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**RIVERSIDE
COUNTY
TRANSPORTATION
COMMISSION**



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CONNECT**

FY 2022-2024

Triennial Performance Audit of City of Riverside Special Transportation Services

December 2025

Final

Submitted to:
Riverside County Transportation Commission

Submitted by:

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INTERNATIONAL**

AECOM

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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 Riverside Special Transportation Services (City, STS) covering the most recent triennial period, fiscal years 2021-2022 through 2023-2024.

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 in the development and conduct of the audit.

Overview of the Transit System

The City of Riverside has provided Dial-A-Ride service for the elderly and disabled since the summer of 1975. The service was initially conceived to provide seniors with transportation to nutrition programs. The Dial-A-Ride service has since grown with rides being provided anywhere within the city limits—a service area encompassing close to 82 square miles. Seniors using the service are transported to a variety of destinations, including shopping, adult education, work, social activities, and medical appointments.

Based on the 2020 US Census, Riverside’s population is 314,998, which has grown 3.7 percent since the 2010 US Census. The senior citizen population, comprising residents aged 65 and over, is 10.7 percent. The 2025 population for Riverside is estimated to be 320,337, as reported by the

California Department of Finance, Population Estimates for Cities, Counties, and the State January 1, 2025. The city covers 81.20 square miles.

Riverside STS is administered by the City's Parks, Recreation and Community Services Department as part of the social service programs offered by the City. The department also administers other social service programs such as senior centers and programs, Friendly Stars for developmentally disabled adults, adaptive recreation, and youth opportunity centers.

In August 1992, the City entered into a memorandum of understanding (MOU) with the Riverside Transit Agency (RTA) to provide complementary paratransit service to RTA's fixed-route service within the city boundaries under the Americans with Disabilities Act (ADA) of 1990. An amendment to the MOU was approved in September 1994, which eliminated STS's obligation for the provision of evening ADA service because of low ridership and transferred the hours to increase day service to meet growing demand. In April 2003, an MOU was executed between the City of Riverside and RTA (later amended and restated in November 2012) that reaffirmed the City's commitment to provide ADA service and included specific criteria for the provisions of service pursuant to the ADA.

To raise its visibility within the community, the City launched a rebranding effort for STS, which went "live" on July 1, 2021, with STS becoming "Riverside Connect." Rebranded media included new advertisements, a revised website, and new bus wraps showcasing a new logo and brand identity. These efforts were made possible through assistance from the City's Marketing Division and Riverside TV. STS staff have leveraged this rebranding effort to focus future marketing efforts on attracting key demographics, including disabled veterans and new seniors.

System Characteristics

STS provides curb-to-curb demand-responsive transit services within the city limits of Riverside to senior citizens aged 60 and older as well as to persons with disabilities certified under the ADA, or those who are part of human services organizations or programs such as the Inland Regional Center. Operating hours are Monday through Friday from 8:00 a.m. to 5:30 p.m. and Saturdays, Sundays, and holidays from 9:00 a.m. to 4:00 p.m. Service does not operate on Thanksgiving Day, Christmas Day, and New Year's Day. STS provides ADA complementary paratransit service during the service hours of RTA fixed-route service within the city limits.

Fares

The fare for a one-way trip during the audit period was \$3.25 and \$2.25 for a one-way medical trip. Subsequent to the audit period, effective July 1, 2025, the one-way fare was increased to \$3.50 and \$2.50 for a one-way medical trip. Attendants accompanying ADA-certified passengers ride free.

Fleet

STS operates a fleet of 35 revenue vehicles, including 32 minibuses powered by compressed natural gas (CNG), two 10-passenger unleaded fuel vans and one 6-passenger unleaded fuel van. All vehicles comply with the ADA requirements by being equipped with wheelchair lifts. A detailed description of STS’s fleet is presented in Table I-1.

**Table I-1
STS Fleet**

Year	Make/Model	Quantity	Fuel Type	Seating Capacity
2010	Ford E450 Glaval III	3	CNG	16 (2 W/C)
2011	Ford E450	3	CNG	16 (2 W/C)
2013	Ford E450	7	CNG	16 (2 W/C)
2014	Ford E450	8	CNG	16 (2 W/C)
2017	Ford E450	8	CNG	16 (2 W/C)
2019	Ford E450	3	CNG	16 (2 W/C)
2019	Dodge Van	1	Gasoline	6 (1 W/C)
2019	Ford TR Van	2	Gasoline	8 (2 W/C)
Total		35		

Source: Table 1.1 City of Riverside Specialized Transportation Services Fleet Inventory – TransTrack Manager

Note: W/C=wheelchair

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 *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Agencies, September 2008* (third edition), developed by Caltrans, to assess transit operators. The guidebook contains a checklist of 11 measures taken from relevant sections of the Public Utilities Code 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 within seven (7) months after the end of the fiscal year (on or before January 31). The report shall contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles, if this data is available.	Public Utilities Code, Section 99243	Completion/submittal dates: FY 2022: January 30, 2023 FY 2023: January 17, 2024 FY 2024: January 28, 2025 Conclusion: Complied.
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.	Public Utilities Code, Section 99245	Completion/submittal dates: FY 2022: June 2, 2023 FY 2023: March 29, 2024 FY 2024: March 21, 2025 A 90-day extension was granted by the RCTC pursuant to the TDA statute. The FY 2022 fiscal and compliance audit was submitted after the 90-day extension period.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		Conclusion: Partial Compliance.
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 terminal.	Public Utilities Code, Section 99251 B	<p>The City participates in the California Highway Patrol (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 City of Riverside General Services Division located at 8095 Lincoln Avenue.</p> <p>Inspection dates applicable to the audit period were May 8, 9 & 11, 2021; June 11, 2021; June 2, 3 & 8, 2022; June 15, 16 & 20, 2023, and July 30, 2024.</p> <p>All inspections conducted were rated satisfactory.</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’s annual claims for Local Transportation Funds and State Transit Assistance are submitted in compliance with the rules and regulations adopted by the 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	Public Utilities Code, Section 99270.1	This requirement is not applicable, as STS only serves an urbanized area.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
the ratio determined by the rules and regulations adopted by the RTPA.		Conclusion: Not Applicable.
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 STS’s operating budget:</p> <p>FY 2022: -3.0% FY 2023: -7.4% FY 2024: +1.0%</p> <p>The operating budget increase is attributed to salaries and benefits, contract services, and non-personnel costs.</p> <p><i>Source: Table 4.0 - Summary of Funding Requests - City of Riverside FYs 2021-2024.</i></p> <p>Conclusion: Complied.</p>
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	<p>STS’s definition of performance is consistent with Public Utilities Code Section 99247. A review of TransTrack Manager reports and trip sheets generated during the audit period indicates that correct performance data are being collected.</p> <p>Conclusion: Complied.</p>
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating costs at	Public Utilities Code, Sections 99268.2,	This requirement is not applicable, as STS provides

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
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.	99268.3, 99268.12, 99270.1	exclusive services to ADA-certified individuals and seniors. Conclusion: Not Applicable.
If the operator serves a rural area, or provides exclusive 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).	Public Utilities Code, Sections 99268.2, 99268.4, 99268.5	Operating ratios for STS using audited data were as follows: FY 2022: 5.20% FY 2023: 5.81% FY 2024: 5.22% Riverside STS is subject to a system-wide farebox standard of 10 percent. *Assembly Bill (AB) 90 prohibits the imposition of a penalty on an operator that does not maintain the required ratio of fare revenues to operating cost during FYs 2019–20, 2020–21, and 2021–22. *AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in which the operator expended

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		<p>from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.</p> <p>While the system did not meet the minimum farebox ratio, the City of Riverside would be exempt based on aforementioned legislation.</p> <p><i>Source: City of Riverside Special Transit Fund Financial Statements (Audited)</i></p> <p>Conclusion: Complied.</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 Riverside’s retirement system is funded.</p> <p>City staff’s retirement is funded through the California Public Employees Retirement System (CalPERS).</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)	As a recipient of State Transit Assistance funds, the City of Riverside is making full use of federal funds available under the Urban Mass Transportation Act of 1964 as amended.

