
# San Joaquin Council of Governments

## Triennial Performance Audit of the City of Lodi for the period FY 2021/22 - FY 2023/24

moore & associates

SJCOG

SAN JOAQUIN
COUNCIL OF GOVERNMENTS
CALIFORNIA

Final Report | June 2025

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# Table of Exhibits

# Chapter 1 | Executive Summary

In 2024, the San Joaquin Council of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the seven transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Audits of Article 8 recipients are encouraged.

As it receives no funding under Article 4, the City of Lodi is not statutorily required to undergo a Triennial Performance Audit, nor has it traditionally been held to the requirements of the TDA. However, the SJCOG, as the RTPA, includes the City in the Triennial Performance Audit process to provide a comprehensive and objective review to offer beneficial insights into program performance.

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

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

- Fiscal Year 2021/22,
- Fiscal Year 2022/23, and
- Fiscal Year 2023/24.

The City of Lodi's GrapeLine and VineLine programs provide public transit service to residents of and visitors to the city. The GrapeLine offers fixed-route and general public Dial-A-Ride service, while the VineLine provides ADA complementary paratransit service.

The GrapeLine fixed-route service consists of five regular routes and three express routes operating Monday through Friday, and four regular routes operating Saturday and Sunday. GrapeLine Dial-A-Ride operates within the city limits of Lodi as well as in surrounding unincorporated areas such as Woodbridge. VineLine ADA complementary paratransit is an eligibility-based service limited to ADA certified riders. Dial-A-Ride reservations can be made from one day to two weeks in advance, though same-day reservations can be made on a space-available basis for double fare.

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

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

The Triennial Performance Audit includes five elements:

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

### Test of Compliance

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

1. The TDA fiscal audit for FY 2023/24 was completed after the March 31 extended deadline.

### Status of Prior Recommendations

The prior audit – completed in March 2022 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2021 – included two recommendations:

1. Ensure responsibility for completion and submittal of various reports is clearly assigned.
   **Status:** Implemented.

2. Work with City and TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31.
   **Status:** Implemented.

### Findings and Recommendations

Based on discussions with City staff, analysis of program performance, and a review of program compliance and function, the audit team submits one compliance finding for the City of Lodi.

1. The TDA fiscal audit for FY 2023/24 was completed after the March 31 extended deadline.

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

Exhibit 1.1 Summary of Audit Recommendations

| TDA Compliance Recommendations | | Importance | Timeline |
|---|---|---|---|
| 1 | Work with City and TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31. | Medium | FY 2024/25 |

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# Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the City of Lodi's public transit program covers the three-year period ending June 30, 2024. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2024, the San Joaquin Council of Governments selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the seven transit operators to which it allocates TDA funding. Moore & Associates is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates followed a competitive procurement process.

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

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

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

## Objectives

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

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

## Scope

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

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

## Methodology

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

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

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

The methodology for this review included a site visit to Lodi City Hall (221 West Pine Street, Lodi) on September 27, 2024. The audit team met with Julia Tyack (Transportation Manager), Jessica Bozzie (Transportation Coordinator), and Frank Huang (Associate Transportation Planner). The audit team also visited the Transit Center (24 South Sacramento Street, Lodi) and the City's Fleet Services Facility (1331 South Ham Lane, Lodi) and reviewed materials germane to the triennial audit.

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

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

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# Chapter 3 | Program Compliance

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

The City of Lodi does not use any TDA Article 4 funding for transit and therefore is not statutorily required to be audited, nor has it traditionally been held to the requirements of the TDA. However, the SJCOG, as the RTPA, requested the City be audited to support a comprehensive and objective review to provide beneficial insights into program performance.

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

One compliance issue was identified for the City of Lodi.

1. The TDA fiscal audit for FY 2023/24 was completed after the March 31 extended deadline.

## Developments Occurring During the Audit Period

For many operators, the FY 2021/22 – FY 2023/24 audit period reflected both the acute impacts of and recovery from the COVID-19 pandemic. By the end of the audit period – even earlier in some cases – most operators had exhausted federal relief funds, even though penalties for non-compliance with farebox recovery ratios continued to be waived. Many operators, even more than four years after the onset of the pandemic, still struggle with ridership that has yet to recover to pre-pandemic levels.

Given this is not the first Triennial Performance Audit to be conducted since the COVID-19 pandemic, this report will not focus on actions taken as a result of the health crisis. Instead, the compliance review, functional review, and resulting recommendations will focus on ensuring program sustainability once penalty waivers and other emergency legislation have ended.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief by extending the provisions of AB 90 through FY 2022/23 and adjusting definitions of eligible revenues and operating costs. Most recently, Senate Bill 125, signed into law on July 10, 2023, extended protections provided via earlier legislation through FY 2025/26. While this means the audit period covered by this audit is fully exempt from penalties for non-compliance with the farebox recovery ratio, for example, it also means that transit operators will likely need to be in compliance by the last year of the next audit period.

While the ability to maintain state mandates and performance measures is important, these measures enable transit operators to adjust to the impacts of COVID while continuing to receive their full allocations of funding under the TDA.

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

1. Prohibits the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost from FY 2019/20 through FY 2025/26.
2. Expands the definition of "local funds" to enable the use of federal funding to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
3. Adjusts the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and microtransit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
4. Allows operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2025/26.

SB 125 calls for the establishment of the Transit Transformation Task Force to develop policy recommendations to grow transit ridership and improve the transit experience for all users. In the 50-plus years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California's state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The Transit Transformation Task Force is required to submit a report of its findings and policy recommendations to the State Legislature by October 31, 2025. This report is expected to include recommendations for TDA reform, which may impact the next Triennial Performance Audit period.

Exhibit 3.1 Transit Development Act Compliance Requirements

| Compliance Element | Reference | Compliance | Comments |
|---|---|---|---|
| State Controller Reports submitted on time. | PUC 99243 | In compliance | FY 2021/22: January 18, 2023<br>FY 2022/23: January 31, 2024<br>FY 2023/24: January 29, 2025 |
| Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension). | PUC 99245 | Finding | FY 2021/22: December 29, 2022<br>FY 2022/23: March 12, 2024<br>FY 2023/24: *Pending* |
| Operator's terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim. | PUC 99251 B | In compliance | January 14, 2021<br>December 23, 2021<br>February 22, 2023<br>February 22, 2024 |
| Operator's claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA. | PUC 99261 | In compliance | TDA claims submitted by the City are complete and in compliance with SJCOG's rules and regulations. |

| Compliance Element | Reference | Compliance | Comments |
|---|---|---|---|
| If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA. | PUC 99270.1 | Not applicable | |
| Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose. | PUC 99405 | Not applicable | |
| An operator receiving allocations under Article 8(c) may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA. | PUC 99405 | In compliance | The City did not calculate standards for performance criteria during the audit period due to penalty waivers provided under AB 90, AB 149, and SB 125. |
| The operator's definitions of performance measures are consistent with the Public Utilities Code Section 99247. | PUC 99247 | In compliance | |
| The operator does not routinely staff with two or more persons a vehicle for public transportation purposes designed to be operated by one person. | PUC 99264 | In compliance | |
| The operator's operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s). | PUC 99266 | In compliance | FY 2021/22: +11.02%<br>FY 2022/23: +16.46%<br>FY 2023/24: +17.67%<br><br>*Source: TDA claims, FY 2022 – FY 2024. FY 2023 and FY 2024 – budget increase in excess of 15% due to COLA adjustments/step increases, increases to insurance rates, fuel costs, and operations contractor costs. FY 2024 also included service restoration on Sunday.* |
| If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent). | PUC 99268.2, 99268.4, 99268.1 | Not applicable | |
| If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent). | PUC 99268.2, 99268.4, 99268.5 | Not applicable | |
| For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent. | PUC 99268.5, CCR 6633.5 | Not applicable | |

| Compliance Element | Reference | Compliance | Comments |
|---|---|---|---|
| The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years. | PUC 99271 | In compliance | City employees are eligible for retirement benefits through CalPERS. |
| If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted. | CCR 6754 (a) (3) | In compliance | |
| In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale. | PUC 99314.6 | Not applicable | This requirement was waived through FY 2025/26 under AB 90, AB 149, and SB 125.<br><br>However, it should be noted that the City met the efficiency requirement in FY 2024 due to increased service hours in FY 2022. |
| A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries. | CCR 6634 | In compliance | |

# Chapter 4 | Prior Recommendations

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

The prior audit – completed in March 2022 by Moore & Associates, Inc. for the three fiscal years ending June 30, 2021 – included two recommendations:

1. Ensure responsibility for completion and submittal of various reports is clearly assigned.

   **Discussion:** PUC 99243 requires operators receiving funding under Article 4 to submit its Financial Transaction Report to the State Controller within seven months of the end of the fiscal year. While Article 8 recipients submit this form as well, compliance with the deadline is not stated as a condition of compliance with Article 8. However, since the deadline is established by the State Controller's Office, it should be treated as a hard deadline and complied with.

   In FY 2019/20, the City's State Controller Report was not submitted until February 17, 2021. In the prior audit, the cause of the late submittal was identified as being due to a miscommunication as to who had responsibility for completing and filing the report. During that site visit, staff noted that the cause of the missed deadline was a one-time issue that had already been addressed. Given the State Controller Report was submitted ahead of the deadline for FY 2020/21, the audit team concurred with this assessment. As a result, no further action needed to be taken.

   **Progress:** State Controller Reports were submitted within the designated timeframe during the current audit period.

   **Status:** Implemented.

2. Work with City and TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31.

   **Discussion:** PUC 99245 requires all Article 4 recipients to submit an annual fiscal audit to the State Controller within 180 days of the end of the fiscal year. The RTPA has the authority to extend the deadline for another 90 days, typically to March 31. While Article 8 recipients submit TDA fiscal audits as well, compliance with the deadline is not a condition of compliance with TDA Article 8. However, since the RTPA cannot release Article 4 funds until the audit is submitted, it is helpful to have all transit operator audits submitted according to the same deadline, even if it might not affect the release of Article 8 funds.

   In FY 2018/19, the City's TDA fiscal audit was completed on April 8, 2020. This was more than a week after the deadline established under PUC 99245. While the audit was submitted late, it was submitted close enough to the deadline that it had no impact on the release of TDA funds for the

next fiscal year. Subsequent audits were submitted on time, and the FY 2019/20 audit did not require an extension.

Given the TDA audits for the two years subsequent to the late submittal were submitted on time, no further action was required. The prior auditor noted City staff should continue to be mindful of the timeframe for submittal and monitor the auditor's progress.

**Progress:** TDA fiscal audits were submitted within the designated timeframe during the current audit period.

**Status:** Implemented.

# Chapter 5 | Data Reporting Analysis

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

With the exception of Operating Cost, all metrics were consistently reported between the TDA fiscal audit, NTD report, and State Controller Report for each fiscal year.

