 in FY 2017 and \$96,671 in FY 2018. STA is used toward operations.

The City's annual TDA claim and transit budget are based on the prior year's budget and the finance director's analysis of the SRTP projections. Costs for service expansion are estimated and include projected employee compensation and benefit increases. The finance director is tasked with completion and submittal of the City's TDA claim and external reports such as the Transit Operators Financial Transactions Report to the State Controller. The City's recent administrative reorganization has resulted in more financial controls and protocols.

Grants Management

Grant funding allocated toward the transit system has been derived from state sources composed of Proposition 1B, SB 1 State of Good Repair (SGR) and Low Carbon Transit Operation Program (LCTOP) funds. Under the Proposition 1B Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA) program, Beaumont received funding for vehicle purchases, bus shelter, and CNG facility upgrades. At the end of June 30, 2018, the City had an unexpended balance of \$24,358 in PTMISEA funds.

The City applied for SB 1 SGR program funds toward the construction of the new consolidated administrative, fleet maintenance, and operations facility. In addition, the City received LCTOP funding toward the rehabilitation of three bus stops and shelter adjacent to the Walmart transfer station as well as toward free fare days.

The finance director tracks the financial element of the SRTP and provides quarterly reporting to RCTC through the capital tracking report. A management analyst in Administrative Services updates the grant spreadsheet and the resources director is responsible for capital project management and procurement with approval of the finance director. The management analyst initiates grant application process and prepares the reporting. Beaumont does not utilize federal

transit funding for operating expenses, thus avoiding federal transit grant and Title VI reporting requirements.

Section VI

Findings

The following summarizes the findings obtained from this triennial audit covering fiscal years 2016 through 2018. A set of recommendations is then provided.

Triennial Audit Findings

1. Of the compliance requirements pertaining to Beaumont, the operator fully complied with five of the eight applicable requirements. The City was in partial compliance regarding the timely submittals of its annual Transit Operators Financial Transactions Reports to the State Controller and the annual fiscal and compliance audits as well as farebox recovery attainment in FY 2018. Three additional compliance requirements did not apply to Beaumont (i.e., intermediate farebox recovery ratio, exclusive urbanized farebox recovery ratio, and the utilization of federal funds).
2. Beaumont met its system-wide farebox recovery standard of 10 percent during two of the three years of the audit period, although service expansion during the audit period allows for two full fiscal years of exemption. The farebox recovery ratios were 10.7 percent in FY 2016, 10.4 percent in FY 2017, and 9.1 percent in FY 2018. The average farebox recovery ratio for the period was 10.06 percent.
3. The City of Beaumont participates in the CHP Transit Operator Compliance Program and received vehicle inspections within the 13 months prior to each TDA claim. Inspections conducted during the audit period were rated satisfactory.
4. The operating budget exhibited notable increases during the audit period. Beaumont exhibited 20.2 percent increase in its transit budget for FY 2016 and a 14.9 percent increase in FY 2017. The increases are attributed to higher salary and benefit costs as well as continued service expansion and route restructuring. The budget increased by a modest 4.7 percent in FY 2018.
5. Beaumont satisfactorily implemented two of the four prior audit recommendations. The two recommendations pertained to the timely submittal of the annual State Controller Reports and the tracking of mobility devices on driver trip sheets. One recommendation pertaining to receiving reimbursement from RTA and Mt. San Jacinto College for Go-Pass riders was partially implemented and the recommendation pertaining to the completion and submittal of separate State Controller Reports for both general and specialized service was not implemented. Both recommendations are being carried forward for full implementation.
6. Operating cost per vehicle service hour, an indicator of cost efficiency, increased 5.4 percent system-wide from \$84.98 in the FY 2015 base year to \$89.60 in FY 2018. System-wide

operating costs (based on audited data) increased 19.2 percent during the period, while vehicle service hours increased by a lower rate of 13 percent. The average annual increase in operating costs was 9.3 percent. Cost increases were from personnel wage increases for minimum wage and benefits contributions well as continued service expansion and route restructuring. The City is moving forward with a COA to create a “blueprint” for the future development of the community’s public transit service.

6. Operating cost per passenger, an indicator of cost effectiveness, increased 34.3 percent system-wide from \$8.37 in FY 2015 to \$11.23 in FY 2018. Ridership system-wide decreased 11.2 percent during the review period from 222,752 passengers in FY 2015 to 197,775 passengers in FY 2018, while operating costs increased by 19.2 percent over the same period.
7. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, decreased 21.5 percent between FY 2015 and FY 2018 system-wide from 10.2 to 8 passengers per hour. Fixed-route operations were consistent with this trend, with a decrease of 20.6 percent over the same period from 10.9 to 8.7 passengers per hour. In contrast, Dial-A-Ride operations exhibited a higher decrease of 43.4 percent from 5.7 to 3.2 passengers per hour. The trend in this indicator demonstrates growth in vehicle service hours as compared to the decline in passenger trips.
8. Passengers per vehicle service mile, another indicator of service effectiveness, decreased 17.1 percent between FY 2015 and FY 2018 system-wide from 0.58 to 0.48 passengers per mile. For fixed-route operations, the number of passengers per service mile decreased by 19.7 percent from 0.61 to 0.49. Passengers per service mile on Dial-A-Ride decreased by a comparable 16.1 percent during the same period, from 0.38 in FY 2015 to 0.32 in FY 2018. From the FY 2015 base year to FY 2018, actual vehicle service miles increased 7.1 percent system-wide.
9. At the request of the City of Calimesa and RTA, Beaumont implemented Route 136 to Calimesa in FY 2017. The route was designed with one-hour headways and an alternative route during peak morning afternoon hours to serve local students. The route only comprised 1 percent of system-wide trips and was eventually discontinued.
10. A second commuter route, Commuter Link 125, was implemented in September 2018 to provide service to the Loma Linda Veterans Administration Hospital and Kaiser in Redlands. Commuter Link Route 120, which was implemented in 2013, was realigned to provide more direct service to the San Bernardino Transit Center.
11. The MOU between the Cities of Banning and Beaumont was terminated in June 2019, which involved phasing out the Pass Transit brand and the removal of Beaumont Transit Route 2 from operating within the City of Banning. A new interagency services agreement was adopted between the two cities in July 2019.