Table II-1 Operator Compliance Requirements Matrix		
Operator Compliance Requirements	Reference	Compliance Efforts
		FY 2022: \$1,240,076 (Operations) \$185,694 (Capital assistance on Operations) \$80,000 (Capital) FY 2023: <i>No funding received</i> FY 2024: \$586,107 (Operations) <i>Source: National Transit Database</i> Conclusion: Complied.

Findings and Observations from Operator Compliance Requirements Matrix

1. Of the compliance requirements pertaining to the City, the operator fully complied with eight out of the nine applicable requirements. The City was in partial compliance with regard to the timely completion and submittal of its FY 2022 annual fiscal and compliance audit. Two additional compliance requirements did not apply to the operator (intermediate and urban farebox recovery ratios).
2. Based on the farebox calculation in the annual Transit Services Fund Financial Statements (*audited*), Riverside's farebox recovery ratio did not meet required minimum standard of 10 percent in one of the three audit years. The system-wide farebox recovery ratios were 5.20 percent in FY 2022, 5.81 percent in FY 2023, and 5.22 percent in FY 2024.¹ However, due to recent legislation, costs required to operate demand-response and micro transit services that expand access to transit service beyond fixed route corridors are excluded from the definition of "operating cost" for the purposes of calculating any required ratios of fare revenues.
3. The City participates in the CHP Transit Operator Compliance Program in which the CHP conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
4. Annual operating budget fluctuations remained below 15 percent during the audit period. The budget decreased 3 percent in FY 2022 and 7.4 percent in FY 2023 followed by an increase of one percent in FY 2024. Operating budget increase is attributed to salaries and benefits, contract services, and non-personnel costs.

¹ Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21. AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in which the operator expended from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.

Section III

Prior Triennial Performance Recommendations

STS's efforts to implement the recommendations made in the prior triennial performance 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 STS'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 efforts toward implementing a strategic planning process.

Background: This recommendation was carried forward in the prior audit for full implementation. In consideration of this recommendation, staff determined that in order to create a strategic plan that addresses all areas of concern, a thorough analysis of the operation would be necessary. As a result, it was decided that the City would hire a consultant to complete a Comprehensive Operational Analysis (COA). The City released a Request for Proposals (RFP) for a COA to be conducted but only received one proposal which was ultimately rejected given the timing of the FTA Triennial Review. In anticipation of the FTA Triennial Review findings that were under development, STS was encouraged to resume efforts at facilitating a strategic planning process, whether it is through a COA or some other document, and/or coordinating with the RCTC on the procurement of professional services.

Actions taken by STS

The City released an RFP in 2023 for a consultant to conduct a COA but was not successful. The City budgeted \$60,000 for the effort; however, the consultant submitted a proposal that was substantially over budget. Riverside Connect requested funding in the City's FY 2025-26 Short-Range Transit Plan to conduct a COA. Riverside STS will continue to develop a comprehensive RFP for a COA with the assistance of RCTC.

Conclusion

This recommendation has been partially implemented and is being forwarded for full implementation.

Prior Recommendation 2

Continue leveraging TransTrack reporting capabilities.

Background: STS staff have continued to review TransTrack's capabilities and mine available data modules through upgrades pertinent to functional areas of operations. For example, staff

expressed interest in pursuing upgrades to the preventative maintenance module of the software to enhance tracking and reporting of transit maintenance activities separately from the program used by the maintenance department that applies to all City-owned vehicles. The rebranding efforts require collection of data that impact daily operations as part of maintaining a high level of public visibility, followed by keen interpretation of results and implementation steps to maintain and improve upon service. It was suggested that staff prioritize those existing and new capabilities in TransTrack that provide meaningful data necessary for transit performance management and business analytics.

Actions taken by STS

Riverside STS has completed its TransTrack upgrade during the audit period. A former management analyst was tasked with spearheading the effort. Staff have familiarized themselves with the various modules and analytical tools to assist Riverside Connect in its performance management and business analytics. Data are being inputted into the platform monthly and transferred to the RCTC TransTrack modules. The City separately pays for their TransTrack updates which are additional modules separate from the RCTC TransTrack which is updated annually.

Conclusion

This recommendation has been implemented.

Prior Recommendation 3

Enhance aspects of ongoing driver training.

Background: STS has been proactive in providing the required active training to its drivers. One training aspect that evolves from advancement in mobility and technology is wheelchair securement. The number of riders who use mobility devices has been growing and this group has been an integral part of the City's transit program. Transit management indicated a preference for an elevated training regimen for wheelchair securement, including having drivers serve as passengers during wheelchair securement training. This role playing would help drivers further understand the challenges with wheelchair securement from both the passenger and driver perspectives, in particular increasing empathy when securing these riders and their mobility devices, which could vary substantially in model, type (e.g., wheelchair scooters), and weight.

Actions taken by STS

Staff have continued to examine their current driver training protocols and add additional trainings in the areas of wheelchair securement as well as overall physical wellness to prevent workplace injuries. Interest in enhancing wheelchair security has been growing, which has been a key aspect for the drivers given the importance the City has placed on this area. The Q'Straint system is a widely used securement solution designed to safely anchor wheelchairs and mobility devices on public transit vehicles. The Q'Straint system offers an excellent certification system accessible on their website. The City's safety team has been providing training periodically on the Smith 5 Keys

to Safety. The Smith System is a proven defensive driving methodology built around five key principles designed to reduce collisions and improve driver awareness. Staff will continue to look at additional training opportunities in other areas that may be of benefit to STS staff and the performance of their duties.

Conclusion

This recommendation has been implemented.

Section IV

TDA Performance Indicators

This section reviews STS’s performance in providing transit service to the community in an efficient and effective manner. 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 that gauge service effectiveness and revenue, 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.

Table IV-1 provides the performance indicators for STS, and the following graphs depict the trends in the indicators. It is noted that the operating costs and fare revenues are based on audited figures.

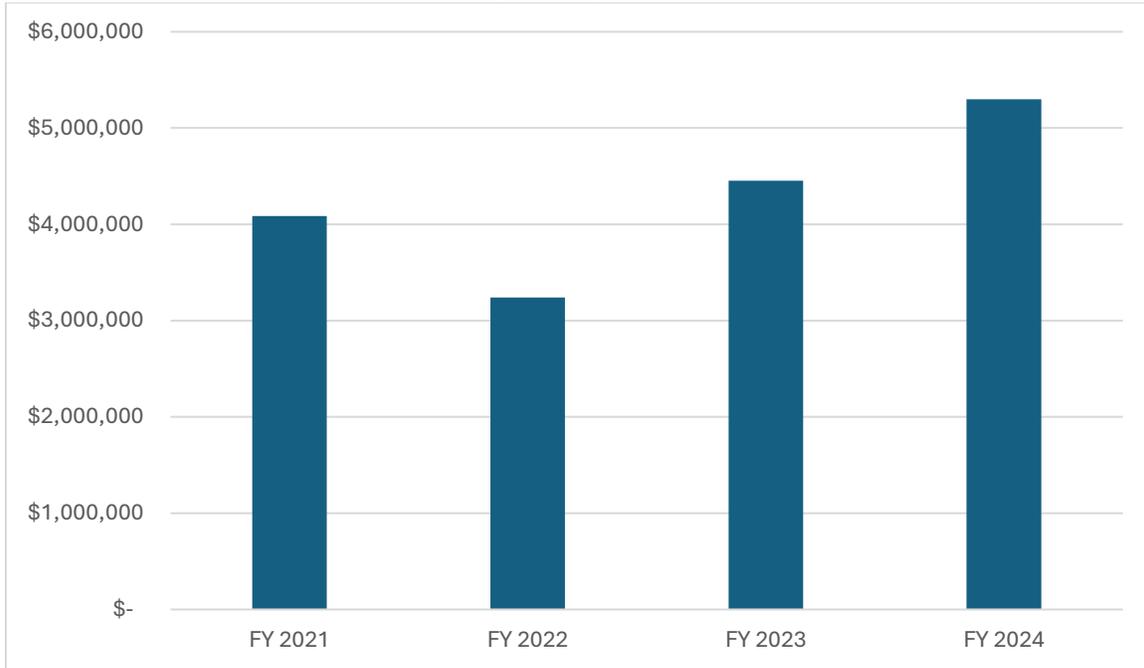
**Table IV-1
City of Riverside Special Transportation Services TDA Performance Indicators**

