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TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

STEERING COMMITTEE MEETING

November 17, 1988

E&W Ernst & Whinney
Barton-Aschman Associates, Inc.

IOWA DEPARTMENT OF TRANSPORTATION
LIBRARY
800 LINCOLN WAY
AMES, IOWA 50010

TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

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TRANSIT ASSISTANCE DISTRIBUTION FORMULA STUDY

PURPOSE OF THE FUNDING

LEGISLATIVE: To provide assistance to public transit for the development, improvement, and maintenance of public transit systems.

FUND RECIPIENTS:

- **To maintain and support public transit operations**
- **To offset the impact of declining federal support**
- **To encourage innovation**
- **To subsidize transportation services for the transit dependent**
- **To reward efficient operation**

Transit Assistance Distribution Formula

History

- 1977** State Transit Assistance Initiated, Total of \$1.34 Million Distributed on a Discretionary Basis

- 1979** Proposal to Create a Formula for the Distribution of State Transit Assistance Funds Circulated for Comment, A Total of \$2.26 Million Distributed on a Discretionary Basis

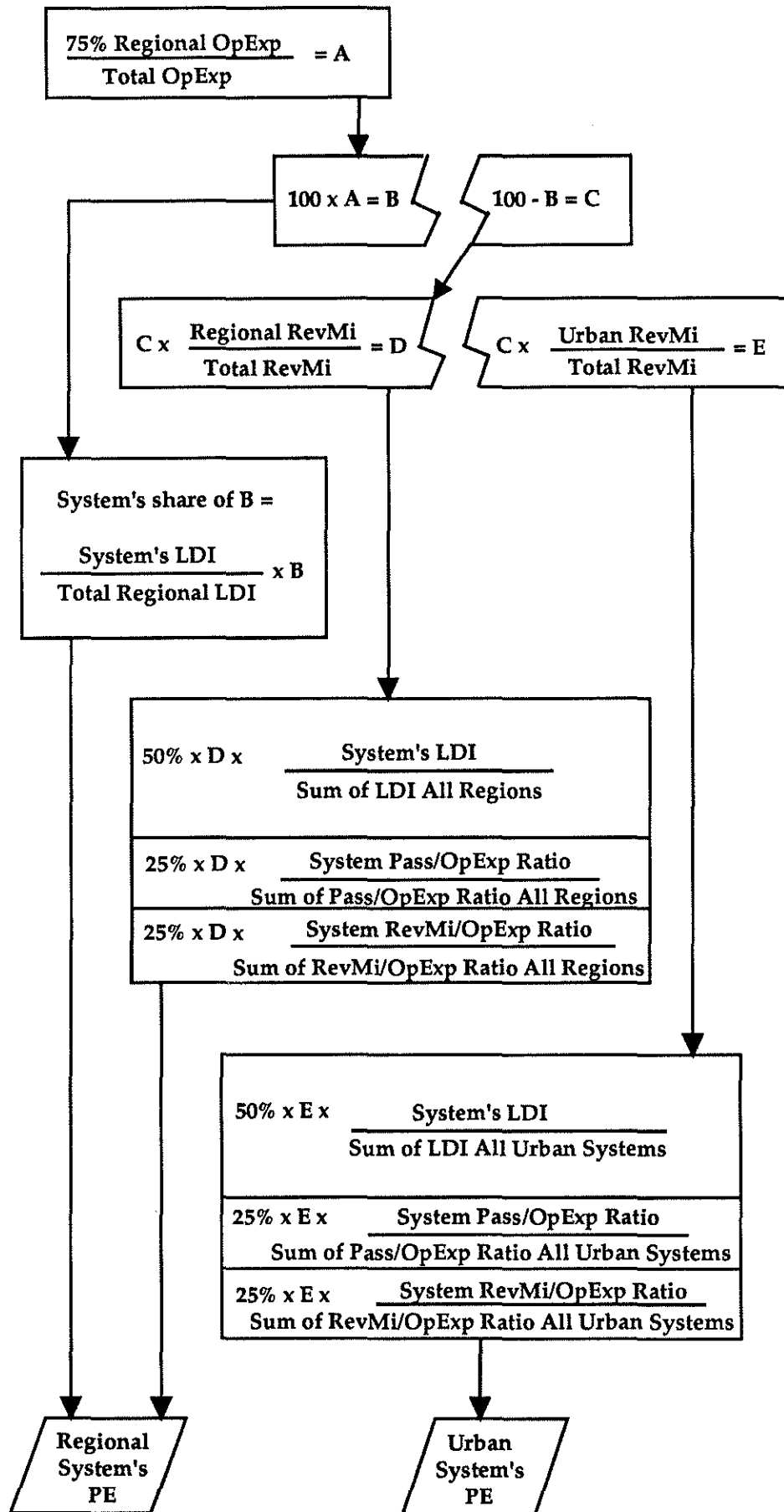
- 1981** State Transit Assistance Distributed Based on the New Formula. A Total of \$2.25 Million Distributed