Exhibit 5.1 Data Reporting Comparison

| Performance Measure | System-Wide | | |
|---|---|---|---|
| | FY 2021/22 | FY 2022/23 | FY 2023/24 |
| Operating Cost (Actual $) | | | |
| *TDA fiscal audit* | $3,843,257 | $4,506,188 | |
| *National Transit Database* | $3,880,442 | $4,505,461 | $4,547,648 |
| *State Controller Report* | $3,947,148 | $4,399,849 | $4,379,340 |
| Fare Revenue (Actual $) | | | |
| *TDA fiscal audit* | $90,587 | $98,363 | |
| *National Transit Database* | $90,587 | $98,363 | $102,678 |
| *State Controller Report* | $90,587 | $98,364 | $102,679 |
| Vehicle Service Hours (VSH) | | | |
| *Monthly Performance Reports* | 27,961 | 27,723 | 29,141 |
| *National Transit Database* | 27,961 | 27,723 | 29,141 |
| *State Controller Report* | 27,961 | 27,723 | 29,142 |
| Vehicle Service Miles (VSM) | | | |
| *Monthly Performance Reports* | 275,220 | 295,692 | 311,793 |
| *National Transit Database* | 275,220 | 295,692 | 311,793 |
| *State Controller Report* | 275,220 | 295,692 | 311,793 |
| Passengers | | | |
| *Monthly Performance Reports* | 159,529 | 184,061 | 202,737 |
| *National Transit Database* | 159,529 | 184,061 | 202,737 |
| *State Controller Report* | 159,529 | 184,061 | 202,737 |
| Full-Time Equivalent Employees | | | |
| *State Controller Report* | 26 | 25 | 29 |
| *Per City methodology* | 26 | 25 | 28 |
| *Per TDA methodology* | 26 | 25 | 28 |

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# Chapter 6 | Performance Analysis

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

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

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

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

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

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

## Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667[1]. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period[2]:

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

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

- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

### Vehicle Service Hours and Miles

*Vehicle Service Hours* (VSH) and *Miles* (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.[3] For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

### Passenger Counts

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

### Employees

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

### Fare Revenue

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

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

### TDA Required Indicators

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

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via State Controller Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the City's audited financial reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via State Controller Reports for each fiscal year covered by this audit. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit. The City calculates VSH using driver logs. The City's calculation methodology is consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit. The City calculates VSM by subtracting deadhead and out-of-service miles from total vehicle mileage (as noted on each vehicle's odometer). This methodology is consistent with PUC guidelines.
- Unlinked trip data were obtained via NTD reports submitted to the FTA for each fiscal year covered by this audit. The City's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from State Controller Reports for each fiscal year covered by this review. Use of the TDA definition regarding FTE calculation was confirmed.

### System Performance Trends

Systemwide, operating cost rose steadily throughout the current audit period after experiencing year-to-year decreases in the prior audit period. Between FY 2018/19 and FY 2023/24, there was a net 22.6 percent increase in operating cost. The most significant increase occurred in FY 2021/22, which experienced a 14.1 percent increase. Fare revenues, however, decreased significantly between FY 2018/19 and FY 2021/22. Fare revenues were heavily impacted by the COVID-19 pandemic, resulting in a 52.5 percent net decrease over the six-year span. However, the audit period experienced year-to-year increases resulting in a net 13.3 percent increase during the audit period.

Vehicle service hours (VSH) fluctuated since FY 2018/19, resulting in a net 13.6 percent decrease across the six-year span and a net 4.2 percent increase during the audit period. Vehicle service miles (VSM) increased every year of the audit period, after decreasing every year of the prior audit period. This resulted in a net 15 percent decrease across the six-year period and a net 13.3 percent increase during the current audit period.

Ridership declined during the prior audit period but increased every year of the current audit period. Overall, ridership increased by a 27.1 percent during the audit period, but decreased by a net 28.7 percent across the six-year period.

Cost-related metrics typically provide an indicator of a system's efficiency, while passenger-related metrics offer insight into its productivity. Improvements are characterized by increases in passenger-

related metrics and decreases in cost-related metrics. Operating cost per VSH and operating cost per VSM both increased during the audit period, while operating cost per passenger decreased. Passenger-related metrics rose, with passengers per VSH and passengers per VSM increasing by 21.9 percent and 12.2 percent, respectively, across the audit period.

Exhibit 6.1 System Performance Indicators

| Performance Measure | System-wide | | | | | |
|---|---|---|---|---|---|---|
| | FY 2018/19 | FY 2019/20 | FY 2020/21 | FY 2021/22 | FY 2022/23 | FY 2023/24 |
| **Operating Cost (Actual $)** | $3,708,084 | $3,539,602 | $3,458,291 | $3,947,148 | $4,399,849 | $4,547,648 |
| *Annual Change* | | *-4.5%* | *-2.3%* | *14.1%* | *11.5%* | *3.4%* |
| **Fare Revenue (Actual $)** | $216,006 | $126,021 | $69,926 | $90,587 | $98,364 | $102,678 |
| *Annual Change* | | *-41.7%* | *-44.5%* | *29.5%* | *8.6%* | *4.4%* |
| **Vehicle Service Hours (VSH)** | 33,747 | 28,488 | 18,035 | 27,961 | 27,723 | 29,141 |
| *Annual Change* | | *-15.6%* | *-36.7%* | *55.0%* | *-0.9%* | *5.1%* |
| **Vehicle Service Miles (VSM)** | 366,689 | 306,929 | 193,688 | 275,220 | 295,692 | 311,793 |
| *Annual Change* | | *-16.3%* | *-36.9%* | *42.1%* | *7.4%* | *5.4%* |
| **Passengers** | 284,269 | 235,757 | 93,052 | 159,529 | 184,061 | 202,737 |
| *Annual Change* | | *-17.1%* | *-60.5%* | *71.4%* | *15.4%* | *10.1%* |
| **Employees** | 30 | 29 | 19 | 26 | 25 | 29 |
| *Annual Change* | | *-3.3%* | *-34.5%* | *36.8%* | *-3.8%* | *16.0%* |
| **Performance Indicators** | | | | | | |
| **Operating Cost/VSH (Actual $)** | $109.88 | $124.25 | $191.75 | $141.17 | $158.71 | $156.06 |
| *Annual Change* | | *13.1%* | *54.3%* | *-26.4%* | *12.4%* | *-1.7%* |
| **Operating Cost/Passenger (Actual** | $13.04 | $15.01 | $37.17 | $24.74 | $23.90 | $22.43 |
| *Annual Change* | | *15.1%* | *147.5%* | *-33.4%* | *-3.4%* | *-6.2%* |
| **Passengers/VSH** | 8.42 | 8.28 | 5.16 | 5.71 | 6.64 | 6.96 |
| *Annual Change* | | *-1.8%* | *-37.7%* | *10.6%* | *16.4%* | *4.8%* |
| **Passengers/VSM** | 0.78 | 0.77 | 0.48 | 0.58 | 0.62 | 0.65 |
| *Annual Change* | | *-0.9%* | *-37.5%* | *20.7%* | *7.4%* | *4.5%* |
| **Farebox Recovery** | 5.8% | 3.6% | 2.0% | 2.3% | 2.2% | 2.3% |
| *Annual Change* | | *-38.9%* | *-43.2%* | *13.5%* | *-2.6%* | *1.0%* |
| **Hours/Employee** | 1,124.9 | 982.3 | 949.2 | 1,075.4 | 1,108.9 | 1004.9 |
| *Annual Change* | | *-12.7%* | *-3.4%* | *13.3%* | *3.1%* | *-9.4%* |
| **TDA Non-Required Indicators** | | | | | | |
| **Operating Cost/VSM** | $10.11 | $11.53 | $17.85 | $14.34 | $14.88 | $14.59 |
| *Annual Change* | | *14.0%* | *54.8%* | *-19.7%* | *3.8%* | *-2.0%* |
| **VSM/VSH** | 10.87 | 10.77 | 10.74 | 9.84 | 10.67 | 10.70 |
| *Annual Change* | | *-0.8%* | *-0.3%* | *-8.3%* | *8.4%* | *0.3%* |
| **Fare/Passenger** | $0.76 | $0.53 | $0.75 | $0.57 | $0.53 | $0.51 |
| *Annual Change* | | *-29.7%* | *40.6%* | *-24.4%* | *-5.9%* | *-5.2%* |

*Sources: FY 2018/19 – FY 2020/21 data taken from prior Triennial Performance Audit.*
*FY 2021/22 – FY 2023/24 data taken from NTD reports.*
*FY 2021/22 – FY 2023/24 FTE data taken from State Controller reports.*