Performance Data and Indicators	FY 2021	Audit Period			% Change FY 2021- 2024
		FY 2022	FY 2023	FY 2024	
Operating Cost (less depreciation)	\$4,086,508	\$3,240,684	\$4,452,031	\$5,298,254	29.7%
Total Passengers	26,518	55,777	74,322	88,259	232.8%
Vehicle Service Hours	14,051	24,022	28,019	31,092	121.3%
Vehicle Service Miles	182,643	325,938	371,535	432,901	137.0%
Employee FTE's	48	33	36	32	-33.3%
Passenger Fares	\$65,367	\$168,452	\$257,631	\$276,570	323.1%
Local Support Revenues	\$2,202	\$0	\$958	\$0	-100.0%
Total Fare Revenues ⁽¹⁾	\$67,569	\$168,452	\$258,589	\$276,570	309.3%
Operating Cost per Passenger	\$154.10	\$58.10	\$59.90	\$60.03	-61.0%
Operating Cost per Vehicle Service Hour	\$290.83	\$134.90	\$158.89	\$170.41	-41.4%
Operating Cost per Vehicle Service Mile	\$22.37	\$9.94	\$11.98	\$12.24	-45.3%
Passengers per Vehicle Service Hour	1.9	2.3	2.7	2.8	50.4%
Passengers per Vehicle Service Mile	0.15	0.17	0.20	0.20	40.4%
Vehicle Service Hours per Employee	292.7	727.9	778.3	971.6	231.9%
Average Fare per Passenger	\$2.47	\$3.02	\$3.47	\$3.13	27.1%
Fare Recovery Ratio ⁽¹⁾	1.65%	5.20%	5.81%	5.22%	215.7%
Percentage Change in Consumer Price Index (CPI-All Items & Consumers, LA-Riverside-Orange Co.)	3.31%	2.45%	2.85%	8.24%	

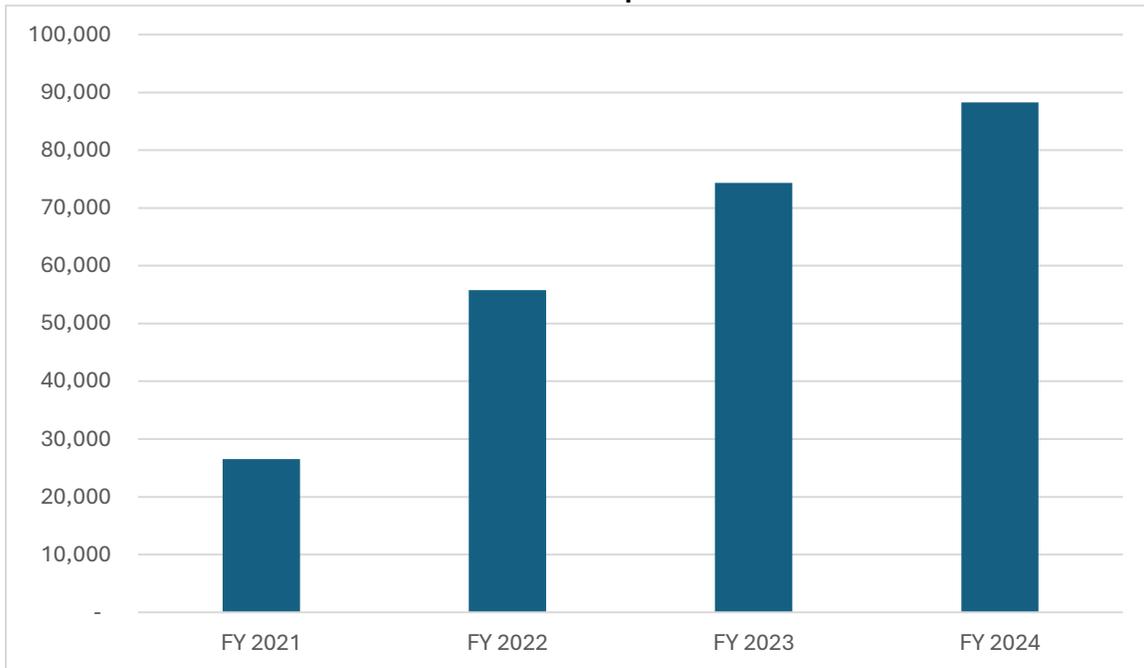
Source: Annual Fiscal & Compliance Audits; Table 2.1 SRTP Performance Report; Transit Operator Financial Transactions Reports

⁽¹⁾ Inclusive of other local contributions including interest revenue and damage claim recoveries