- 1982** Minor Adjustments Made to the Model, Primarily in
to Definitions of Model Inputs (LDI) and Communication
1988 of Specific Project Emphasis Areas, Funding Increased From \$2.1 Million in 1982 to \$4 Million in 1988

- 1988** State Transit Assistance Funding Study Initiated



Transit Funding Formula



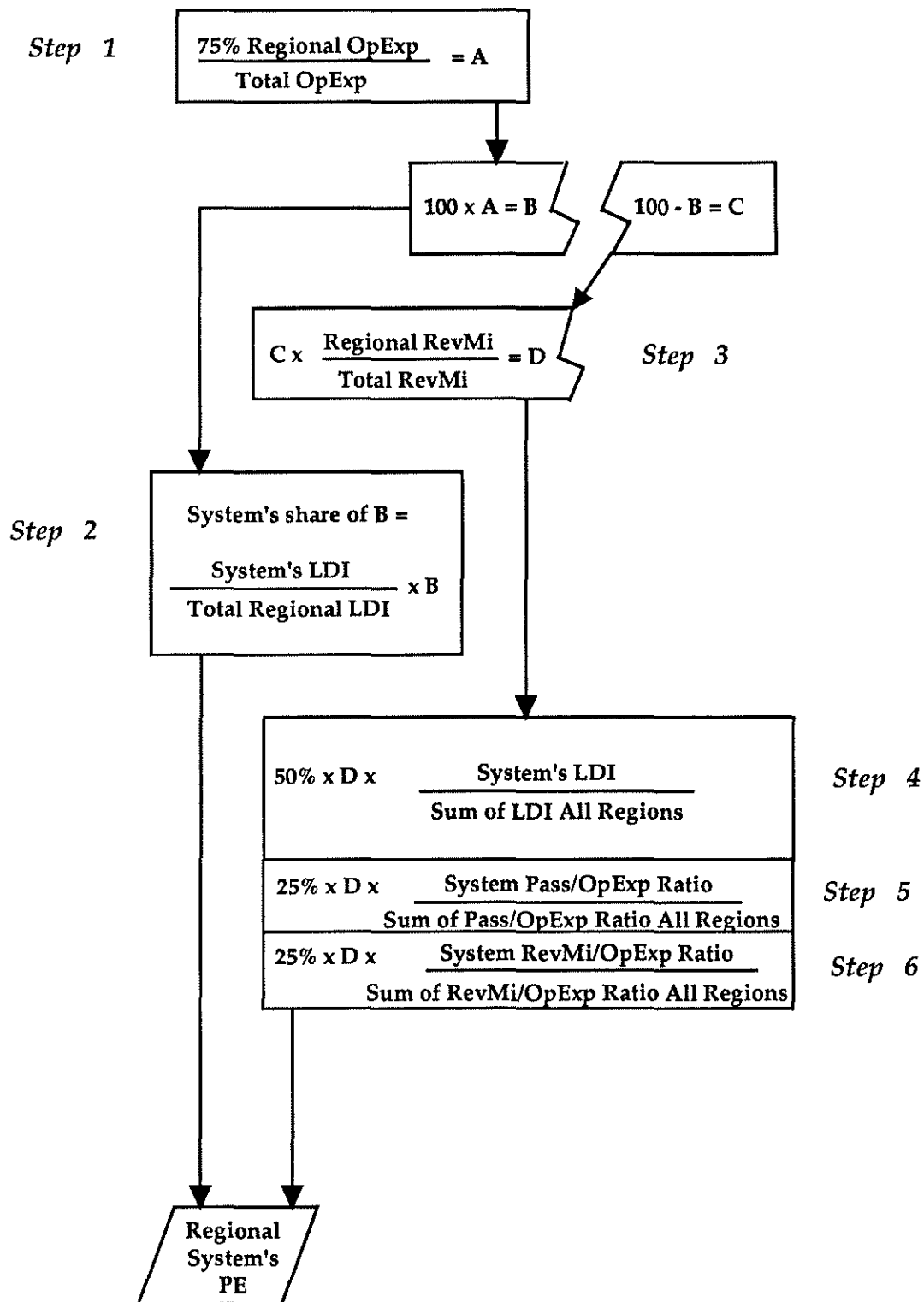
IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