12. The City's Transit Division is looking to consolidate its administration, operations, and fleet maintenance functions to a parcel that the City has acquired in an industrial area of town at the intersection of West 4th Street and Veile Avenue. The facility would also feature a CNG fueling station open to the general public with plans to include an electric vehicle charging station in order to meet the state's zero-emission vehicle mandates.
13. Beaumont Transit personnel are City employees. Drivers and nonexempt employees are represented by Service Employees International Union (SEIU), Local 721. The current MOU between the City and union is for a two-year term, which included a health and retirement benefit increase and a higher wage scale in anticipation of the increase in the minimum wage.
14. During the audit period, the City procured the Dossier fleet maintenance software program, which operates on a web-based platform. In addition, the City acquired Zonar for pre- and post-trip inspections.

Recommendations

1. Prepare and submit separate State Controller Transit Operators Financial Transactions Reports for general public transit and specialized service.

This recommendation is carried over from the prior performance audit. Beaumont’s annual Transit Operators Financial Transactions Report to the State Controller has historically combined information for both general public (fixed route/commuter) and specialized service for seniors and persons with disabilities (ADA-certified and noncertified). Although the State Controller’s Office has not provided notice to the City, written instructions by the state to prepare this particular report require separate reporting of these modes. In the General Instruction Form completed by the City, a selection must be made as to which mode of transit is represented in the report. The options are general public use or elderly/disabled.

The Transit Operators Financial Transactions Report Instructions contain the following passages under the General Instruction Form:

Transit operators providing two types of service, (general public use and transit service exclusively for the elderly/handicapped) must complete a separate report for each type of service.

... a separate report must be filed for each type of service provided: General Public Use Service or Specialized Service exclusive for elderly and/or handicapped. For example, if an agency has received Article 4 and Article 8(c) monies to provide General Public Use Service, the agency should submit one report. If that agency has also received Article 4 monies to provide Specialized Service for the elderly and/or handicapped, then a report must be submitted for the Specialized Service operations.

The submission of separate reports to the State Controller will further demonstrate Beaumont’s proactive approach to compliance with state reporting instructions.

2. Continue to work with RTA and Mt. San Jacinto College on fare revenue reimbursement from the College GO-PASS Revenue Agreement.

This recommendation is being carried forward from the prior performance audit. The City had taken steps to reach a fare revenue reimbursement agreement with Mt. San Jacinto College. In the meantime, Beaumont Transit has continued to honor RTA’s Go-Pass without an agreement in place. Under the Go-Pass program, Mt. San Jacinto College students get unlimited rides on RTA buses. The City was anticipating that the Mt. San Jacinto College student body would vote on the separate fare revenue agreement in early 2018; however, the vote never materialized. It is recommended that the City continue to work with the college and RTA on having such an agreement in place as a farebox enhancement measure.

3. Include a link to Banning Transit on the Beaumont Transit web page.

The City's website and transit page were updated during the audit period. While there are links to the OmniTrans, RTA, and SunLine Transit Agency websites, there are no links to the Banning Transit website. The MOU or cooperative services agreement between the Cities of Banning and Beaumont that has been in effect since December 2002 was terminated after the audit period and involved phasing out the Pass Transit brand and the removal of Beaumont Transit Route 2 from operating within the City of Banning. In its place, an interagency service agreement between the two cities was adopted in July 2019 and provides continued cooperation of both cities in "providing the public with specific transit information, advertising the operations of both agencies and promoting the general use of transit." Pursuant to the interagency service agreement with the City of Banning, it is recommended that Beaumont include a link to Banning Transit on its transit page.

4. Report mechanical road calls and other vehicle operation metrics in TransTrack Manager.

The Transit Division indicated that system road calls were not being regularly tracked. A mechanical failure of a bus in revenue service that causes a delay to service, and which necessitates removing the bus from service until repairs are made, can impact overall system performance. Transit performance data are routinely entered into TransTrack for trends analysis across the different service modes. TransTrack features modules that track customer service complaints, Dial-a-Ride no-shows, accidents, and mechanical road calls. The recent implementation of the Dossier fleet maintenance software and Zonar should allow for road call data to be downloaded or migrated into TransTrack. It is recommended that the Transit Division start reporting road call data in TransTrack.