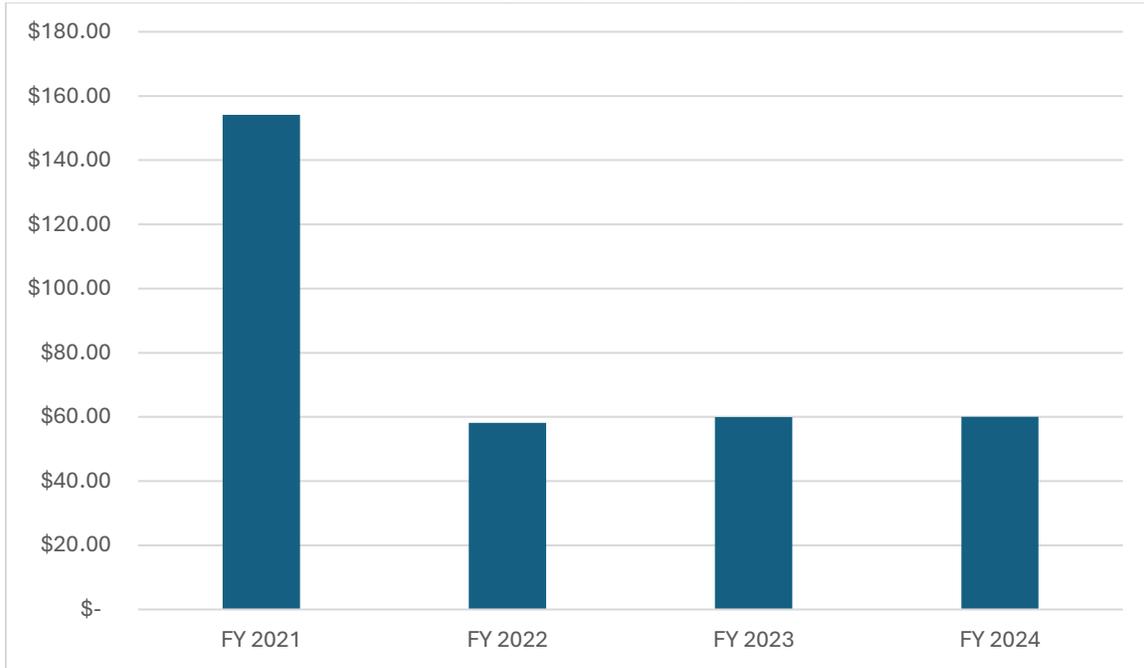
**Graph IV-1
Operating Costs**



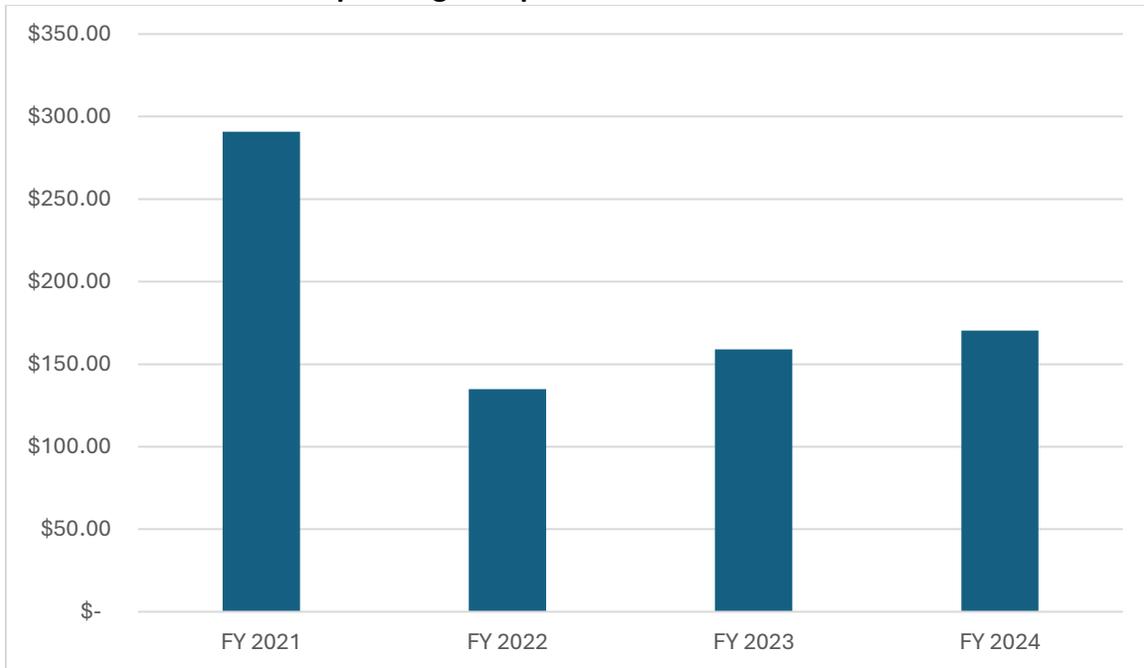
**Graph IV-2
Ridership**



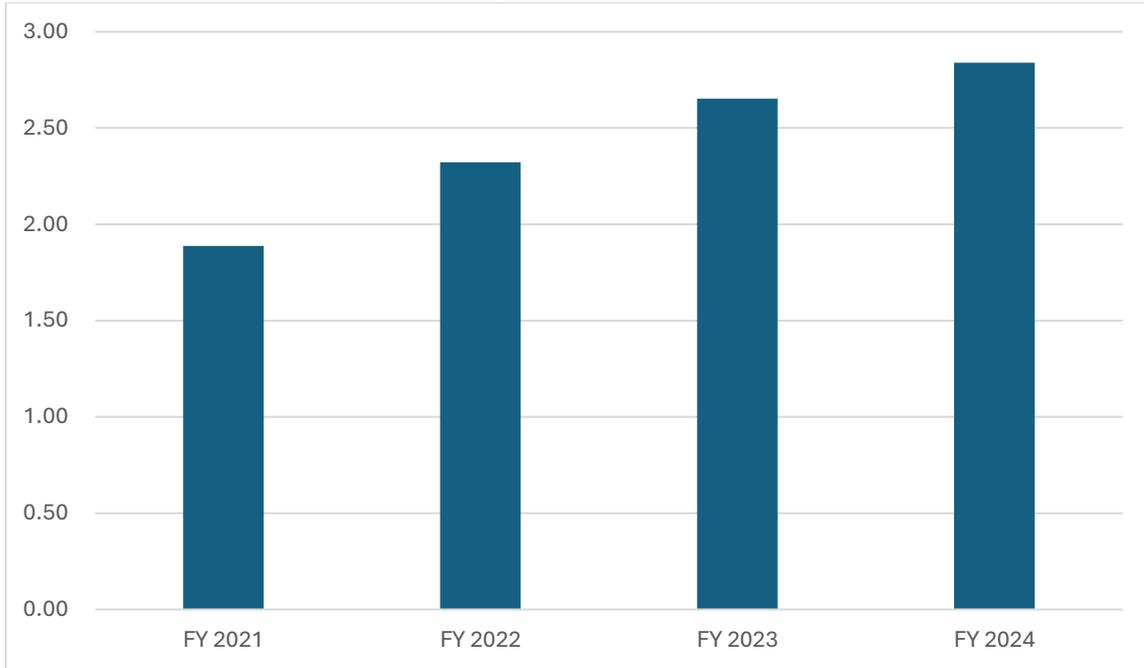
**Graph IV-3
Operating Cost per Passenger**



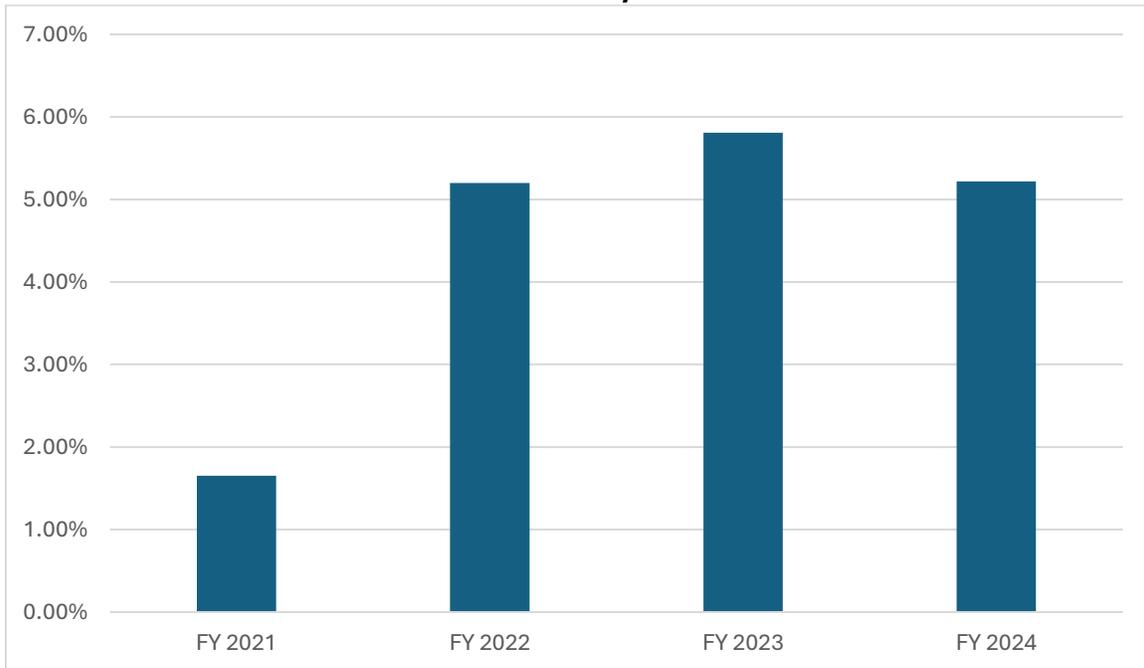
**Graph IV-4
Operating Cost per Vehicle Service Hour**



Graph IV-5
Passengers per Vehicle Service Hour



Graph IV-6
Fare Recovery Ratio



Findings from Verification of TDA Performance Indicators

1. **Operating cost per vehicle service hour**, an indicator of cost efficiency, decreased 41.4 percent from \$290.83 in the FY 2021 base year to \$170.41 in FY 2024. This trend is consistent with the significant increase in vehicle service hours of 121.3 percent and the more moderate 29.7 increase in STS operating costs during the same period.
2. **Operating cost per passenger**, an indicator of cost effectiveness, decreased 61.0 percent from \$154.10 in FY 2021 base year to \$60.03 in FY 2024. As noted above, STS operating costs increased 29.7 percent during the period; at the same time, STS ridership increased 232.8 percent, from 26,518 passengers in FY 2021 to 88,259 passengers in FY 2024.
3. **Passengers per vehicle service hour**, which measures the effectiveness of the service delivered, increased 50.4 percent from 1.9 to 2.8 passengers per hour between FY 2021 and FY 2024. The trend in this indicator reflects the 232.8 percent increase in trips as vehicle service hours increased only 121.3 percent.
4. **Passengers per vehicle service mile**, another indicator of service effectiveness, increased 40.4 percent, from 0.15 in FY 2021 to 0.20 in FY 2024. In the same period, vehicle service miles increased 137.0 percent from 182,643 vehicle service miles to 432,901 vehicle service miles.
5. **Vehicle service hours per employee** increased 231.9 percent between FY 2021 and FY 2024. This increase was associated with the 121.3 percent increase in STS vehicle service hours, while the number of full-time employee equivalent (FTE) hours decreased 33.3 percent from 48 to 32 FTEs. This measure is based on the number of FTEs reported in the Transit Operators Financial Transactions Report.
6. **Farebox recovery** exhibited an overall increase of 215.7 percent between FY 2021 and FY 2024. Farebox recovery peaked in FY 2023 at 5.81 percent before decreasing slightly to 5.22 percent in FY 2024. Total fare revenues increased 309.3 percent while operating costs only increased 29.7 percent in the same period. During the FY 2021 base year and FY 2023, local support funding supplemented passenger fares.