Exhibit 6.2 System Ridership

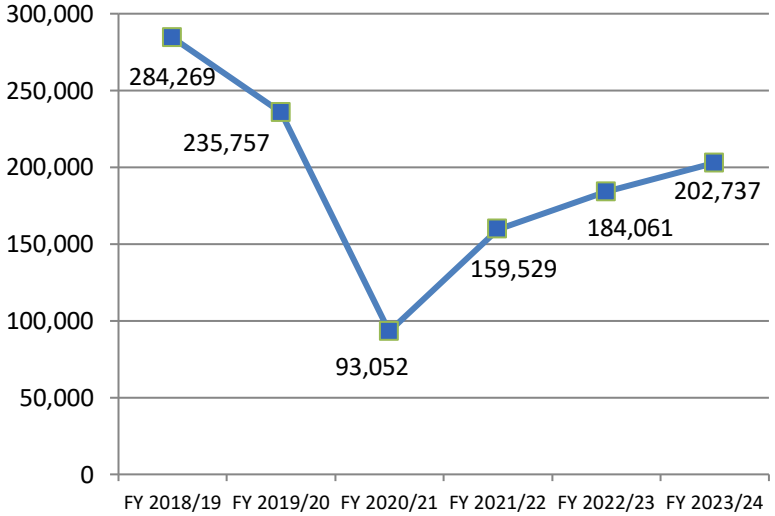



Exhibit 6.3 System Operating Cost/VSH

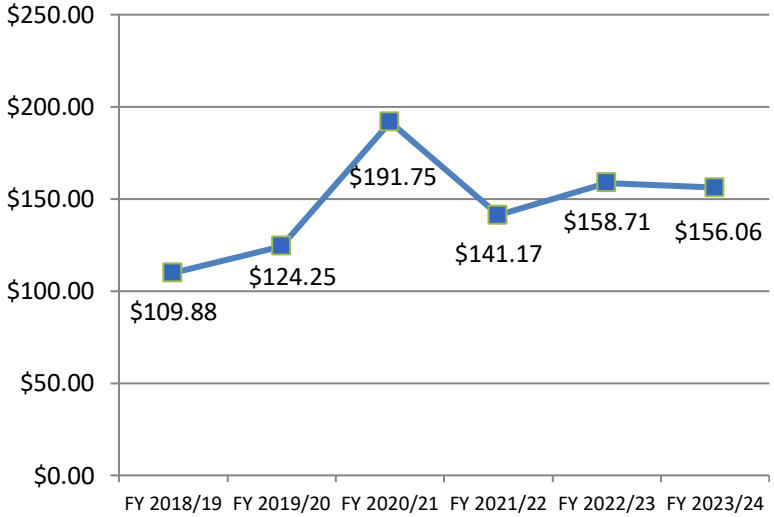



Exhibit 6.4 System Operating Cost/VSM

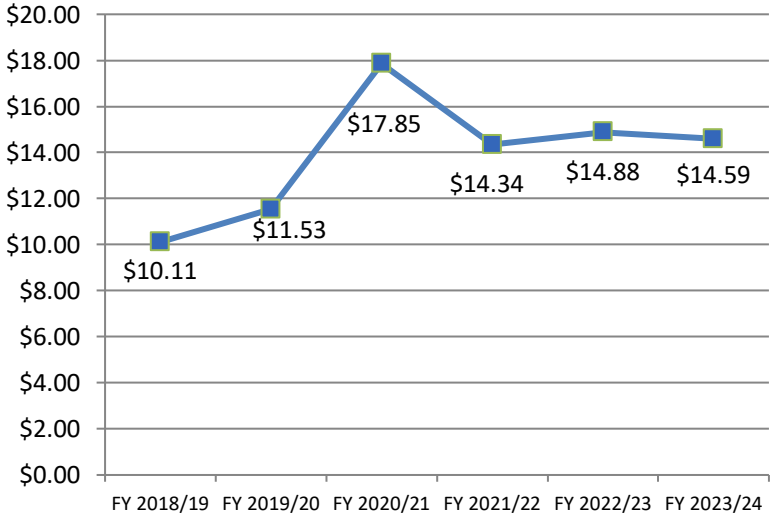



Exhibit 6.5 System VSM/VSH

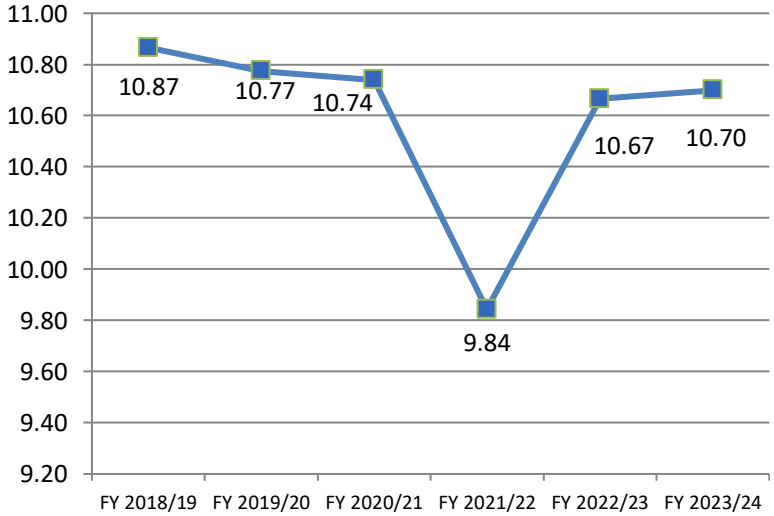


Exhibit 6.6 System Operating Cost/Passenger

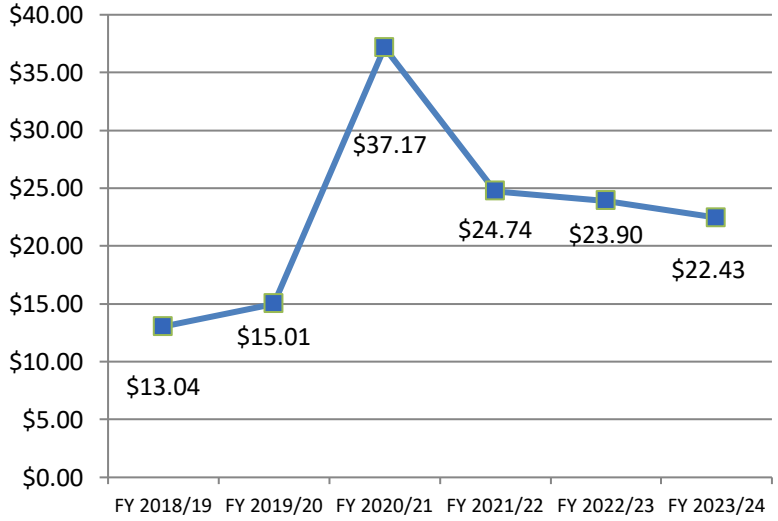



Exhibit 6.7 System Passengers/VSH

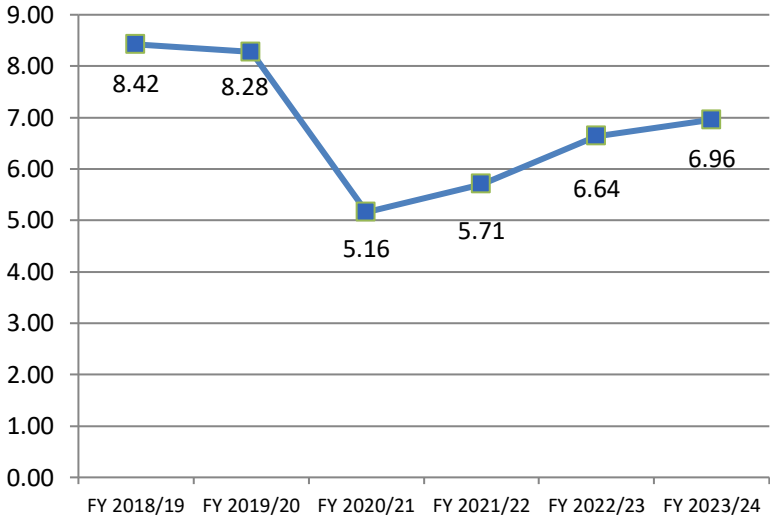



Exhibit 6.8 System Passengers/VSM

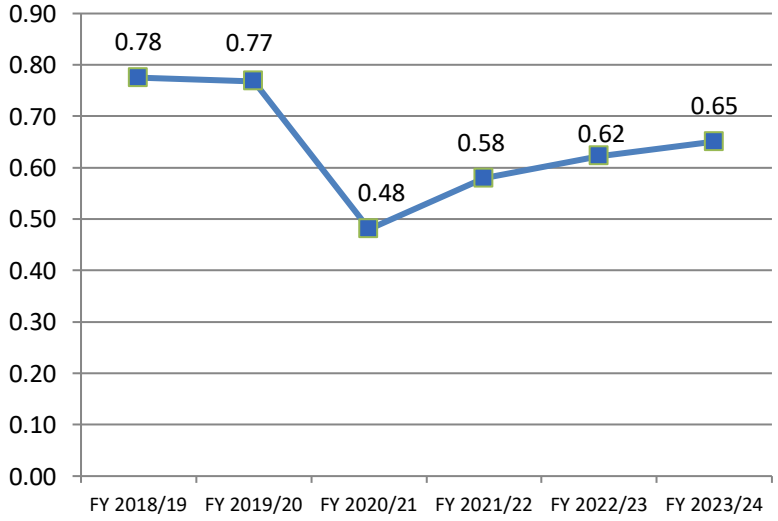



Exhibit 6.9 System VSH/FTE

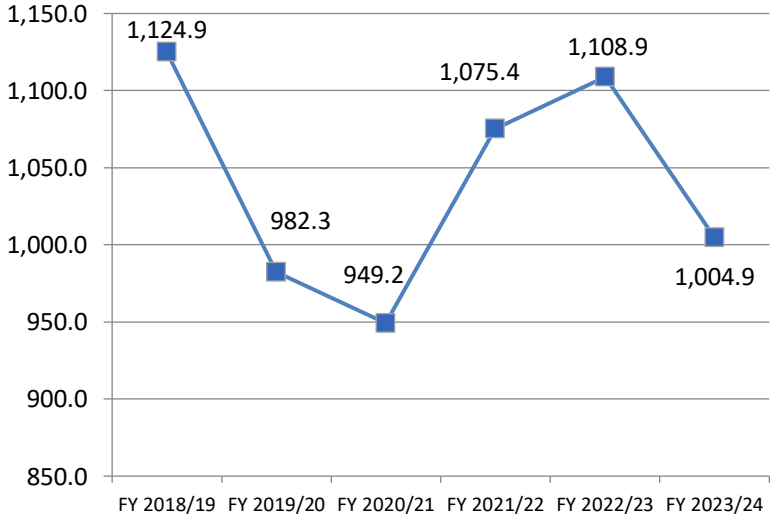


Exhibit 6.10 System Farebox Recovery

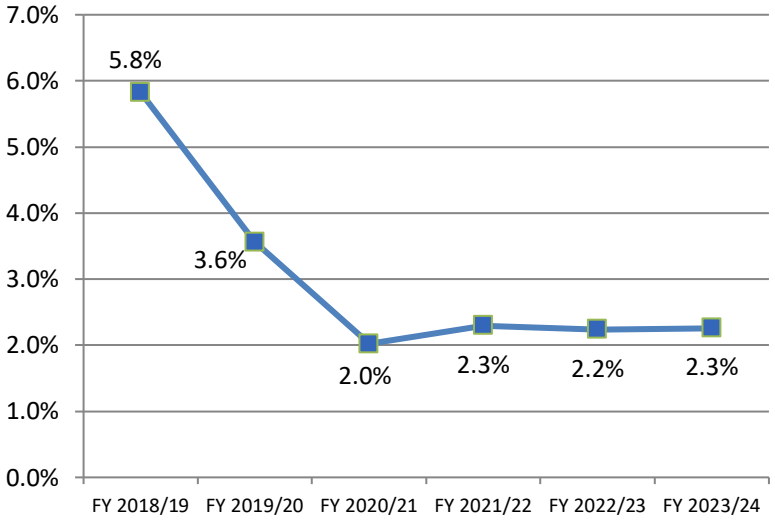
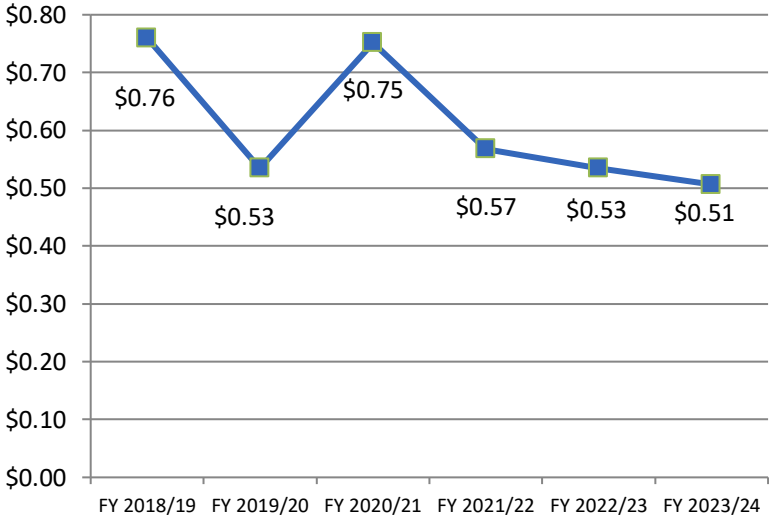



Exhibit 6.11 System Fare/Passenger



### Fixed-Route Performance Trends

Fixed-route operating cost rose steadily throughout the current audit period. Between FY 2018/19 and FY 2023/24, there was a net 30.5 percent increase in operating cost. The most significant increase occurred in FY 2022/23, which experienced a 19 percent increase. Fare revenues steadily increased year to year during the audit period, after decreasing year to year during the prior audit period. Fare revenues experienced a 26.4 percent increase during the audit period and a 52.6 percent net decrease over the six-year span.

Vehicle service hours (VSH) followed a similar pattern to fare revenue. This resulted in a net increase of 8 percent during the audit period and a net 3.1 percent decrease over the past six years. Similarly, vehicle service miles (VSM) experienced a net increase of 15.8 percent during the audit period, and a net decrease of 2.5 percent since FY 2018/19.

Ridership declined each year of the prior audit period, before increasing year to year in the audit period. Overall, fixed-route ridership increased by 28.6 percent during the audit period, and decreased by a net 27.2 percent over the six-year period.

Operating cost per VSH and operating cost per VSM increased 16.2 percent and 8.4 percent, respectively, during the audit period. Operating cost per passenger experienced a 2.4 percent decrease across the three years of the audit period. Passenger-related metrics rose, with passengers per VSH and passengers per VSM increasing by 19.1 percent and 11 percent, respectively.