CALCULATION OF REGIONAL SYSTEMS' SHARE

- Step 1:** A portion of the funding is set aside exclusively for regional systems. This is done by determining the ratio of 75 percent of the regional's operating expenses to the total operating expenses of all systems. This ratio, multiplied by 100, becomes the percentage of total funds available exclusively for regional systems. (For the period between 1982 and 1987, this amounted to approximately 14 percent.)
- Step 2:** The portion of funding set aside exclusively for regional systems is distributed among those systems based on the percentage of each system's locally determined income (LDI) relative to the total regional LDI.
- Step 3:** The portion of funding remaining from Step 1 is distributed between regional and urban systems based on revenue miles. The regional revenue miles are divided by total revenue miles to determine the percentage going to regional systems.
- Step 4:** Fifty percent of the regional system's portion is distributed among systems based on the percentage each system's LDI makes up of the total regional LDI.
- Step 5:** Twenty-five percent of the regional system's portion is distributed among systems based on the ratio of each system's number of passengers per operating expense dollar to average number of passengers per operating expense dollar for all regional systems.
- Step 6:** Twenty-five percent of the regional system's portion is distributed among systems based on the ratio of each system's number of revenue miles per operating dollar to the average number of revenue miles per operating expense dollar for all regional systems.

Transit Funding Formula

REGIONAL SYSTEMS

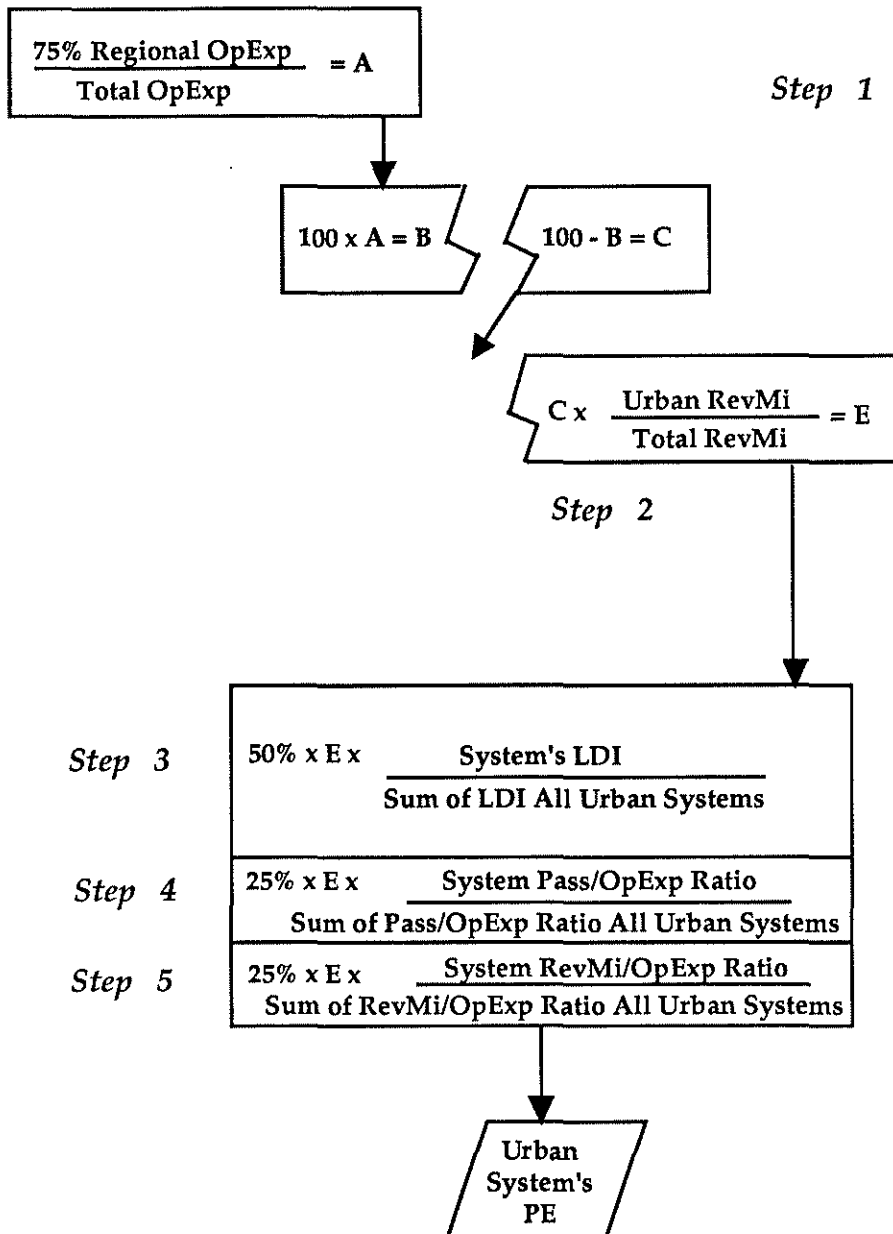


IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY CALCULATION OF URBAN SYSTEMS' SHARE