Conclusion from the Verification of TDA Performance Indicators

During the audit period, STS demonstrated substantial improvements in cost efficiency, service effectiveness, and farebox recovery, reflecting a strong rebound in operations and ridership following pandemic-related disruptions. By FY 2024, total passengers had returned to 63.1 percent of their pre-pandemic (FY 2019) levels, while vehicle service hours and vehicle service miles had returned to 73.1 and 75.1 percent of their pre-pandemic levels, respectively. These trends suggest that STS was able to deliver more trips per unit of service, enhancing the overall productivity of its operations. As a result, most performance metrics have improved since the baseline of FY 2021, but operating efficiencies such as operating cost per passenger and passengers per vehicle service hour will need more time to recover.

Section V

Review of Operator Functions

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

- 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

During the audit period, Riverside STS implemented several operational enhancements to improve service delivery, data tracking, and customer experience. Major accomplishments included the adoption of the Ecolane dispatching and scheduling software, replacing RouteMatch after 16 years. STS also upgraded its TransTrack system with additional modules for performance reporting, revenue tracking, and maintenance analytics. A mobile ticketing app was launched, enabling riders to prepay fares and receive low-balance alerts, while dispatchers monitor and notify riders as needed.

STS transitioned to electronic fare collection and phased out multi-trip booklets. General fare rates were increased in two \$0.25 increments—from \$3.00 to \$3.50—effective July 1, 2024, and July 1, 2025, aligning with RTA’s Dial-A-Ride pricing. Medical fare rates were also increased in two \$0.25 increments and are now \$2.50, and attendants continue to ride free. Fare payments are tracked via driver mobile tablets, with cash still accepted but discouraged in favor of electronic methods.

STS operations are located at 8095 Lincoln Avenue within the City of Riverside Corporation Yard. Facilities include an administration building containing offices, a dispatch center, restrooms, and a break room. Adjacent to the administration building is a parking lot for the transit vehicles with each space equipped with a CNG slow-fill station, and a maintenance bay for vehicle repair and servicing. The front office area was renovated in order to accommodate the senior office specialist and lead dispatcher.

STS maintains a strictly paratransit service model, with rides scheduled up to three days in advance. Passengers receive automated notifications one day prior, the night before, and one hour

before pickup. Drivers use Motorola analog radios, with plans underway to convert to a digital system.

Ridership recovery from the COVID-19 pandemic has been gradual. STS provided 26,518 rides in FY 2021, followed by a 146 percent increase in FY 2022. FY 2023 saw a 13.5 percent gain, and FY 2024 reached 88,259 trips—still below pre-pandemic levels of 500–550 daily rides, now averaging 300–350. Factors contributing to reduced demand include increased telehealth usage, online shopping, and the discontinuation of transportation to Inland Regional Center workshops.

STS utilizes the Q-Straint wheelchair securement system on the vehicles. There is an online training and certification program for the use of Q-Straint. STS also documents those passengers who prefer to remain in their wheelchair instead of transferring to a seat. Vehicle wheelchair lifts were upgraded to a 1,000-pound capacity rating.

There is a formal no-show policy that conforms to FTA regulations and mirrors that of the RTA. The no-show policy is included in the STS rider brochure and on the Special Transportation webpage. STS defines a no-show as “a passenger’s failure to show up or cancel a ride at least two (2) hours before a scheduled pick-up. Penalty points will be assessed to the passenger if the passenger does not show.” Cancellations and no-shows are presented in Table V-1.

Table V-1
Cancellations and No-Shows

	FY 2021	FY 2022	FY 2023	FY 2024
Cancellations	3,559	6,465	8,045	8,814
No-Shows	1,006	1,782	2,193	2,471

Source: RouteMatch; City of Riverside STS

Passenger cancellations and no-shows increased steadily over the four-year audit period. Cancellations more than doubled from 3,559 in FY 2021 to 8,814 in FY 2024, while no-shows rose from 1,006 to 2,471 during the same timeframe. These upward trends reflect shifting rider behavior and service dynamics, including increased trip flexibility, evolving travel patterns post-pandemic, and challenges in rider commitment. Continued monitoring and targeted rider engagement may help mitigate future no-show rates and improve scheduling efficiency.

The driver manifest generated by the scheduling software contains the driver’s name, vehicle number, and duration of the run, and accounts for deadhead time and mileage (including breaks) as well as service time and mileage commencing with the first pickup and ending with the last drop-off. In addition, customer information includes the name, requested pickup time, actual pickup time, origin and destination addresses, and actual drop-off time and odometer readings. There is a 30-minute window (15 minutes before and after scheduled pickup time) for all reservations to track on-time performance. On-time performance data are entered into TransTrack Manager for trend analysis and data storage.

On-time performance and safety are the primary operational metrics. Ecolane provides real-time monitoring, flagging performance dips below 90 percent for corrective action. External factors such as traffic and construction are acknowledged as challenges. No-shows and cancellations have declined following a policy change, reducing the reservation window from seven to three days, and riders now receive multiple automated reminders. System on-time performance averaged 97.69 percent over the audit period and exhibited improvement post-pandemic. STS’s on-time performance for the audit period is summarized in Table V-2.

**Table V-2
On-Time Performance Summary**

	FY 2021	FY 2022	FY 2023	FY 2024
Late Trips	230	758	1,665	1,434
Total Trips	128,895	49,119	65,488	74,921
Percent of Trips On-time	96.74%	98.46%	97.46%	98.09%

Source: RouteMatch; City of Riverside STS

Riverside STS maintained consistently high on-time performance throughout the audit period, despite fluctuations in late trip counts. The percentage of on-time trips ranged from 96.74 percent in FY 2021 to a peak of 98.46 percent in FY 2022, followed by 97.46 percent in FY 2023 and 98.09 percent in FY 2024. While the number of late trips increased from 230 in FY 2021 to 1,665 in FY 2023, it declined to 1,434 in FY 2024, indicating improved operational oversight. Overall, the system demonstrated strong reliability, with more than 97 percent of trips arriving on time each year.

STS employs Samsung mobile data tablets in its vehicles. Each Riverside Connect vehicle is equipped with a total of five cameras to support safety, monitoring, and compliance. Three cameras are installed inside the vehicle to capture passenger and driver activity, while one exterior camera records roadway conditions. An additional auxiliary camera provides broader coverage from another vantage point. These systems help ensure secure operations and meet state regulations for video retention, contributing to incident documentation and overall service reliability.

Operational performance data is collected through Ecolane and TransTrack, which differentiate revenue and deadhead hours and track on-time performance, passenger miles, and revenue hours. Internal reports are consistent with external submissions to the State Controller, and data is shared with RCTC and City Council through regular presentations. STS also celebrated its 50th anniversary during the audit period, reinforcing its longstanding community presence.

Farebox collection and reconciliation procedures involve a combination of manual and automated methods. STS vehicles are not equipped with fareboxes. The manifest details how much the drivers are supposed to collect from the passenger. Fares are paid in cash or by check and placed into a pouch. A daily reconciliation is performed using the manifests. Each morning, two administrative staff count the fare revenue from the previous day, a process taking approximately two hours. Another staff member takes the fare receipts and makes the deposit. The whole process is

overseen by the transit supervisor.

Personnel

Riverside Connect employed 26 full-time drivers during the audit period, including dispatchers who also serve as drivers. All employees are unionized under Service Employees International Union (SEIU), Local 721, with the most current Memorandum of Understanding (MOU) formally approved by the City Council on September 20, 2022. The agreement covers the period from July 1, 2021, through June 30, 2025, and outlines the terms and conditions of employment for represented staff. Operators select routes and timeslots through a bidding process dictated by the MOU.

The average driver tenure is no less than six years, reflecting a stable and experienced workforce. No layoffs occurred during the COVID-19 pandemic, and driver morale has remained positive due to manageable ride volumes and supportive working conditions.

Recruitment is coordinated through the City of Riverside Human Resources Department, utilizing platforms such as GovernmentJobs.com and Indeed. STS also engages in grassroots outreach, including signage with QR codes near fueling stations and word-of-mouth referrals from current employees. Many applicants come from neighboring agencies like RTA and the City of Corona.