Exhibit 6.12 Fixed-Route Performance Indicators

| Performance Measure | Fixed-Route | | | | | |
|---|---|---|---|---|---|---|
| | FY 2018/19 | FY 2019/20 | FY 2020/21 | FY 2021/22 | FY 2022/23 | FY 2023/24 |
| **Operating Cost (Actual $)** | $2,345,837 | $2,255,202 | $2,216,340 | $2,438,464 | $2,902,729 | $3,061,088 |
| *Annual Change* | | *-3.9%* | *-1.7%* | *10.0%* | *19.0%* | *5.5%* |
| **Fare Revenue (Actual $)** | $155,089 | $79,615 | $44,683 | $58,139 | $67,453 | $73,501 |
| *Annual Change* | | *-48.7%* | *-43.9%* | *30.1%* | *16.0%* | *9.0%* |
| **Vehicle Service Hours (VSH)** | 22,415 | 19,330 | 13,171 | 20,098 | 20,785 | 21,712 |
| *Annual Change* | | *-13.8%* | *-31.9%* | *52.6%* | *3.4%* | *4.5%* |
| **Vehicle Service Miles (VSM)** | 265,229 | 228,662 | 154,987 | 223,247 | 244,214 | 258,568 |
| *Annual Change* | | *-13.8%* | *-32.2%* | *44.0%* | *9.4%* | *5.9%* |
| **Passengers** | 255,652 | 213,278 | 83,564 | 144,763 | 168,641 | 186,184 |
| *Annual Change* | | *-16.6%* | *-60.8%* | *73.2%* | *16.5%* | *10.4%* |
| **Employees** | 19 | 19 | 13 | 18 | 18 | 20 |
| *Annual Change* | | *0.0%* | *-31.6%* | *38.5%* | *0.0%* | *11.1%* |
| **Performance Indicators** | | | | | | |
| **Operating Cost/VSH (Actual $)** | $104.65 | $116.67 | $168.27 | $121.33 | $139.65 | $140.99 |
| *Annual Change* | | *11.5%* | *44.2%* | *-27.9%* | *15.1%* | *1.0%* |
| **Operating Cost/Passenger (Actual $)** | $9.18 | $10.57 | $26.52 | $16.84 | $17.21 | $16.44 |
| *Annual Change* | | *15.2%* | *150.8%* | *-36.5%* | *2.2%* | *-4.5%* |
| **Passengers/VSH** | 11.41 | 11.03 | 6.34 | 7.20 | 8.11 | 8.58 |
| *Annual Change* | | *-3.3%* | *-42.5%* | *13.5%* | *12.6%* | *5.7%* |
| **Passengers/VSM** | 0.96 | 0.93 | 0.54 | 0.65 | 0.69 | 0.72 |
| *Annual Change* | | *-3.2%* | *-42.2%* | *20.3%* | *6.5%* | *4.3%* |
| **Farebox Recovery** | 6.61% | 3.53% | 2.02% | 2.38% | 2.32% | 2.40% |
| *Annual Change* | | *-46.6%* | *-42.9%* | *18.3%* | *-2.5%* | *3.3%* |
| **Hours/Employee** | 1,179.7 | 1,017.4 | 1,013.2 | 1,116.6 | 1,154.7 | 1,085.6 |
| *Annual Change* | | *-13.8%* | *-0.4%* | *10.2%* | *3.4%* | *-6.0%* |
| **TDA Non-Required Indicators** | | | | | | |
| **Operating Cost/VSM** | $8.84 | $9.86 | $14.30 | $10.92 | $11.89 | $11.84 |
| *Annual Change* | | *11.5%* | *45.0%* | *-23.6%* | *8.8%* | *-0.4%* |
| **VSM/VSH** | 11.83 | 11.83 | 11.77 | 11.11 | 11.75 | 11.91 |
| *Annual Change* | | *0.0%* | *-0.5%* | *-5.6%* | *5.8%* | *1.4%* |
| **Fare/Passenger** | $0.61 | $0.37 | $0.53 | $0.40 | $0.40 | $0.39 |
| *Annual Change* | | *-38.5%* | *43.2%* | *-24.9%* | *-0.4%* | *-1.3%* |

*Sources: FY 2018/19 – FY 2020/21 data taken from prior Triennial Performance Audit.*
*FY 2021/22 – FY 2023/24 data taken from NTD reports.*
*FY 2021/22 – FY 2023/24 FTE data taken from State Controller reports.*

