

Service Rate Policy for Fixed Route Service Outside City Limits

Objective:

To establish criteria to be used in determining transit service rates for fixed route services outside City limits.

Definitions:

Regional Transit System (RTS): Refers to the public transportation system operated and funded by the City of Gainesville.

Fixed Route: Refers to a specific path of travel with specific stop points with corresponding times on an established path.

Actual Vehicle Hours: Refers to the total hours that vehicles travel in revenue service plus deadhead hours.

Total Cost: Refers to the total costs associated with providing transit service, which includes operations, maintenance, administration, and ADA paratransit service costs.

Future Capital Investment: Refers to a 10% of calculated rate.

Farebox Revenue: Refers to the cash fares collected on bus routes outside the City limits.

Directives:

Service Rate: The service rate is equal to the total cost of service less funding allocations attributed to the area outside City limits divided by the total actual vehicle hours, deducting farebox revenue and applying a future capital investment factor.

Total Cost: The City of Gainesville's previous Fiscal Year Final Financial Statements will be used to calculate the total cost information.

Funding Allocations: Outside the City limits funding allocations will be determined by the percentage of Federal Transit Administration (FTA) operating funds and gas tax revenue allocated to outside the City limits. The percentage outside the City limits is based on the service area population obtained from FTA circular and Census data (currently the % Population Outside City limits = 40%).

Actual Vehicle Hours: Fiscal year actual vehicle hours (includes revenue hours, travel and relief times).

Farebox Revenue Rate: Rate calculated dividing the farebox revenue outside City limits by the vehicle hours of service outside City limits.

For instance, to calculate the service rate for FY2012 transit services outside the City limits:

FY 2010 Total Cost = \$20,670,805

Funding Allocations = \$1,465,155 (40% of FTA Operating Grant and Local Option Gas Tax to RTS)

Actual Vehicle Hours = 272,412 hours/year

Farebox Revenue Rate = \$5.62/hour

Service Rate = $1.1 * ((\$20,670,805 - \$1,465,155) / 272,412 \text{ hrs/year} - \$5.62/\text{hr}) = \$71.37$

Outside City Service Rate Calculation

Description	Total	Outside City Allocation
Local Option Gas Tax to RTS	\$ 1,962,888	\$ 785,155
FTA Operating Grant	\$ 1,700,000	\$ 680,000
Total	\$ 3,662,888	\$ 1,465,155

Note: % of Population Outside City limits per UZA = 40%

FY10

Description	Total	Annual Hours	Rate
Total Expenses	\$ 20,670,805	272,412	\$ 75.88
Total Outside City Allocation	\$ 1,465,155	272,412	\$ (5.38)
Farebox Revenue and hours Outside City limits	\$ 19,205,650	272,412	\$ 70.50
Rate Deducting Farebox rate Outside City limits	\$ 237,323	42,251	\$ (5.62)
Future Capital Investment			\$ 64.88
			\$ 6.49
			New FY 2012 Fee = \$ 71.37