- Step 1: A portion of the funding is set aside exclusively for regional systems. This is done by determining the ratio of 75 percent of the regional's operating expenses to the total operating expenses of all systems. This ratio, multiplied by 100, becomes the percentage of total funds available exclusively for regional systems. (For the period between 1982 and 1987, this amounted to approximately 14 percent.)**
- Step 2: The portion of funding remaining from Step 1 is distributed between regional and urban systems based on revenue miles. The urban revenue miles are divided by total revenue miles to determine the percentage going to urban systems.**
- Step 3: Fifty percent of the urban system's portion is distributed among systems based on the percentage each systems' LDI makes up of the total urban LDI.**
- Step 4: Twenty-five percent of the urban system's portion is distributed among systems based on the ratio of each system's number of passengers per operating expense dollar to average number of passengers per operating expense dollar for all urban systems.**
- Step 5: Twenty-five percent of the urban system's portion is distributed among systems based on the ratio of each system's number of revenue miles per operating expense dollar to the average number of revenue miles per operating expense dollar for all urban systems.**

Transit Funding Formula

URBAN SYSTEMS



TRANSIT ASSISTANCE DISTRIBUTION FORMULA STUDY

PERCEPTION: The formula does not distinguish between systems based on their ability to contribute to locally determined income from tax revenues.

FINDINGS:

- **Managers of three systems said that their local governments contribute the full \$.54 per \$1000 assessed property value for transit. All three represent urban systems.**
- **Four systems received very little or no local tax support; ten systems are experienced declining tax revenue support; and sixteen systems recieved widely varying amounts of tax support over the last four years.**
- **Among regional systems, local tax support made up an average of 22 per cent of operating expenses and ranged from 0 to 63 percent in 1987. Among urban systems, local tax support made up an average of 49 percent of operating expenses and ranged from 0 to 73 percent in 1987.**
- **Systems that report that their local government is contributing the maximum amount of tax revenue do not stand out from other systems in terms of financial characteristics collected by the State.**
- **Systems that do not receive local tax support draw their LDI contribution from other sources of revenue.**

IOWA TRANSIT FUNDING DISTRIBUTION STUDY

PERCEPTION: The formula may disproportionately benefit some systems that are growing relative to those that are stable or declining.

FINDINGS:

- **Fourteen of the sixteen regional recipients have experienced growth in ridership and revenue miles between 1982 and 1987; two have declined.**
- **Three small urban recipients and three large urban recipients have experienced growth in riders and/or revenue miles. The remainder have experienced declines.**
- **Those recipients that have experienced growth in riders and revenue miles have also experienced growth in share of funding. Those that have experienced declines in riders and revenue miles have also experienced declines in share of funding.**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: Counting of Federal and State contract funds as LDI biases the distribution of funds.

FINDINGS:

- **Not counting contract funds as LDI would have practically no effect on the distributions to small and large urban recipients.**
- **Not counting contract funds as LDI would reduce some regional recipients' distribution, and increase others, by as much as 47 percent.**
- **The fiscal impact on recipients ranges from a change in distribution of \$19 to a change in distribution of \$37,213. (This represents less than 1 percent of this recipient's total operating expenses.)**
- **There would be no shift in distribution between regional and urban recipients.**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: Because performance is viewed relative to others, who may also improve, improved performance is not necessarily rewarded.

FINDINGS:

- Performance in terms of passengers per expenditure dollar ranged from declines of 43 percent to improvements of 104 percent between 1982 and 1987.
- Performance in revenue miles per expenditure dollar ranged from declines of 42 percent to improvements of 132 percent between 1982 and 1987.
- For the most part, those recipients with declining performance between 1982 and 1987 received declining percentages of the transit funds.
- For the most part, those recipients with improving performance between 1982 and 1987 received increasing percentages of the transit funds.

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: The formula provides too great a percentage of the funding to either urban or regional recipients.

FINDINGS:

- **Regional recipients received an average of \$.50 per passenger in State assistance compared to \$.11 per passenger for small urban recipients and \$.05 per passenger for large urban recipients.**
- **Regional recipients received an average of \$.17 per revenue mile in State assistance compared to \$.18 per revenue mile for small urban recipients and \$.10 per revenue mile for large urban recipients.**
- **Regional recipients received an average of 22.3 percent of operating expenses from State assistance compared to 10.3 percent for the small urbans and 4.2 percent for the large urbans.**
- **Regional recipients covered an average of 79 percent of operating expenses from locally determined income compared to 80 percent for the small urbans and 72 percent for the large urbans.**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: The formula does not place a minimum threshold on farebox return and therefore does not discourage noncost-beneficial service.