Exhibit 6.13 Fixed-Route Ridership

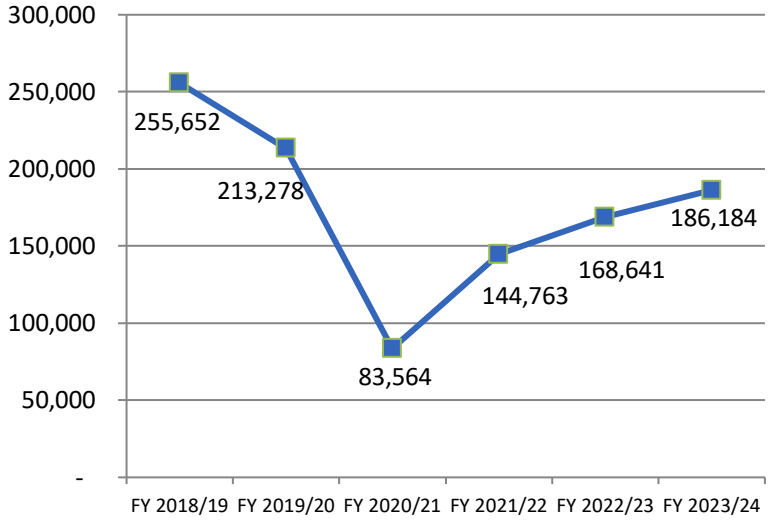



Exhibit 6.14 Fixed-Route Operating Cost/VSH

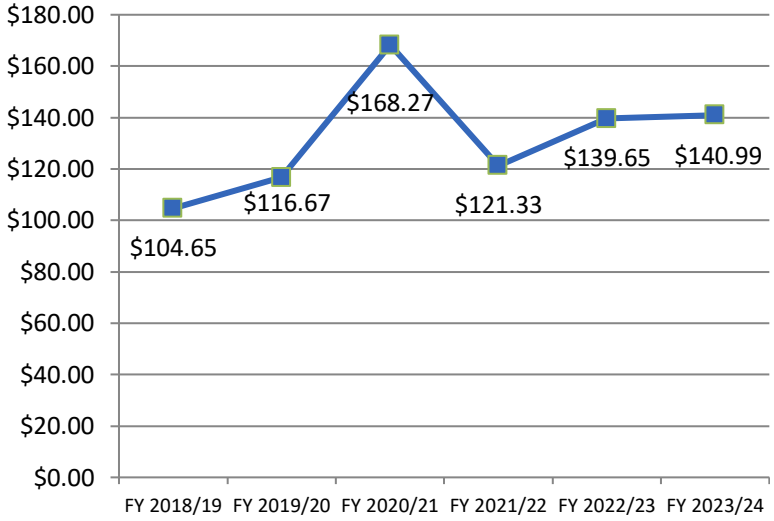



Exhibit 6.15 Fixed-Route Operating Cost/VSM

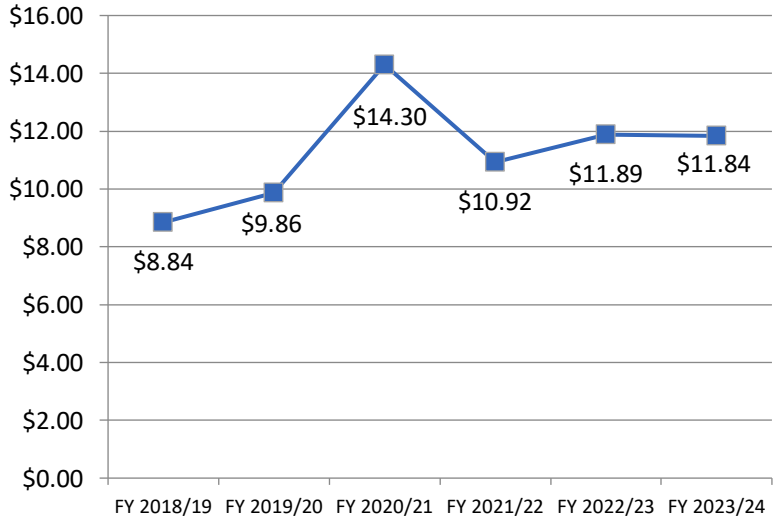



Exhibit 6.16 Fixed-Route VSM/VSH

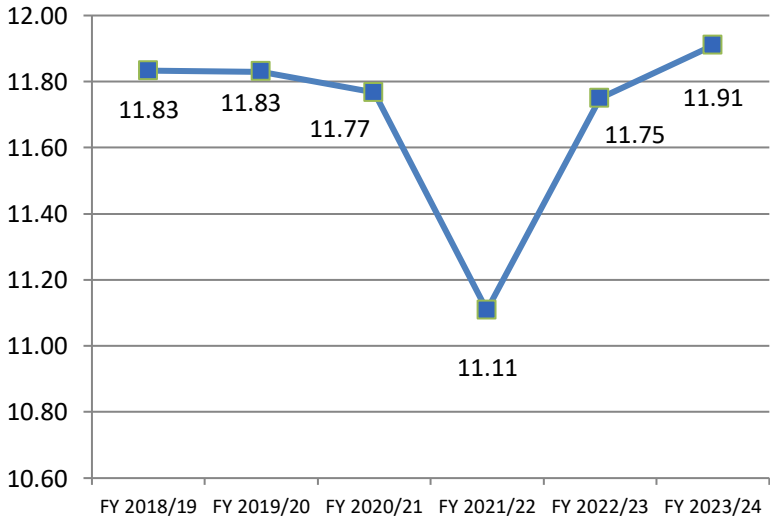


Exhibit 6.17 Fixed-Route Operating Cost/Passenger

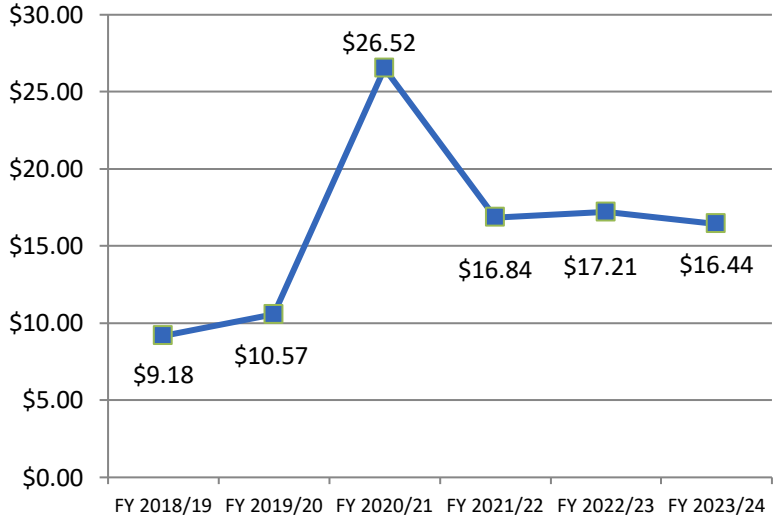



Exhibit 6.18 Fixed-Route Passengers/VSH

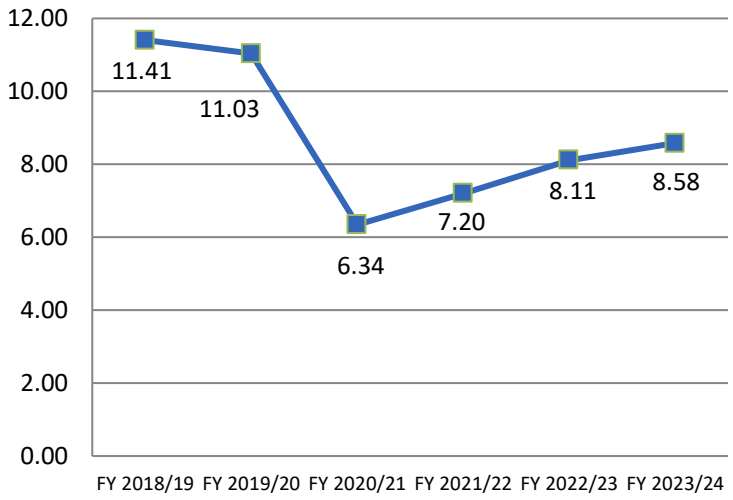



Exhibit 6.19 Fixed-Route Passengers/VSM

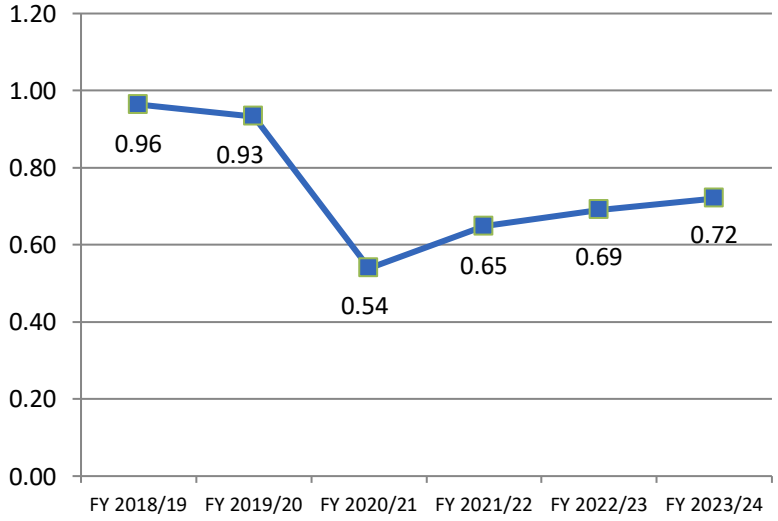



Exhibit 6.20 Fixed-Route VSH/FTE

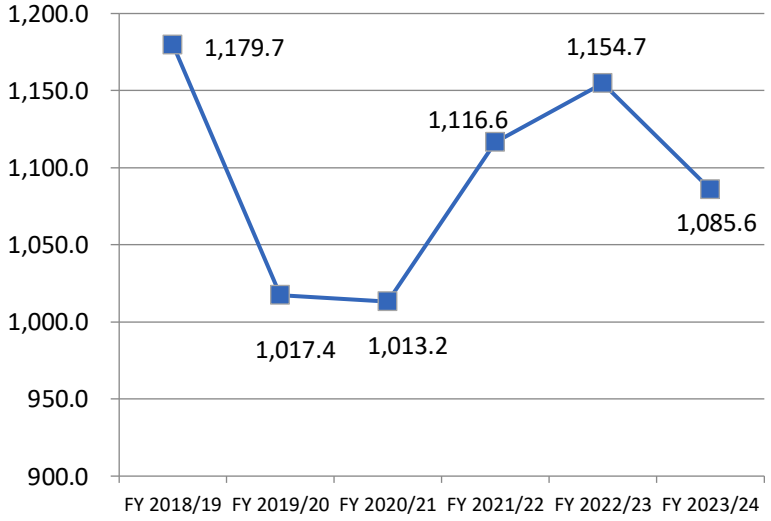


Exhibit 6.21 Fixed-Route Farebox Recovery

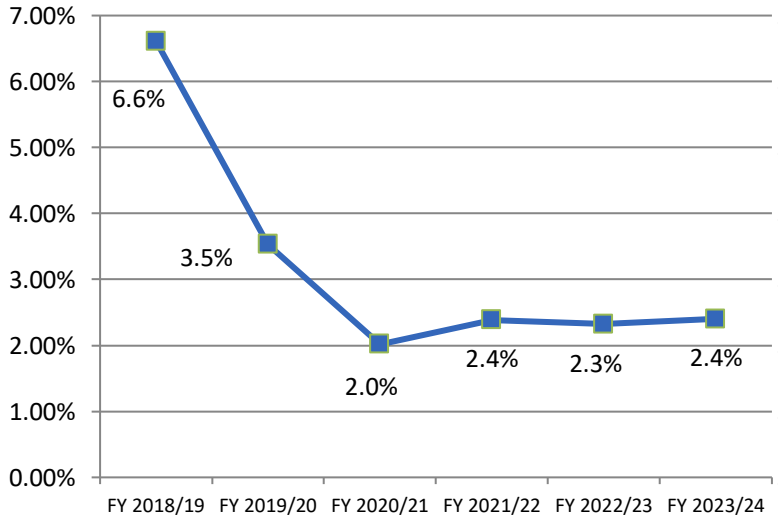
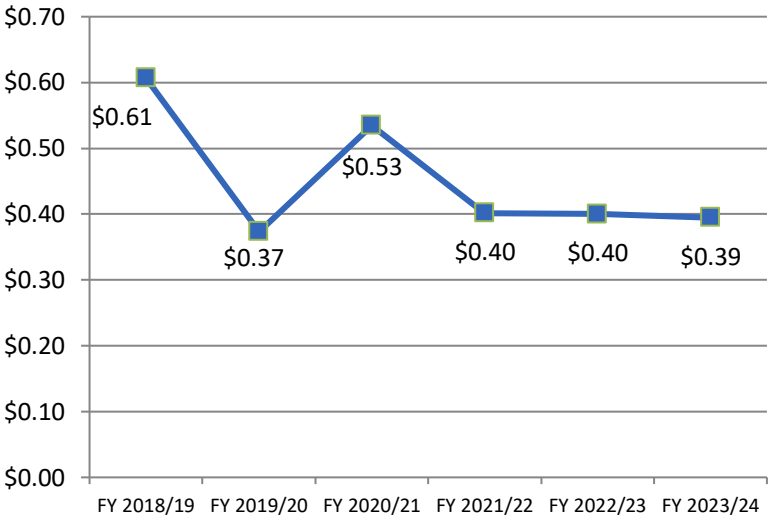



Exhibit 6.22 Fixed-Route Fare/Passenger



### Demand-Response Performance Trends

Demand-response operating fluctuated throughout the past six years. Between FY 2018/19 and FY 2023/24, there was a net 9.1 percent increase in operating cost. The most significant increase occurred in FY 2021/22, which experienced a 16.1 percent increase; however, this resulted in a net increase of just 3.1 percent during the audit period. Fare revenues, however, decreased every year, with the exception of a 28.5 percent increase in FY 2021/22.

Vehicle service hours (VSH) varied throughout the six-year period, for a decrease of 5.5 percent during the audit period and a 34.4 percent decrease over the past six years. Vehicle service miles (VSM) also varied significantly from year to year. This resulted in an increase of 2.4 percent during the audit period, and a decrease of 47.5 percent since FY 2018/19.

Ridership increased every year of the audit period, after experiencing decreases every year of the prior audit period. Overall, demand-response ridership increased by 12.1 percent during the audit period, but decreased by a net 42.2 percent over the six-year period.

Cost-related metrics generally increased over the audit period, with the exception of operating cost per passenger experiencing an 8 percent decrease. Passenger-related metrics rose, with passengers per VSH and passengers per VSM increasing by 18.7 percent and 9.5 percent, respectively, during the audit period.

Exhibit 6.23 Demand-Response Performance Indicators

| Performance Measure | Demand-Response | | | | | |
|---|---|---|---|---|---|---|
| | FY 2018/19 | FY 2019/20 | FY 2020/21 | FY 2021/22 | FY 2022/23 | FY 2023/24 |
| **Operating Cost (Actual $)** | $1,362,247 | $1,284,400 | $1,241,951 | $1,441,978 | $1,602,734 | $1,486,560 |
| *Annual Change* | | *-5.7%* | *-3.3%* | *16.1%* | *11.1%* | *-7.2%* |
| **Fare Revenue (Actual $)** | $60,917 | $46,406 | $25,243 | $32,448 | $30,910 | $29,177 |
| *Annual Change* | | *-23.8%* | *-45.6%* | *28.5%* | *-4.7%* | *-5.6%* |
| **Vehicle Service Hours (VSH)** | 11,332 | 9,158 | 4,864 | 7,863 | 6,938 | 7,429 |
| *Annual Change* | | *-19.2%* | *-46.9%* | *61.7%* | *-11.8%* | *7.1%* |
| **Vehicle Service Miles (VSM)** | 101,460 | 78,267 | 38,701 | 51,973 | 51,478 | 53,225 |
| *Annual Change* | | *-22.9%* | *-50.6%* | *34.3%* | *-1.0%* | *3.4%* |
| **Passengers** | 28,617 | 22,479 | 9,488 | 14,766 | 15,420 | 16,553 |
| *Annual Change* | | *-21.4%* | *-57.8%* | *55.6%* | *4.4%* | *7.3%* |
| **Employees** | 11 | 10 | 6 | 8 | 7 | 9 |
| *Annual Change* | | *-9.1%* | *-40.0%* | *33.3%* | *-12.5%* | *28.6%* |
| **Performance Indicators** | | | | | | |
| **Operating Cost/VSH (Actual $)** | $120.21 | $140.25 | $255.34 | $183.39 | $231.01 | $200.10 |
| *Annual Change* | | *16.7%* | *82.1%* | *-28.2%* | *26.0%* | *-13.4%* |
| **Operating Cost/Passenger (Actual $)** | $47.60 | $57.14 | $130.90 | $97.66 | $103.94 | $89.81 |
| *Annual Change* | | *20.0%* | *129.1%* | *-25.4%* | *6.4%* | *-13.6%* |
| **Passengers/VSH** | 2.53 | 2.45 | 1.95 | 1.88 | 2.22 | 2.23 |
| *Annual Change* | | *-2.8%* | *-20.5%* | *-3.7%* | *18.4%* | *0.3%* |
| **Passengers/VSM** | 0.28 | 0.29 | 0.25 | 0.28 | 0.30 | 0.31 |
| *Annual Change* | | *1.8%* | *-14.6%* | *15.9%* | *5.4%* | *3.8%* |
| **Farebox Recovery** | 4.5% | 3.6% | 2.0% | 2.3% | 1.9% | 2.0% |
| *Annual Change* | | *-19.2%* | *-43.7%* | *10.7%* | *-14.3%* | *1.8%* |
| **Hours/Employee** | 1,030.2 | 915.8 | 810.7 | 982.9 | 991.1 | 825.4 |
| *Annual Change* | | *-11.1%* | *-11.5%* | *21.2%* | *0.8%* | *-16.7%* |
| **TDA Non-Required Indicators** | | | | | | |
| **Operating Cost/VSM** | $13.43 | $16.41 | $32.09 | $27.74 | $31.13 | $27.93 |
| *Annual Change* | | *22.2%* | *95.6%* | *-13.5%* | *12.2%* | *-10.3%* |
| **VSM/VSH** | 8.95 | 8.55 | 7.96 | 6.61 | 7.42 | 7.16 |
| *Annual Change* | | *-4.5%* | *-6.9%* | *-16.9%* | *12.3%* | *-3.4%* |
| **Fare/Passenger** | $2.13 | $2.06 | $2.66 | $2.20 | $2.00 | $1.76 |
| *Annual Change* | | *-3.0%* | *28.9%* | *-17.4%* | *-8.8%* | *-12.1%* |

*Sources: FY 2018/19 – FY 2020/21 data taken from prior Triennial Performance Audit.*
*FY 2021/22 – FY 2023/24 data taken from NTD reports.*
*FY 2021/22 – FY 2023/24 FTE data taken from State Controller reports.*

