

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 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.

Directives:

Service Rate: The service rate is equal to the total cost of service less the depreciation and funding allocations attributed to the area outside city limits divided by the total actual hours of service.

Service Rate = (Total Cost - Depreciation - Funding Allocations)/Actual Vehicle Hours.

Total Cost and Depreciation: The City of Gainesville's previous Fiscal Year Final Financial Statements will be used to calculate the total cost and obtain the depreciation 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 hours are obtained from National Transit Database (NTD) information approved by FTA.

For instance, to calculate the service rate for FY2011 transit services outside the City limits, we have:

FY 2009 Total Cost = \$19,207,140

Depreciation = \$1,938,055

Funding Allocations= \$680,000 (40% of FTA Operating Funds) and \$787,155 (40% of total Gas Tax)

Actual Hours = 265,643

**Service Rate = (\$19,207,140 – \$1,938,055 - \$680,000 - \$787,155)/ 265,643 hours/ year
= \$59.49/ hour.**