New hires undergo a comprehensive training program that includes a minimum of two weeks paired with veteran drivers, followed by final evaluations. Monthly safety meetings are held, and drivers must possess a Class B commercial license with a passenger endorsement and Vehicle for Developmentally Disabled Persons (VDDP) certification. Ecolane-specific training is provided through hands-on sessions and online modules, with responsive support available from the vendor.

Routes are dynamically scheduled using Ecolane, which optimizes daily assignments based on system parameters. Drivers check in via tablets and log trip data, which is transmitted to dispatch. Pre- and post-trip inspections are conducted electronically, and the agency is transitioning from analog Motorola radios to a digital system compatible with emergency services.

The bimonthly safety meetings have been revamped with refreshed content. STS has brought in presenters and topics covering railroad crossings, team building, sensitivity training, and defensive driving. Wheelchair securement training is conducted every two years. Transit management has indicated preference for an elevated training regimen for wheelchair securement, including having drivers serve as passengers during wheelchair securement training. This role-playing will help drivers further understand the challenges with wheelchair securement from both the passenger and driver perspectives. The City's safety officer has also been invited to give presentations on senior health awareness. The vehicle incidence review board reviews accidents and offers retraining.

Accruals for vacation and sick time vary according to the length of service and employment classification. Employees with up through 5 years of continuous service accrue 80 hours of annual vacation time; 120 hours for 6 to 10 years of service; and 160 hours for 11 or more years of service. The City has a two-year maximum vacation hour accumulation policy. Employees accrue 4 hours of sick leave per month. In addition, the City contributes toward employees' retirement through CalPERS based on three tiers, depending on date of hire, which defines the various retirement levels for the member's retirement formula, final compensation calculation, and employee contribution/cost sharing. Employee appreciation efforts have included the distribution of thank you packages containing swag.

Maintenance

Vehicle maintenance is managed by the City's Fleet Maintenance Division, which utilizes FleetFocus and AssetWorks software platforms. STS vehicles are serviced in a state-of-the-art maintenance facility by two dedicated mechanics assigned to STS. Mechanics are ASE-certified and receive ongoing training, with a goal of expanding expertise in electronic systems to support future zero-emission transitions. Some services, such as engine reconditioning, body work, and transmission repairs, are outsourced, although in-house staff occasionally handle engine work depending on capacity.

The facility comprises five service bays, a CNG ventilation system, brake shop, an administrative office, and parts storage room. This dedicated facility has resulted in improved maintenance efficiencies. Facility service hours are from 2:30 p.m. until 11:00 p.m. In addition, there are 36 slow-fill CNG pumps, which allow for every vehicle to be fueled overnight. The station supports both 3,000 PSI (earlier vehicles) and 3,600 PSI pressures.

The maintenance bay has experienced multiple issues with the CNG detection system. The issues have caused multiple false alarms, resulting in emergency responses from the Riverside Police Department and other City agencies throughout all hours of the day and night. Additional costs have been incurred in the attempts to repair the current detection system. Past issues with the CNG detection system have been mitigated through more frequent servicing by an outside vendor, reducing false alarms and overnight disruptions.

Preventive maintenance inspections (PMI) are set up in the M5 system and scheduled according to time, mileage, usage, or a combination of each. Usage is gathered either at fueling times, which are tracked in the M5 Fleet System, through an updated vehicle work order entry, or from manual updates as needed. PMIs are performed every 3,000 miles. Fleet Services can transmit alerts on upcoming PMIs, allowing for a 100 percent schedule adherence rate.

Vehicle parts are managed and tracked by the FleetFocus M5 software. Stock part purchases such as brakes, filters, and tires are procured through competitive bidding. Annual purchase orders are approved by the City Council and then awarded by the Purchasing Division. State contract pricing is also utilized for items such as automotive and pickup tires. Other non-stock parts are either

competitively bid on an as-needed basis through the Purchasing Division or quoted through vendors with whom the City already has annual purchase orders.

Road calls are recorded when a tow truck and/or mechanic responds to a mechanical/service problem for a disabled transit vehicle that is in revenue service. Most road calls during the audit period were attributed to serpentine valve failures and radiator fluid leaks, though turnaround times have been rapid—often allowing vehicles to return to service within hours. A summary of road calls incurred during the audit period is presented in Table V-3.

Table V-3
City of Riverside STS Road Calls

Category	FY 2022	FY 2023	FY 2024
Mechanical Road calls	7	10	25
Non-Mechanical Road calls	0	0	0
Total	7	10	25

Source: City of Riverside TransTrack Manager (<https://www.transtrack.net/RCTC/DataEntry/MonthlyRoadcalls/>)

Riverside STS experienced a notable increase in mechanical road calls over the three-year audit period. Mechanical incidents rose from 7 in FY 2022 to 10 in FY 2023, then more than doubled to 25 in FY 2024. Non-mechanical road calls remained at zero throughout. The upward trend in mechanical issues is attributed to the aging fleet, though recent vehicle acquisitions and responsive maintenance practices are expected to help stabilize and reduce future road call activity. The CHP is responsible for certifying the maintenance facilities and for inspecting vehicles on an annual basis. STS vehicles have received satisfactory terminal inspections from the CHP.

Riverside STS operates a fleet of 35 vehicles, consisting of 32 CNG-powered cutaways and 3 gasoline-powered vans. During the audit period, the City acquired 4 new buses, with 12 additional vehicles expected by the close of 2025 through grant funding. These procurements aim to modernize the fleet and reduce road calls, which have increased due to aging equipment. The smaller profile of the vans supports service in areas with narrow streets, while the City continues to monitor the market for viable zero-emission options to replace its Glaval models.

Planning

The City of Riverside STS prepares an SRTP on an annual basis. The SRTP covers a three-year planning horizon and includes a system overview, performance analysis, service changes, and financial and capital plans. Under the services and performance chapter, a series of recommendations for service improvement is presented for the transit service. Performance data from TransTrack Manager is also included to provide an annual comparison.

Pursuant to a prior audit recommendation, it was suggested that STS develop a strategic plan. Given the changes in the transit funding landscape and challenges in recruitment and marketing that pose potential impediments to growth and sustainability, STS would benefit from a strategic planning process that can provide guidance and momentum. As described in the prior

performance audit section, staff determined that in order to conduct a thorough strategic plan which addresses all areas of concern, the City would hire a consultant to complete a COA.

The City released a Request for Proposals (RFP) for a Comprehensive Operational Analysis (COA) in 2023 for a consultant to conduct a COA but was not successful. The City budgeted \$60,000 for the effort; however, the consultant submitted a proposal that was substantially over budget. Subsequently, Riverside Connect requested funding in the City's FY 2025-26 Short-Range Transit Plan to conduct a COA. The City is looking to release another RFP for a COA in FY 2026.

Public participation in planning is facilitated through engagement with the Citizens and Specialized Transit Advisory Committee (CSTAC), which is consulted during SRTP development and updated on annual improvements. CSTAC's feedback helps to improve future service enhancements and ensures community alignment.

Eligibility for Riverside Connect services remains at age 60 and above. As a demand-response service, Riverside Connect does not operate fixed routes, so traditional route evaluations and performance criteria do not apply. Instead, planning efforts focus on on-time performance and service reliability. Ridership patterns have shifted during the audit period, with gradual recovery from pandemic lows and a growing senior population driving demand.

Marketing

During the audit period, Riverside STS significantly expanded its marketing efforts to increase visibility, improve community engagement, and promote service accessibility. The Riverside Connect website was updated to include current fare information, video tutorials reflecting the transition from RouteMatch to Ecolane, and Title VI language in compliance with 2023 FTA regulations. The site is hosted through the City and includes bilingual brochures in English and Spanish.

In July 2021, STS Marketing Department staff launched a major initiative to rebrand "Specialized Transportation" as "Riverside Connect." The rebranding efforts included a redesigned logo, a revised website, new bus wraps on all vehicles, new driver uniforms, and new print and media advertisements. These efforts were made possible through assistance from the City's Marketing Division and Riverside TV. The new branding is intended to raise the visibility of the service within the community; STS staff plans to capitalize on the new attention resulting from the rebranding and focus future marketing efforts on attracting key demographics, including disabled veterans and new seniors. The rebranding effort bore immediate results with an increase in new passengers and greater social media exposure.