Exhibit 6.24 Demand-Response Ridership

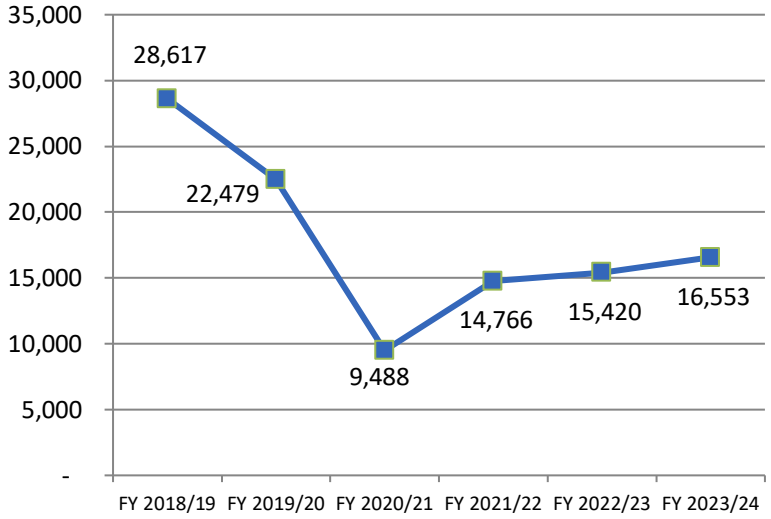



Exhibit 6.25 Demand-Response Operating Cost/VSH

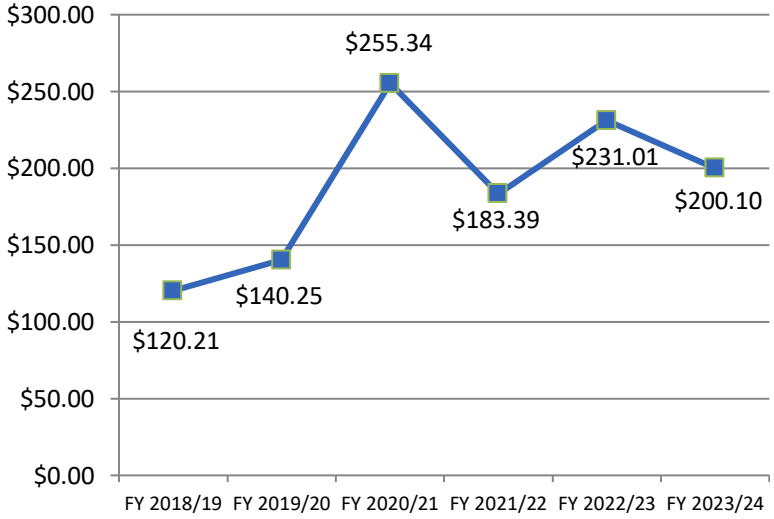



Exhibit 6.26 Demand-Response Operating Cost/VSM

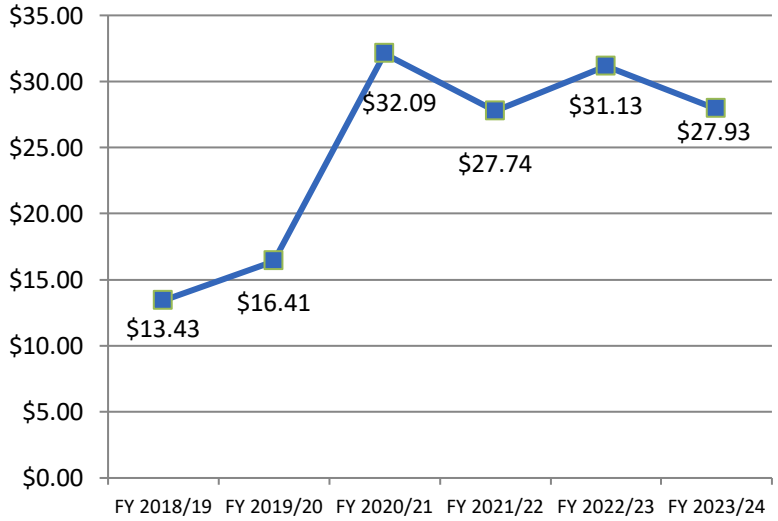



Exhibit 6.27 Demand-Response VSM/VSH

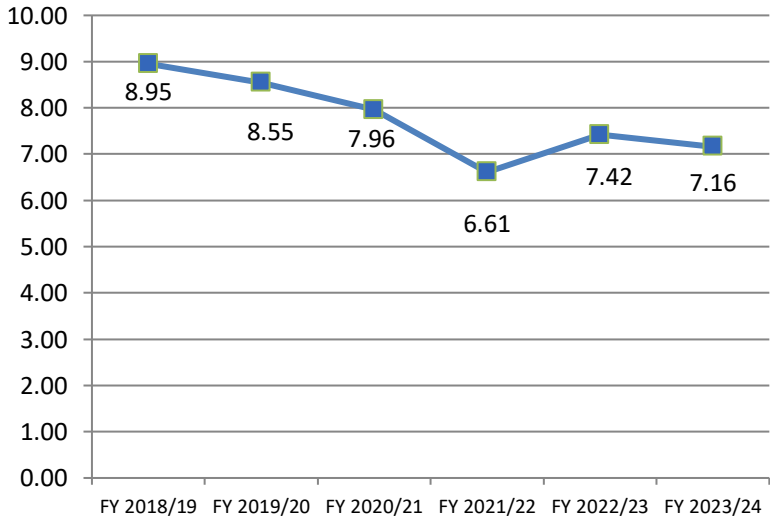


Exhibit 6.28 Demand-Response Operating Cost/Passenger

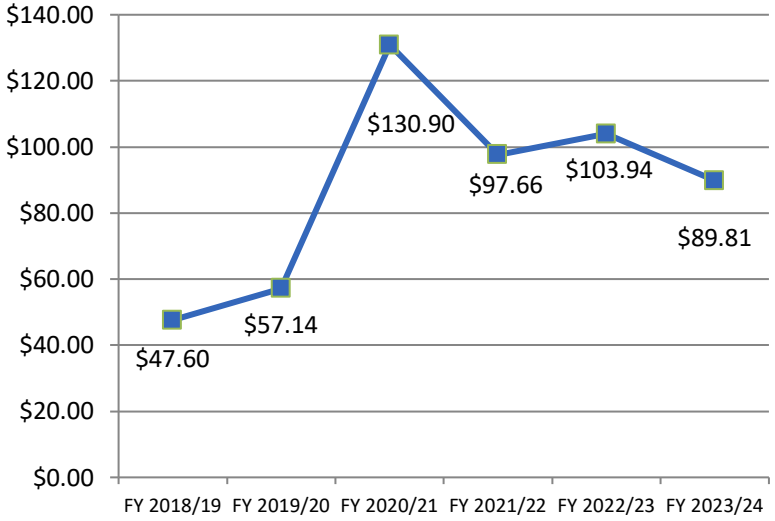



Exhibit 6.29 Demand-Response Passengers/VSH

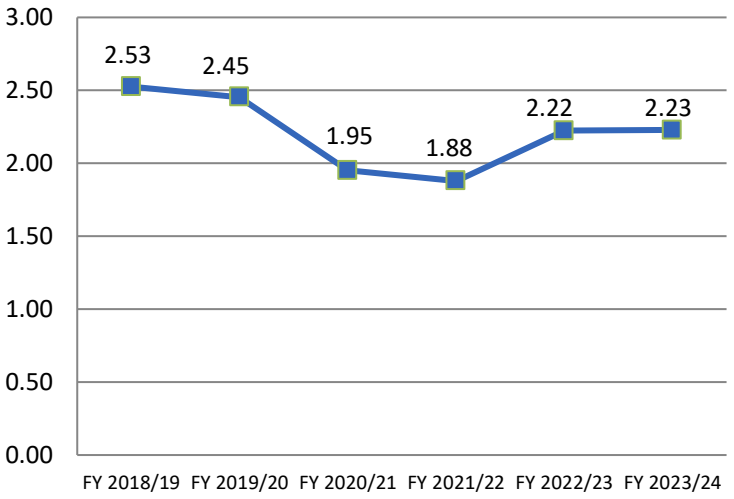



Exhibit 6.30 Demand-Response Passengers/VSM

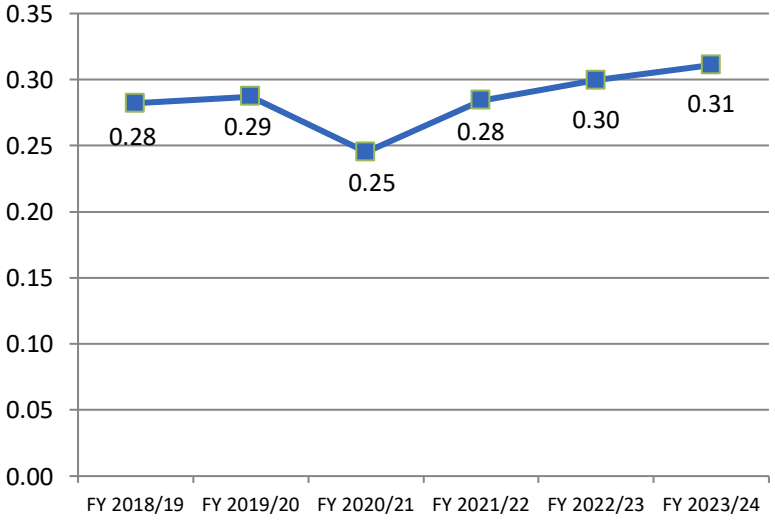



Exhibit 6.31 Demand-Response VSH/FTE

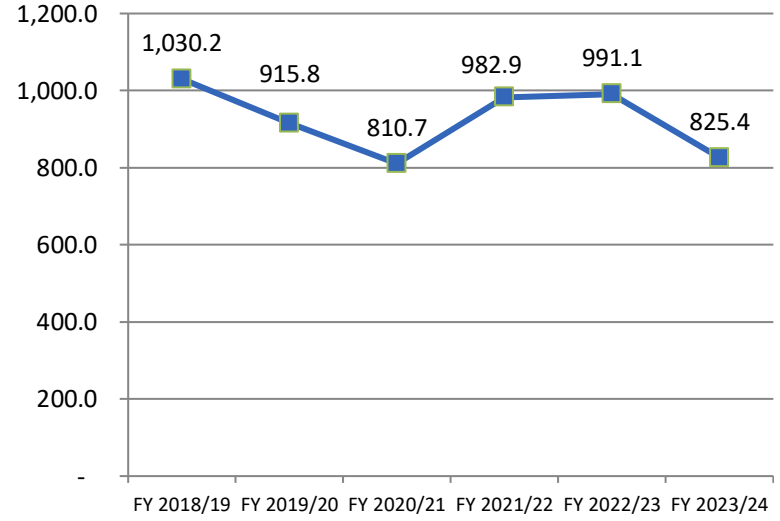


Exhibit 6.32 Demand-Response Farebox Recovery

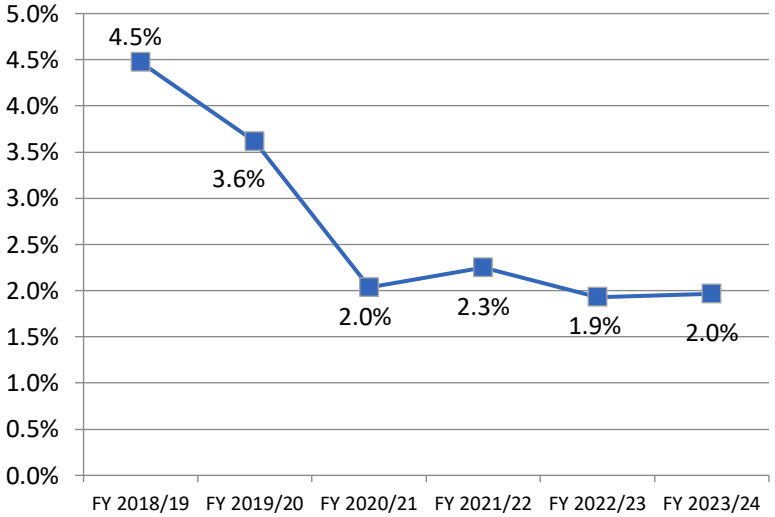
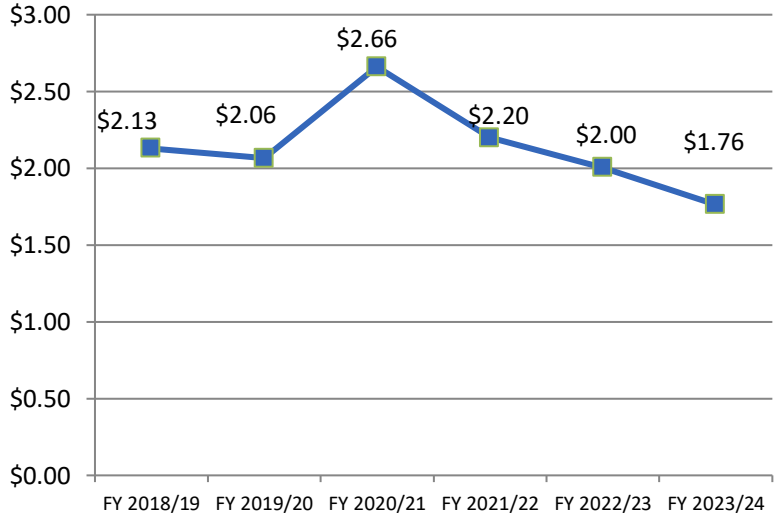



Exhibit 6.33 Demand-Response Fare/Passenger



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# Chapter 7 | Functional Review

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

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

## Service Overview

The City of Lodi's GrapeLine and VineLine programs provide public transit service to residents of and visitors to the city. The GrapeLine offers fixed-route and general public Dial-A-Ride service, while the VineLine provides ADA complementary paratransit service.

The GrapeLine fixed-route service consists of five regular routes and three express routes operating Monday through Friday, and four regular routes operating Saturday and Sunday. GrapeLine Dial-A-Ride operates within the city limits of Lodi as well as in surrounding unincorporated areas such as Woodbridge. VineLine ADA complementary paratransit is an eligibility-based service limited to ADA certified riders. Dial-A-Ride reservations can be made from one day to two weeks in advance, though same-day reservations can be made on a space-available basis for double fare.

The fixed-route service operated from 6:30 a.m. to 7:30 p.m. Monday through Friday and from 7:30 a.m. to 6:30 p.m. on Saturday. The City added Sunday fixed-route service from 7:30 a.m. to 3:30 p.m. Dial-A-Ride and ADA VineLine service hours operate from 6:10 a.m. to 7:30 p.m. Monday through Friday, 7:30 a.m. to 6:30 p.m. on Saturday, and 7:30 a.m. to 3:30 p.m. on Sunday.