FINDINGS:

- **Among regional recipients, farebox return represented between 0 and 32 percent of operating expenses in 1987. The average was 10 percent.**
- **Among urban recipients, farebox return represented between 0 and 43 percent of operating expenses in 1987. The average was 27 percent.**
- **When mileage and operating costs are increased and the number of passengers is held constant (i.e. density is reduced), a systems's allocation (either regional or urban) decreases. Urban recipients are affected more severely by reduced density.**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: The formula distribution based on two year old data biases the allocation.

FINDINGS:

Using 1987 data to make 1987 allocations would have resulted in:

- **Seven regional recipients receiving between 2 percent and 13 percent less funding**
- **Nine regional recipients receiving between ten percent and 35 percent more funding**
- **Seventeen urban recipients receiving between 2 percent and 21 percent less funding**
- **Two urban recipients receiving between 8 percent and 21 percent more funding**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: Some systems are receiving more in state assistance than they contribute in LDI.

FINDINGS:

- **No system receives more in state assistance than it contributes in LDI.**
- **Among regional recipients, average state assistance is 29 percent of LDI. The range in percentages runs from 22 percent to 52 percent.**
- **Among small urban recipients, average state assistance is 13 percent of LDI. The range in percentages runs from 6 percent to 58 percent.**
- **Among large urban recipients, average state assistance is 6 percent of LDI. The range in percentages runs from 5 percent to 21 percent.**

IOWA TRANSIT FUNDING DISTRIBUTION FORMULA STUDY

PERCEPTION: Systems that provide demand response service (elderly and handi-capped) are disadvantaged when compared to systems that provide only fixed route service.

FINDINGS:

- **Demand response service is assumed to be more costly to provide than fixed route service. However, it does not appear those systems offering demand response service are any worse or better off than other systems.**

APPENDIX

IOWA TRANSIT SYSTEM TRENDS

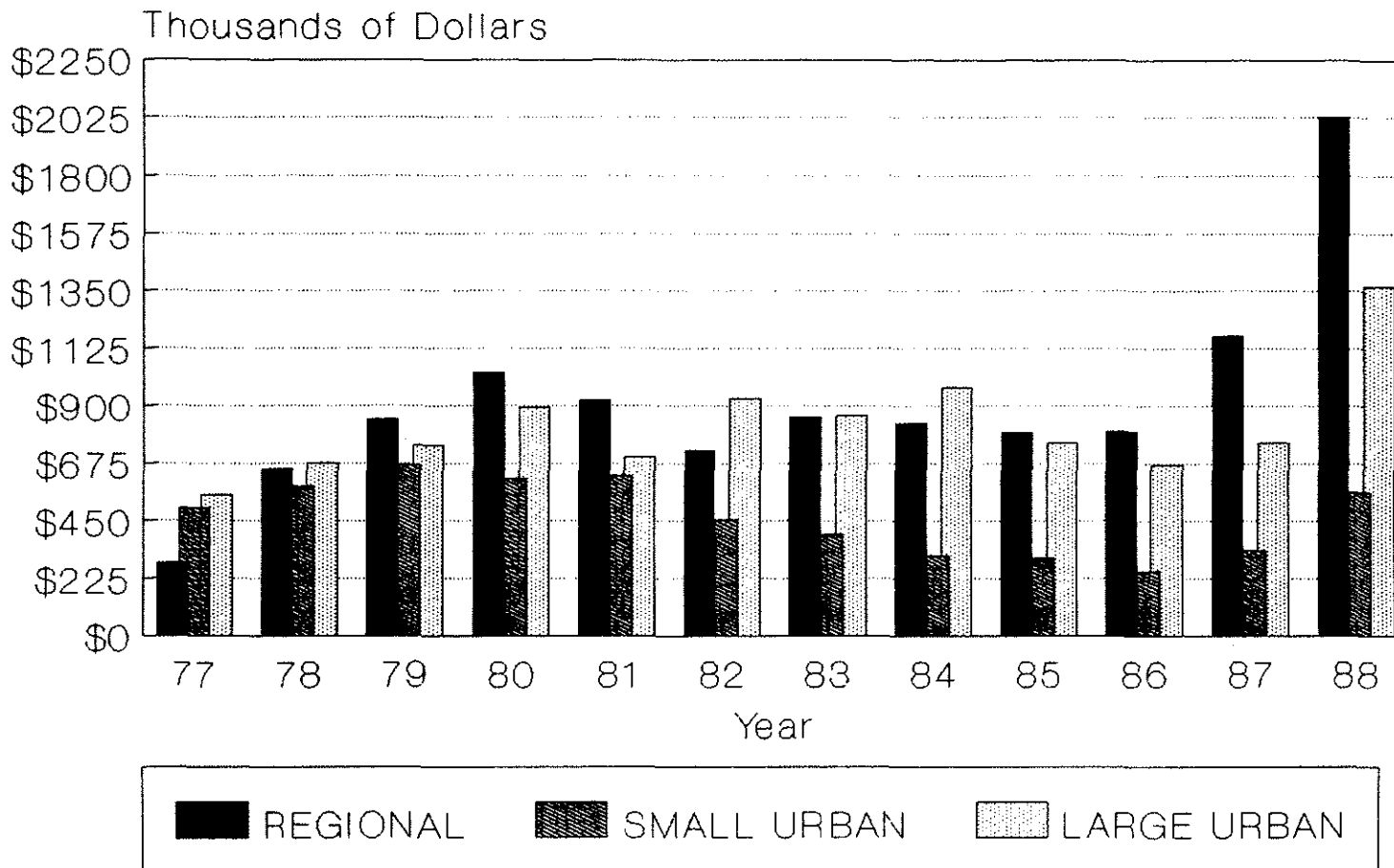
**IOWA TRANSIT FUNDING STUDY
STATE ASSISTANCE: 1977 TO 1988
Total Assistance**