Social media outreach is conducted through the marketing division of the Parks, Recreation and Community Services Department. The department coordinates structured postings on Facebook and Instagram. Passenger surveys are conducted annually. Social media outreach has grown substantially, with a 115 percent increase in public engagement over the past four to five years. STS now actively utilizes Facebook and Instagram, often collaborating with the Parks and

Recreation Division to produce and share content. Posts include staff videos, promotional graphics, and the ongoing “Day in the Life” series. The City’s marketing team amplifies visibility by reposting tagged content. Twitter is no longer used.

Marketing success is measured through increased participation and visibility across platforms such as electronic billboards (expanded from one to two), utility bill inserts, local magazines, and public access Channel 3. STS also leverages the Parks and Recreation activity guide and senior guide to reach its core demographic. Free ride days—such as STS’ June 10 anniversary celebration—have been used to attract new riders and promote service awareness. LCTOP funds have supported these initiatives, along with other grant sources for special projects and zero-emission transitions.

Printed route materials have gradually shifted to digital formats, though brochures remain available. Demographic changes have driven this transition, with a growing emphasis on electronic outreach. Specialized marketing for seniors and individuals with disabilities includes participation in community fairs, outreach to senior centers, and plans to launch rider training programs at these facilities. Staff are working to educate senior center personnel on how to use Ecolane and access Riverside Connect services.

Pursuant to the federal Civil Rights Act of 1964, a Title VI Program was updated and submitted in 2023 to ensure compliance with Federal Transit Administration (FTA) regulations. Title VI of the Civil Rights Act of 1964 requires that no person in the United States, on the grounds of race, color, or national origin, be excluded from, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. Program compliance includes a link to the Title VI policy on the STS web page directed to the General Services page along with a complaint form in English and Spanish.

General Administration and Management

The City of Riverside was incorporated in 1883 and has a council-manager form of government. The Riverside City Charter sets forth the number of elected officials for the city and their method of election. The mayor is elected at large by voters of the entire city while the members of the City Council are voted into office by electors in each of the city’s seven wards. Regular elections for members of the City Council occur in June of odd-numbered years. The mayoral election is held in June of US presidential election years. The Council serves as the principal legislative body, and each councilmember is elected for a four-year term. Regular meetings of the City Council are held on the first four Tuesdays of each month. There is no meeting on the fifth Tuesday of the month. As general policy, the City Council will cancel any meetings the Tuesday following a legal holiday, the week of Thanksgiving and the week of Christmas through the first of the year. For the months of July and August, meetings occur on the second and fourth Tuesdays of the month. Regular meetings of the City Council are held in an afternoon session and/or evening session. Afternoon sessions may commence at approximately 1:00 p.m. or 3:00 p.m. Evening sessions begin at approximately 6:15 p.m. One meeting per month is reserved for City Council workshops. City Council meetings may be cancelled for lack of agenda items.

The City Manager is responsible for administrative and budgetary oversight of City departments. STS is overseen by the director of Parks, Recreation and Community Services. The director is assisted administratively by the deputy director and the recreation superintendent. During the audit period, the director retired from the City and was replaced by a new director in October 2021. The new director has a transit and parks planning background, having worked for the City of Anaheim and the Orange County Transportation Authority.

Transit operations are administered by a transit manager and two special transportation operations supervisors. Administrative support personnel are composed of a senior management analyst and a senior office specialist. The current transit manager joined STS in August 2015 and is tasked with transportation and grants management and interaction with the RCTC. The transit manager develops a dashboard of performance statistics to better evaluate the transit service. The operations supervisors attend to staff performance, vehicle operations, and maintenance.

The primary source of transit funding support is derived from the Local Transportation Fund (LTF). Based on audited financial data, total LTF revenues received during the audit period were \$4,239,596 in FY 2022; \$4,797,327 in FY 2023; and \$3,674,302 in FY 2024. State Transportation Assistance (STA) funds received by the City were \$97,182 in FY 2022; \$99,503 in FY 2023; and \$264,281 in FY 2024 applied toward capital. Under the SB-1 State of Good Repair allocation, the City received \$5,091 in FY 2022 and \$135,719 in FY 2024. Cost allocation involves a two-step process based on the City's General Fund and personnel costs at the departmental level.

The City submits the annual TDA claim for funds to the RCTC. TDA claims are based on the City's annual budget for STS and the financial element of the SRTP. Reserve allocations for LTF and STA funds are included as separate line items on the claim form. STA funds are utilized toward vehicle replacement, fueling infrastructure, and office equipment. The City Finance director and staff are responsible for the completion and submittal of the Transit Operators Financial Transactions Report to the State Controller.

The City's most recent FTA triennial review took place on April 18 through 21, 2022, with the final report being released on June 24, 2022. The triennial review focused on the City's compliance in 23 areas. The 2022 FTA Triennial Review identified six deficiencies across key operational and compliance areas. In Financial Management & Capacity, the City lacked required written financial policies, internal controls, and charged ineligible indirect costs to federal awards. Under Transit Asset Management, the responsibilities of the accountable executive have not been properly implemented. The Satisfactory Continuing Control section cited inadequate procedures for identifying federally assisted buildings in flood hazard areas and ensuring sufficient insurance coverage. In Maintenance, preventive maintenance for facilities and equipment was found to be delayed. The Procurement review revealed missing pre-award and post-delivery certifications. Lastly, under Title VI, the City had not properly implemented its complaint process and failed to provide translated public notifications, as required by the Title VI Program. The City received a closeout letter from the FTA acknowledging that the deficiencies cited in the 2022 Triennial Review were addressed and corrected.

Grants Management

Grant funding allocated toward STS has been derived from state and federal sources. The City maintains an annual project summary report listing the grants being managed in a general ledger format. The grants tracked are derived from STA, Proposition 1B (capital and security), and FTA Sections 5307 and 5339 (formula and discretionary). The summary report shows the allocation of funds by source, amount spent during the quarter, amount spent to date, and the remaining balance. The grant allocation year, project grant number, and project name are listed along the left-hand margin.

FTA grants have been awarded for operating and capital assistance. FTA Section 5307 grant funds (combined with 20 percent STA match) have been spent on preventative maintenance and vehicle replacement. During the audit period, the City of Riverside received substantial federal funding to support STS operations. In FY 2022, the City was awarded \$190,762 in standard FTA funding, along with a significant \$1,204,076 allocation from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provided emergency relief in response to the COVID-19 pandemic. In FY 2024, the City received an additional \$586,107 in FTA funds to continue supporting transit operations and improvements.

The City has received funding through the State Proposition 1B Public Transportation Modernization, Improvement & Service Enhancement Account (PTMISEA) program, which had been extended through FY 2022. Another component of the Proposition 1B program is the Transit System Safety, Security & Disaster Response Account (TSSSDRA) administered by the Governor's Office of Emergency Services (Cal OES). The PTMISEA and TSSSDRA funds were to be fully expended by June 30, 2023. The City was unable to meet this deadline and made arrangements to return the funds with interest to the Grantors. On February 8, 2023, \$132,226 was returned to Cal OES for TSSSDRA projects not completed. On May 4, 2023, Caltrans approved the transfer of the City's remaining PTMISEA funds to RCTC for ongoing projects. On June 20, 2023, \$427,113 was paid to RCTC.

Section VI

Statement of Facts

The following summarizes factual events and trends obtained from this triennial audit covering fiscal years 2022 through 2024. A set of recommendations is then provided.