Exhibit 7.1 GrapeLine Fixed-Route Fare Structure

| Fare Category | General | Reduced fare* |
|---|---|---|
| One-way fare | $1.25 | $0.60 |
| Day pass | $3.00 | $1.50 |
| 31-day pass | $44.00 | $22.00 |
| 10-ride ticket | $12.50 | $6.00 |
| SCT/LINK Passes and Transfers | Free | - |

**Reduced fares are available for seniors (65+), persons with disabilities, and Medicare card holders.*

Up to two children age four and under ride the GrapeLine's fixed-route service for free with a fare-paying passenger. Students in grades kindergarten through 12th grade also ride free thanks to the City's K-12 Free Ride Program.

Exhibit 7.2 GrapeLine Dial-A-Ride Fare Structure

| Fare Category | General | Reduced fare* |
|---|---|---|
| Single ride ticket | $7.00 | $2.00 |
| 10-ride ticket | $66.50 | $16.00 |
| Surcharge for trips outside city limits | $1.50 | $1.50 |
| 10-ride ticket (outside city limits) | - | $31.00 |
| Same-day reservations | $14.00 | $4.00 |

**Reduced fares are available for seniors (65+), persons with disabilities, and Medicare card holders.*

Exhibit 7.3 VineLine ADA Paratransit Fare Structure

| Fare Category | ADA-certified |
|---|---|
| Single ride ticket | $2.00 |
| 10-ride ticket | $16.00 |

Personal care attendants (PCAs) may accompany a disabled VineLine rider for free. Up to one companion may travel for the $2.00 single-ride fare. Double fare will be charged for same day service on Dial-A-Ride and VineLine.

Identification is required to use a reduced fare. Riders can obtain an application form for a GrapeLine Discount Fare ID Card on the vehicle, online, at the Lodi Transit Station, or from the City Hall Public Works Department (221 W. Pine Street).

Passes and multi-ride tickets are sold at the City of Lodi's Finance Department (310 W. Elm Street) and the Lodi Transit Station (24 S. Sacramento Street). Tickets and passes may also be purchased online through EZHub mobile ticketing using the Vamos Mobility app.

### General Management and Organization

The City's transit program is operated under contract to Transdev, Inc., who has held the contract since the beginning of the audit period (July 2021). At the time of this report, the contractor was in the first of two option years. Prior to the audit period, the program was operated by MV Transportation.

City staff actively monitor the transit program. Management receives real-time reports for incidents, complaints, etc. A daily summary of operational events (dispatch log) is received every day at 5:00 p.m. Weekly operations meetings occur every Wednesdays. Reports detailing operational data are received monthly. The contractor uses Trapeze to track transit performance for the demand-response service. The City formerly used Double Map to track fixed-route performance. However, the company went bankrupt. The City is working on a new ITS project, but has not wanted to put new ITS equipment on old buses, so this has been postponed until new vehicles are delivered.

The City's transit program is structured and staffed appropriately. Lines of reporting are clearly defined and appropriate. Nearly all management staff are relatively new to their positions (promoted or hired

subsequent to the COVID-19 pandemic) and are continuing to improve their skills, knowledge, and management styles. Staffing changes during the audit period included:

- Senior Transportation Planner was promoted to Transportation Manager
- Junior Transportation Planner was promoted to Associate Transportation Manager
- Administrative Clerk was promoted to Transportation Coordinator
- New Fleet Superintendent
- New Transdev General Manager
- New Transdev Safety/Training Manager

Exhibit 7.4 Organizational Chart


Service changes during the audit period consisted of adjustments in response to COVID-19. Service changes included additional headways and the restoration of fixed-route Sunday service. Ridership was monitored and, at the time of the site visit, fixed-route ridership was approximately 70 to 80 percent of pre-pandemic numbers. Dial-A-Ride has yet to recover. Student ridership has increased, while senior ridership has remained low. In response, the City plans to meet with the local senior center to promote its services.

The Lodi City Council is the governing body for the City's transit program. The City Council meets the first and third Wednesday of each month at 7:00 p.m. at Carnegie Forum, located at 305 W. Pine Street in Lodi. The Council also holds informal informational (shirtsleeve) sessions every Tuesday at 7:00 a.m. in the same location. This location is served by GrapeLine Routes 1 and 3; however, service on these routes ends at approximately 7:15 p.m., limiting its usefulness in accessing City Council meetings. In addition, the nearest bus stop is approximately two blocks away, in front of the library.

The City Council has expressed interest in regional connectivity, Complete Streets, transit-oriented development, and transit in general. Transit staff conducted an informational meeting for the City Council in November 2023 and continues to meet regularly with the Council to discuss various transit issues. The Council recently requested an informational presentation regarding regional rail projects.

The City's relationship with SJCOG is strong and effective. The City participates in the Technical Advisory Committee (TAC), Social Services Transportation Advisory Council (SSTAC), Interagency Transit Committee (ITC), and Access San Joaquin meetings. The City's relationship with other transit operators is largely collaborative, inclusive of professional networking and the sharing of mutually beneficial information. The

City has an effective and positive relationship with Caltrans and the FTA, and provides information and/or cooperation requested by other organizations. The Transportation Manager and Associate Transportation Planner are the primary liaisons with other governmental organizations. The City is a member of CalACT and the Central Valley Transit Managers group.

### Service Planning

The City's primary transit planning document is its Short Range Transit Plan (SRTP). All service planning takes place through the SRTP development and the annual unmet transit needs process. Through these mechanisms the City analyzes and projects future service needs based on existing use and community input. Transit also communicates regularly with planning and zoning departments to identify needs and opportunities for transit.

The most recent SRTP was completed in 2019. It was prepared in-house, with some consultant assistance. It was adopted months before the pandemic; as a result, certain elements were adopted but major route changes were not implemented. At the time of the site visit, the City was in the process of preparing an update to its SRTP. One of the benefits of the new SRTP will be an update to the service performance standards, which were developed pre-COVID and the City is not currently able to meet. It continues to track performance measures against the existing standards while it develops new standards. The 2024 update also is placing a greater emphasis on integrating new developments into service planning.

The annual unmet transit needs process takes place in November, with a public hearing held before the City Council to take comments and inputs from customers and the community. Public hearings are also held prior to any significant route or service hour changes. On behalf of the City, SJCOG conducted surveying efforts as part of the year-round TDA Article 8 "Unmet Transit Needs" process.

The SRTP and unmet transit needs process also provide the majority of planning for special transportation needs. The City's transit service meets federal requirements under the ADA, and offers half-fares on the fixed-route service for seniors, persons with disabilities, and Medicare cardholders. All revenue vehicles are wheelchair-accessible.

The City conducts public participation activities such as workshops, public hearings, and surveys in support of its service planning efforts. The City recently identified Spanish as a Safe Harbor language under Title VI and in December 2023 began offering surveys and public hearing materials in Spanish. The most recent passenger survey was conducted in May 2024 as part of the Short Range Transit Plan development. A community (non-rider) survey was conducted in August 2024.

The City also implemented a number of capital projects just prior to and during the audit period. These included:

- Rolling stock purchases,
- Transit station dry rot repair,
- Parking structure security upgrade,
- Parking structure structural repair,
- Parking structure emergency lighting repair,
- Camera security upgrade,

- Bus wash blow dryer, and
- Bus stop improvement project.

The City completed its Zero Emission Bus (ZEB) Rollout Plan during the audit period but has yet to implement its transition to a zero-emission fleet. The Transit division is working with the City on city-wide infrastructure planning. The Lodi Electric Utility is currently conducting a study on infrastructure needs, and the ZEB Rollout Plan is integrated into that study. The Transit division is also engaged in plans to construct a hydrogen generation plant in Lodi. Whether or not the hydrogen plant is constructed will impact whether the City follows a battery-electric or fuel cell electric path for its zero-emission fleet.

### Administration

The budgeting process begins with review and analysis of each line item of expenses, revenue, and capital projects before the end of each fiscal year to project the next fiscal year's budget. Budget estimates are prepared by the Transportation Manager, reviewed by the Director of Public Works, and then approved by the City Manager and Finance Manager before being adopted by the City Council. Budgeted versus actual expenditures are analyzed no less frequently than quarterly. Anticipated revenues are determined during the initial budget process. Changes are made during the mid-year review and drawdown amounts are determined during the TDA claim process and end-of-year FTA drawdown process. Budget information is reported to the board semi-annually. Financial data is managed using Tyler MUNIS software.

Staff actively research grants to determine what to apply for, and information about available grants is also shared by SJCOG on a monthly basis during the regional TAC meetings. The City would like to be able to apply for planning grants and/or collaborative active transportation grants. However, Transit staff do not always have the capacity to prepare grant applications and provide oversight for large planning efforts, and consequently does not apply for some grants. The City would benefit from support from other divisions within the City to apply for and manage grants for collaborative bicycle and pedestrian improvements to transit access. The Transportation Manager is responsible for managing grants. Current staffing is sufficient to meet all reporting requirements for all current grants.

The Transportation Manager and the City's Risk Manager are responsible for risk management. The City is a member of the California Transit Indemnity Pool (CalTIP) and the California Joint Powers Risk Management Authority (CJPRMA). CalTIP process transit-related accident and injury claims. The City's Risk Management department processes City-related claims. The City reviews its safety practices weekly during operations meetings. Safety incidents are addressed as the happen, as proscribed in the Public Transit Agency Safety Plan (PTASP). The PTASP is updated annually. The Transit division has been involved in disaster preparedness discussions with the City and County in the past but does not have a current role in emergency planning.

Contracts managed through the Transit department include the operations contract, solar panel maintenance, bus stop repair, bus wash maintenance, bus radio services, bus stop cleaning, and planning studies. Contract management responsibilities are assigned to key administrative staff, with oversight by the Transportation Manager. City-managed contracts for which Transit has oversight of transit-related scope elements include security guards, landscaping, fire suppression maintenance, janitorial, alarm system, pest control, generator service, HVAC, glass repair, roof repair, fire alarm monitoring, fire extinguisher maintenance, plumbing, and elevator maintenance. The City does not pay invoices unless it

has received verification that the services were completed to its standards. The City also regularly receives inspection reports, reviews complaints, etc. Liquidated damages are implemented on certain contracts. The City has implemented regular "quality control" meetings with under-performing contractors. The City's Facilities Superintendent is responsible for facility management of transit offices and facilities.

Transit employees complete timesheets which are approved by the Transportation Manager. Only Human Resources and select clerical staff have access to personal information and payroll data. All City staff utilize direct deposit.

The Transportation Manager, Transportation Coordinator, and Administrative Clerk handle accounts payable and accounts receivable for Transit. Invoice terms, quantities, and prices are verified against approved purchase orders. A review process ensures goods or services have been received before an invoice is paid.

Procurement practices, policies, and procedures are detailed in the City's Purchasing Policy. Procurement practices conform with FTA and state requirements. Purchases up to $10,000 can be approved at the Manager level; bids are not required, but are encouraged (even informal/verbal bids). Purchases between $10,000 and $30,000 can be approved at the Director level. Three written bids are required, but these can be informal bids. Purchase up to $60,000 can be authorized by the City Manager. Anything over $60,000 requires a formal bid process and must be approved by the City Council. The City cooperates in joint procurements for vehicles.

### Marketing and Public Information

The transit webpage is the primary source of service information, supplemented by flyers, social media content, text alerts, etc. Printed service information (brochures and schedules) are available at the Lodi Transit Station. Transit staff also attend community events (such as the Lodi Street Faire, school resource fairs, and other local events), distributes flyers across City properties (including the library and City Hall), and Facebook posts. The City uses the Vamos mobility app and Google Maps, both of which provide trip planning information. The Vamos app also provides mobile ticketing.

The City has participated in regional marketing campaigns for the Vamos mobility app and Access San Joaquin's MyRide program. The Vamos campaign was moderately successful, resulting in an increase in mobile ticketing usage.

The City does not have a formal marketing plan, though it does work closely with the City's Public Information Officer (PIO) to help get the word out. Transit maintains a spreadsheet of events as well as uses Trello to manage its outreach activities. Transit manages the GrapeLine Facebook account, while the PIO manages social media for the City as a whole. The City's platforms also share content from the GrapeLine account.