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total State Assistance	Percent Change
1977	\$286,071	21%	--	\$500,281	37%	--	\$552,575	41%	--	\$1,338,927	--
1978	\$653,265	34%	128%	\$585,414	31%	17%	\$677,149	35%	23%	\$1,915,828	43%
1979	\$847,460	37%	30%	\$668,580	30%	14%	\$745,189	33%	10%	\$2,261,229	18%
1980	\$1,029,211	41%	21%	\$615,093	24%	-8%	\$894,008	35%	20%	\$2,538,312	12%
1981	\$923,017	41%	-10%	\$626,820	28%	2%	\$700,105	31%	-22%	\$2,249,942	-11%
1982	\$725,308	34%	-21%	\$455,405	22%	-27%	\$928,994	44%	33%	\$2,109,707	-6%
1983	\$857,205	40%	18%	\$397,597	19%	-13%	\$863,125	41%	-7%	\$2,117,927	0%
1984	\$832,672	39%	-3%	\$313,534	15%	-21%	\$972,852	46%	13%	\$2,119,058	0%
1985	\$794,714	43%	-5%	\$303,893	16%	-3%	\$755,852	41%	-22%	\$1,854,459	-12%
1986	\$799,737	46%	1%	\$253,016	15%	-17%	\$669,163	39%	-11%	\$1,721,916	-7%
1987	\$1,177,754	52%	47%	\$334,607	15%	32%	\$755,837	33%	13%	\$2,268,198	32%
1988	\$2,027,107	51%	72%	\$563,633	14%	68%	\$1,367,148	35%	81%	\$3,957,888	74%

IOWA TRANSIT FUNDING STUDY

STATE ASSISTANCE: 1977 TO 1988

Total Assistance



Source: Iowa Dept. of Transportation
Air and Transit Division

Note: Distribution 100% Discretionary-based 1977 to 1980
 Distribution 50% Discretionary/50% Formula-based 1981
 Distribution 100% Formula-based since 1982