1. Of the compliance requirements pertaining to the City, the operator fully complied with eight out of the nine applicable requirements. The City was in partial compliance with regard to the timely completion and submittal of its FY 2022 annual fiscal and compliance audit. Two additional compliance requirements did not apply to the operator (intermediate and urban farebox recovery ratios).
2. Based on the farebox calculation in the annual Transit Services Fund Financial Statements (*audited*), Riverside's farebox recovery ratio did not meet required minimum standard of 10 percent in one of the three audit years. The system-wide farebox recovery ratios were 5.20 percent in FY 2022, 5.81 percent in FY 2023, and 5.22 percent in FY 2024.² However, due to recent legislation, costs required to operate demand-response and micro transit services that expand access to transit service beyond fixed route corridors are excluded from the definition of "operating cost" for the purposes of calculating any required ratios of fare revenues.
3. The City participates in the CHP Transit Operator Compliance Program in which the CHP conducted inspections within the 13 months prior to each TDA claim. The CHP inspection reports submitted for review were found to be satisfactory.
4. Annual operating budget fluctuations remained below 15 percent during the audit period. The budget decreased 3 percent in FY 2022 and 7.4 percent in FY 2023 followed by an increase of one percent in FY 2024. Operating budget increase is attributed to salaries and benefits, contract services, and non-personnel costs.
5. Riverside satisfactorily implemented two of the three prior audit recommendations. The City completed its upgrade to the TransTrack reporting system, enhancing performance monitoring and data analytics. Staff also expanded driver training protocols, incorporating wheelchair securement certification and defensive driving techniques through the Smith System. The

² Assembly Bill 90, passed into law and signed by the governor in June 2020 in response to the COVID-19 pandemic impacts, prohibits the imposition of penalties on a transit operator that does not maintain the required ratio of fare revenues to operating cost during the FY 2019–20 or FY 2020–21. AB 149 extends the penalty exemption through FY 2022–23 and authorizes transit operators to include federal grant funds as local funds for the purpose of computing fare revenue ratios. This bill, until July 1, 2026, would exempt an operator from specified requirements related to fare box ratios and eligibility standards for a fiscal year in which the operator expended from local funding, as defined, an amount for transit operations not less than the amount the operator expended from local funding for transit operations during FY 2018–19.

recommendation to implement a strategic planning process remains partially implemented and is being carried forward for full implementation.

7. Operating cost per vehicle service hour, an indicator of cost efficiency, decreased 41.4 percent from \$290.83 in the FY 2021 base year to \$170.41 in FY 2024. This trend is consistent with the significant increase in vehicle service hours of 121.3 percent and the more moderate 29.7 increase in STS operating costs during the same period.
8. Operating cost per passenger, an indicator of cost effectiveness, decreased 61.0 percent from \$154.10 in FY 2021 base year to \$60.03 in FY 2024. As noted above, STS operating costs increased 29.7 percent during the period; at the same time, STS ridership increased 232.8 percent, from 26,518 passengers in FY 2021 to 88,259 passengers in FY 2024.
9. Passengers per vehicle service hour, which measures the effectiveness of the service delivered, increased 50.4 percent from 1.9 to 2.8 passengers per hour between FY 2021 and FY 2024. The trend in this indicator reflects the 232.8 percent increase in trips as vehicle service hours increased only 121.3 percent.
10. Passengers per vehicle service mile, another indicator of service effectiveness, increased 40.4 percent, from 0.15 in FY 2021 to 0.20 in FY 2024. In the same period, vehicle service miles increased 137.0 percent from 182,643 vehicle service miles to 432,901 vehicle service miles.
11. Riverside STS implemented several operational upgrades aimed at improving service delivery, data tracking, and rider experience. The most notable enhancement was the transition from RouteMatch to Ecolane dispatching and scheduling software, which enabled real-time performance monitoring and more efficient route optimization. STS also expanded its TransTrack system to include modules for performance reporting, revenue tracking, and maintenance analytics.
12. STS transitioned to electronic fare collection, phasing out multi-trip booklets and aligning fare rates with RTA's Dial-A-Ride pricing. A mobile ticketing app was introduced, allowing riders to prepay fares and receive low-balance alerts, while dispatchers could monitor and assist riders as needed. General fares increased from \$3.00 to \$3.50 and medical fares from \$2.00 to \$2.50 in two \$0.25 increments effective July 1, 2024, and July 1, 2025. A discounted medical fare of \$2.50 remains available, and attendants continue to ride free. Fare payments are tracked via driver mobile tablets, with cash still accepted but discouraged.
13. STS operates a strictly paratransit model, with rides scheduled up to three days in advance. Passengers receive automated notifications one day prior, the night before, and one hour before pickup. Drivers use Motorola analog radios, with plans to upgrade to a digital system compatible with emergency services. Each vehicle is equipped with five cameras—three interior, one exterior, and one auxiliary—for safety and compliance. Samsung tablets are used for data entry and communication.

14. Riverside Connect employed 26 full-time drivers, including dispatchers who also serve in driving roles. All personnel are represented by the SEIU, Local 721. The current MOU, approved by the City Council on September 20, 2022, covers the period from July 1, 2021, through June 30, 2025, and governs employment terms, including a route and timeslot bidding process for operators.
15. Vehicle maintenance for Riverside STS is overseen by the City’s Fleet Maintenance Division, which utilizes FleetFocus and AssetWorks software platforms to manage service schedules, parts inventory, and performance analytics. The maintenance facility includes five service bays, a brake shop, administrative office, parts storage room, and a CNG ventilation system. It features 36 slow-fill CNG pumps supporting both 3,000 PSI and 3,600 PSI fueling standards.
16. Riverside STS significantly expanded its marketing efforts to enhance visibility, foster community engagement, and promote service accessibility. A major milestone was the July 2021 rebranding of “Specialized Transportation” to “Riverside Connect,” which included a redesigned logo, updated website, new bus wraps, driver uniforms, and refreshed print and media advertisements. These efforts, supported by the City’s Marketing Division and Riverside TV, led to immediate increases in passenger interest and social media exposure.
17. Administrative oversight of STS falls under the City’s Parks, Recreation and Community Services Department. During the audit period, the department underwent leadership transition, with a new director appointed in October 2021. The STS team includes a transit manager, two operations supervisors, a senior management analyst, and a senior office specialist. The transit manager, in place since 2015, oversees grants, performance tracking, and coordination with RCTC.

Recommendations

1. Ensure timely completion and submittal of external TDA financial reports. (Compliance Requirement)

Riverside was in partial compliance with the timely completion and submittal of its annual fiscal and compliance audit for FY 2022. The City has tried to ensure the timely completion of its annual TDA fiscal and compliance audits within the statutory timeframes during the audit period. The City requested and was granted a 90-day extension for the fiscal and compliance audits by RCTC as allowed by law for FY 2023 and FY 2024.

It is recommended that the City of Riverside strengthen its internal compliance calendar and coordination with financial staff to ensure timely submission of the annual fiscal and compliance audit. The FY 2022 audit was submitted after the 90-day extension period granted by RCTC, exceeding the statutory 180-day deadline. Timely reporting is essential for maintaining TDA eligibility and preserving funding continuity. In the interim, it is suggested that a schedule be coordinated between the City's Finance Department personnel, TDA fiscal auditor, and RCTC to anticipate financial closeout procedures and timelines by the City and completion of the external TDA financial reports.

2. Advance Strategic Long-Term Planning through a Comprehensive Operational Analysis (COA).

This prior audit recommendation is being forwarded for full implementation. The City is encouraged in its efforts to implement a strategic planning framework by pursuing a COA. Although an RFP was released in 2023, the sole proposal received exceeded the City's \$60,000 budget. Riverside Connect has requested funding in the FY 2025–26 Short-Range Transit Plan and is encouraged to work closely with RCTC to refine the scope and budget of a future RFP. A successful COA will help guide service delivery, resource allocation, and long-term sustainability. This is vital since ridership recovery has been gradual, with FY 2024 totals still below pre-pandemic levels. In addition, a COA would allow Riverside STS to explore adaptive strategies to better align with evolving rider needs, including increased telehealth usage, online shopping, and reduced demand for workshop transportation. Benchmarking peer agencies and evaluating innovative service models—such as microtransit, flexible scheduling, or targeted outreach to underserved populations—may help improve ridership and service relevance.

3. Expand Rider Education and Outreach through Ecolane Integration.

It is recommended that Riverside STS continue to enhance rider education efforts by leveraging the capabilities of the newly implemented Ecolane software. As the system now supports mobile ticketing, automated ride notifications, and real-time scheduling, targeted outreach, and training—especially at senior centers and community facilities—can help bridge digital literacy gaps and promote service utilization. Staff-led workshops and instructional

materials tailored to Ecolane’s features will empower riders to manage their trips more independently and confidently. Educating senior center personnel on how to assist clients with Ecolane tools will further expand access and improve the overall rider experience. Training programs for center staff and riders on how to use Ecolane and access Riverside Connect services will help bridge digital literacy gaps and promote service utilization.