The City analyzes survey and performance data to develop goals and identify target markets. City transit staff regularly communicate with Lodi Unified School District's Transportation Director, Superintendent's office, Public Information Officer, and school principals to promote transit services.

The City has an ongoing focus on marketing, with a goal of getting as much information out into the community using as many different platforms as possible. The City's PIO has been helpful in increasing outreach efforts.

While the City does not log all customer calls, it does document phone performance (call length, hold times, and hang-ups). Complaints are formally logged, along with a description of the complaint and follow-up. The nature of the complaint, contact information, investigation, and resolution are maintained in a database. The City does not have a formal timeframe for complaint resolution, but regularly monitors complaints to ensure they are investigated in a timely manner. Based on 2024 surveys, the community's perception of the City's transit program is generally positive among current users. The City intends to use data from the August 2024 community survey to assess the overall community perception of the program.

### Scheduling, Dispatch, and Operations

Transdev is the current operations contractor. The workforce is represented by Amalgamated Transit Union (ATU) Local 256. Drivers are assigned to routes according to bids. Bids are held up to three times per year.

As of June 2024, there were 20 full-time employees and two part-time employees. This is considered fully staffed. Earlier in the audit period, the City did suffer from a driver shortage. During this period, the priority was getting fixed-route service on the road. This required having the General Manager or Safety and Training Manager cover a route if no driver was available. While the City never missed any fixed-route service, it did impact on-time performance for the Dial-A-Ride service because fewer drivers were operating that service, resulting in more passengers being picked up by each vehicle. After the contractor brought in a new General Manager, it became apparent that the prior General Manager had been managing staff in such a way that resulted in more drivers being out than should have been, and had too much tolerance for the driver shortage. Morale improved when the new General Manager came onboard, which improved the problem.

The operator also maintains a cover/extra board list and has standby drivers who report to work but are not assigned to a route. The contractor maintains a 15 percent standby ratio, with five percent covering scheduled vacations and ten percent covering call-outs or leaves of absence. Drivers must call out two hours before their scheduled shift. Vacation time is scheduled in advance, and there is a clear and communicated policy on absences and sick leave.

All drivers must have air brake and passenger endorsements, as well as General Public Paratransit Vehicle (GPPV) certification. During the driver shortage, certain training requirements were temporarily suspended in order to meet staffing demands. These included accepting drivers that did not have some of these requirements. In those cases, the drivers would be assigned to a vehicle or service that did not require the missing qualification (for example, if a driver did not have a GPPV certification, they would be assigned to a fixed route that did not require that certification). All requirements were reinstated once staffing levels stabilized.

Dispatchers assign vehicles based on availability. Larger vehicles are assigned to the higher ridership routes. Vehicles are entered in the tracking system and updates are made whenever there are changes to a vehicle's status. Dispatch communicates with maintenance to ensure all routes have been assigned vehicles in good repair.

The City utilizes GenFare Odyssey and GenFare FastFare fareboxes. Drivers empty the fareboxes into the fare vault in the bus probing zone at the Transit Station. Transit station security guards supervise the unloading of cash from the fareboxes, and all areas are under 24/7 camera surveillance. Fares are counted by supervisory staff (Safety/Training Manager, Lead Dispatcher, or Road Supervisor) in the counting/vault room using a bill and coin counter, then reviewed by the City's Finance staff. Deposits are transported via Loomis armored car service twice a month. Dispatchers and reservationists sell passes at the Transit Station Lobby. Cash and card are accepted. Amounts are tracked and settled daily. Revenue from mobile ticketing is received from Masabi and processed by the City.

### Personnel Management and Training

At the time of the site visit, enough drivers were being recruited to meet transit needs. The contractor posts all job requisitions to Jobvite. The contractor accepts applicants who do not have a commercial license and provides training through the licensing process. A referral bonus system was implemented in 2023 and the operator offers a retention bonus to new employees.

Transdev offers safety bonuses, quarterly employee engagements, and certificates/awards to motivate its workforce. Driver turnover since the COVID-19 pandemic has been extremely high, over 45 percent. In some cases, drivers discover the job is more stressful than they anticipated; in others, drivers use the City as a stepping stone to something else. Strategies to retain drivers have included increasing the pay and recruiting people who live locally. Approximately half of the drivers have been with the program for ten years or more. Full-time employees receive life, health, dental, and vision insurance as well as vacation, sick, and holiday leave. Part-time employees receive holiday and sick leave. Benefits are communicated through the CBA, mail, and email.

The training team for new and existing drivers includes the Safety/Training Manager, Road Supervisors and General Manager. The local DMV is used for commercial license testing. Ongoing training includes monthly safety meetings, spot-checks, behind-the-wheel training, and refresher classroom training.

The CBA includes a progressive discipline policy to enforce rules and punish infractions. It also includes a clear, communicated policy regarding absences and tardiness. The operator maintains and enforces a drug and alcohol policy that complies with FTA requirements.

### Maintenance

All maintenance is provided in-house by City maintenance staff. The maintenance program is managed using RTA Fleet Management software. Preventive maintenance schedules are based on OEM-recommended days and mileage intervals and are tracked and scheduled through vehicle maintenance software. Compliance with the PM schedule can easily be assessed. Fleet administrative staff send a monthly PM list to Transit administrative staff and the transit operations contractor to coordinate maintenance.

Manufacturer warranties are tracked in RTA. Since the pandemic, the City has had difficulty getting vendors and manufacturers to complete repairs. For example, a Cummins engine took months to be repaired by the manufacturer. The City has had trouble getting warranty work completed through Gillig because the manufacturer does not have sufficient support staff. The parts are proprietary as well. This can delay getting a bus back in service as well as impacts the spare ratio. At times maintenance can conflict with vehicle use when spare vehicles are unavailable.

The City's maintenance facility is capable of accommodating repairs that are not sent out, with a sufficient number of bays and lifts. Repairs that are typically sent out include body work, paint work, and other specialty repairs that the City does not have the expertise to provide. All work that can be handled by City staff is taken care of in-house. The facility also includes an area for administration and records.

Transit maintenance is provided at the City's corporate yard along with other City fleets. Transit has priority, and labor hours are tracked to transit-specific work orders. This facility has sufficient space for the work provided. Certain non-critical systems (such as solar panels) are currently inoperative, though overall the facility works well.

During the audit period, the most significant challenges in maintaining the transit fleet have been buses breaking down as they approach the end of their lives. The required labor hours for these repairs is very high, and many buses are often down. This is exacerbated by supply chain issues that can delay the receipt of parts by weeks or months. The City has also had issues maintaining its ITS and radio systems. This has required additional time for maintaining and troubleshooting new technologies. In addition, not all traditional mechanics have the skillset to address computer and IT issues with the new technology.

Maintenance is notified promptly of breakdowns. Maintenance notifies the dispatcher regarding vehicles that are down for maintenance and repair, as well as when a vehicle can be placed back in service. The City has a procedure to ensure unsafe buses are not used and that the most critically needed types of vehicles are repaired first. The vehicle is brought to the shop and the repairs are performed. The Daily Vehicle Inspection (DVI) is signed off by the technician and the vehicle is placed back into service. The dispatcher is notified via phone call, email, and the weekly log.

The backlog of repairs and preventive maintenance is large due to part lead times and staffing shortages. More maintenance staff may be necessary, as several experienced mechanics have retired. The City has looked at potentially partially funding a position that would prioritize transit. This would need to be a heavy equipment mechanic position.

The Service Manager and mechanics have access to the secure parts room. The Fleet Division has a computer program in place that the Parts Clerk physically checks the inventory levels and communicates with technicians for reorders. Supply chain issues with obtaining parts have greatly impacted the City's ability to provide maintenance. It has not yet affected the City's ability to provide transit service directly, but it has come close.

The City's fleet includes 25 CNG vehicles ranging in age from one year to ten years. It includes 18 cutaway buses, a trolley-style bus, and six 29-foot low-floor Gillig buses. The fleet is detailed in Exhibit 7.5.

Exhibit 7.5 City of Lodi Transit Fleet

| Vehicle # | Year | Make | Model | Length | Fuel | PAX | WC Positions | Mileage as of 6/30/24 |
|---|---|---|---|---|---|---|---|---|
| 10-051 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 123,818 |
| 10-052 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 117,986 |
| 10-053 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 117,249 |
| 10-054 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 99,867 |
| 10-055 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 111,541 |
| 10-056 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 128,073 |
| 10-057 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 116,530 |
| 10-058 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 114,025 |
| 10-059 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 105,427 |
| 10-060 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 117,412 |
| 10-061 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 78,513 |
| 10-062 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 116,998 |
| 10-063 | 2014 | Chevrolet | ARBOC Spirit of Mobility | 26' | CNG | 13 | 1 | 95,284 |
| 10-064 | 2018 | Chevrolet | GLAVAL Titan II | 26' | CNG | 15 | 1 | 72,025 |
| 10-065 | 2018 | Chevrolet | GLAVAL Titan II | 26' | CNG | 15 | 1 | 80,762 |
| 10-066 | 2018 | Chevrolet | GLAVAL Titan II | 26' | CNG | 15 | 1 | 82,828 |
| 10-067 | 2018 | Chevrolet | GLAVAL Titan II | 26' | CNG | 15 | 1 | 90,215 |
| 10-068 | 2018 | Chevrolet | GLAVAL Titan II | 26' | CNG | 15 | 1 | 76,814 |
| 10-050 | 2018 | Gillig | Low Floor Trolley | 35' | CNG | 30 | 2 | 25,658 |
| 10-010 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 6,399 |
| 10-011 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 8,248 |
| 10-012 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 9,611 |
| 10-013 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 6,175 |
| 10-014 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 7,789 |
| 10-015 | 2023 | Gillig | Low Floor | 29' | CNG | 18 | 2 | 7,623 |

# Chapter 8 | Findings and Recommendations

## Conclusions

The City of Lodi does not receive any TDA Article 4 funds for transit and has not traditionally been required to be in compliance with the requirements of the Transportation Development Act. One finding that would normally be considered a compliance finding during a Triennial Performance Audit has been identified. Recommendations intended to improve the effectiveness and efficiency of the operator are detailed below.

## Findings

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

1. The TDA fiscal audit for FY 2023/24 was completed after the March 31 extended deadline.

The audit team has identified no functional findings.

## Program Recommendations

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

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

### Compliance Finding 1: The TDA fiscal audit for FY 2023/24 was completed after the March 31 extended deadline.

**Criteria:** PUC 99245 requires all Article 4 recipients to submit an annual fiscal audit to the State Controller within 180 days of the end of the fiscal year. The RTPA has the authority to extend the deadline for another 90 days, typically to March 31. While Article 8 recipients submit TDA fiscal audits as well, compliance with the deadline is not a condition of compliance with TDA Article 8. However, since the RTPA cannot release Article 4 funds until the audit is submitted, it is helpful to have all transit operator audits submitted according to the same deadline.

**Condition:** As of March 31, 2025 the FY 2023/24 TDA fiscal audit had not yet been completed.

**Cause:** The City noted a high level of turnover within its Finance Department since the end of FY 2023/24, resulting in delays to the city-wide Annual Comprehensive Financial Report (ACFR). The FY 2023/24 ACFR must be completed prior to preparation of the FY 2023/24 TDA fiscal audit.

**Effect:** As a result of delays with the city-wide auditing, completion of the TDA fiscal audit was delayed.

**Recommendation:** Work with City and TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31.

**Recommended Action:** Prior to FY 2023/24, the City did not have an issue with completing its TDA fiscal audits within the established timeframe. The last time the audit was completed after the March 31 deadline was for FY 2018/19, at which time it was completed one week late. The City should continue to work toward on-time completion of its city-wide ACFRs and subsequent TDA fiscal audits.

**Timeline:** FY 2024/25.

**Anticipated Cost:** Negligible.

Exhibit 8.1 Audit Recommendations

| TDA Compliance Recommendations | | Importance | Timeline |
|---|---|---|---|
| 1 | Work with City and TDA auditors to ensure the TDA fiscal audit can be completed no later than March 31. | Medium | FY 2024/25 |

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