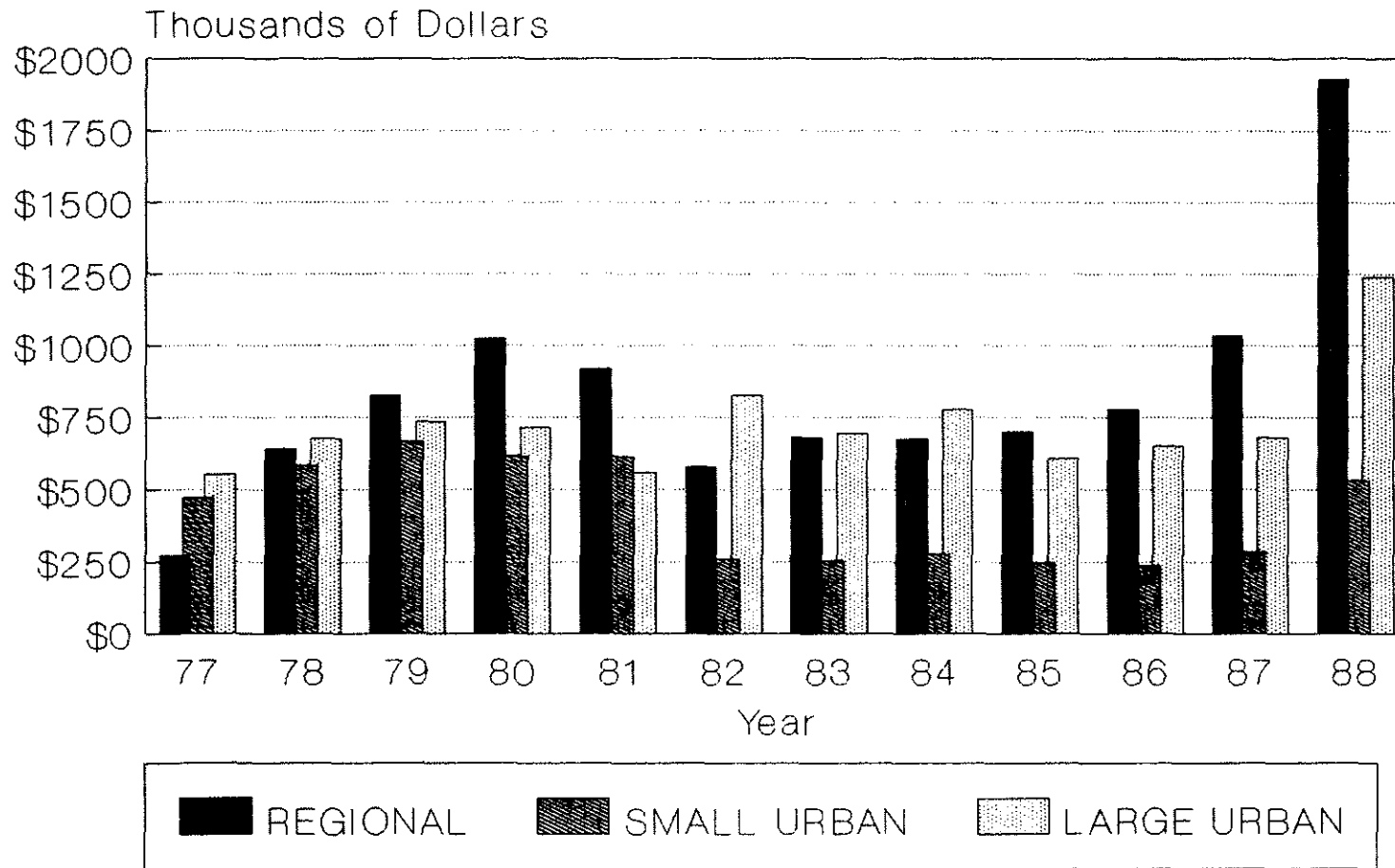
IOWA TRANSIT FUNDING STUDY
STATE ASSISTANCE: 1977 TO 1988
Formula Based Assistance

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Formula Based Assistance	Percent Change
1977	\$271,283	21%	--	\$473,734	37%	--	\$552,575	43%	--	\$1,297,592	--
1978	\$639,175	34%	136%	\$584,185	31%	23%	\$676,989	36%	23%	\$1,900,349	46%
1979	\$828,441	37%	30%	\$666,279	30%	14%	\$734,276	33%	8%	\$2,228,996	17%
1980	\$1,025,860	44%	24%	\$615,093	26%	-8%	\$716,308	30%	-2%	\$2,357,261	6%
1981	\$917,909	44%	-11%	\$614,173	29%	0%	\$558,438	27%	-22%	\$2,090,520	-11%
1982	\$578,349	35%	-37%	\$259,676	16%	-58%	\$829,009	50%	48%	\$1,667,034	-20%
1983	\$679,669	42%	18%	\$254,385	16%	-2%	\$694,791	43%	-16%	\$1,628,845	-2%
1984	\$674,342	39%	-1%	\$276,976	16%	9%	\$778,029	45%	12%	\$1,729,347	6%
1985	\$701,345	45%	4%	\$247,263	16%	-11%	\$605,992	39%	-22%	\$1,554,600	-10%
1986	\$777,504	47%	11%	\$237,316	14%	-4%	\$650,953	39%	7%	\$1,665,773	7%
1987	\$1,036,248	52%	33%	\$283,952	14%	20%	\$679,800	34%	4%	\$2,000,000	20%
1988	\$1,928,707	52%	86%	\$531,850	14%	87%	\$1,239,444	33%	82%	\$3,700,001	85%

IOWA TRANSIT FUNDING STUDY

STATE ASSISTANCE: 1977 TO 1988

Formula Assistance



Source: Iowa Dept. of Transportation
Air and Transit Division

Note: Distribution 100% Discretionary-based 1977 to 1980
 Distribution 50% Discretionary/50% Formula-based 1981
 Distribution 100% Formula-based since 1982

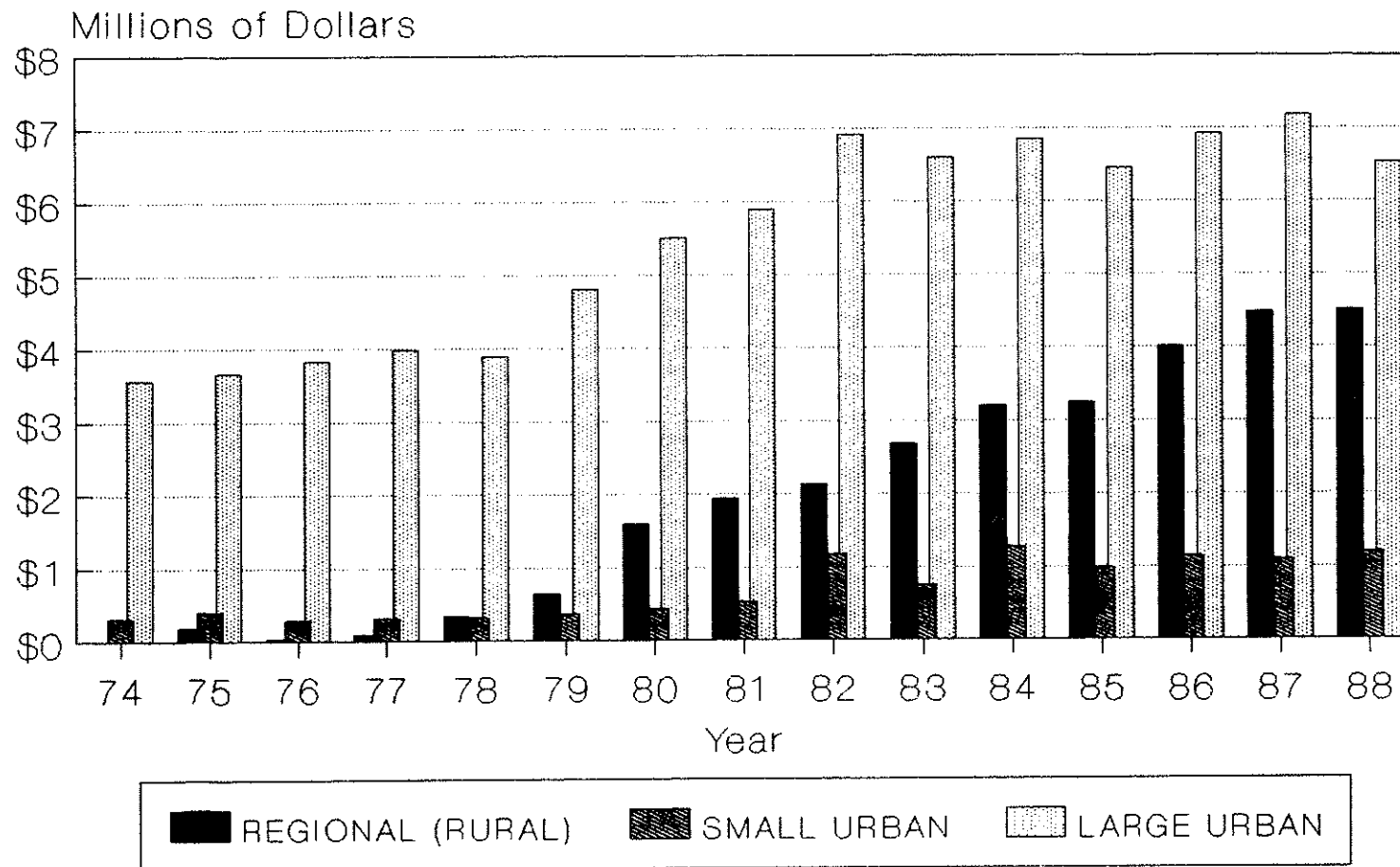


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM OPERATING REVENUE: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Operating Revenue	Percent Change
1974	N/A	--	--	316,327	8%	--	3,563,467	92%	--	3,879,794	--
1975	182,027	4%	--	406,164	10%	28%	3,665,478	86%	3%	4,253,669	10%
1976	32,647	1%	-71%	285,278	7%	-30%	3,832,777	92%	5%	4,150,702	-2%
1977	93,963	2%	188%	315,640	7%	11%	3,980,628	91%	4%	4,390,231	6%
1978	339,782	7%	262%	321,739	7%	2%	3,893,245	85%	-2%	4,554,766	4%
1979	644,566	11%	90%	370,958	6%	15%	4,815,640	83%	24%	5,831,164	28%
1980	1,595,299	21%	147%	438,343	6%	18%	5,511,675	73%	14%	7,545,317	29%
1981	1,944,096	23%	22%	521,960	6%	19%	5,895,885	71%	7%	8,361,941	11%
1982	2,135,441	21%	10%	1,182,611	12%	127%	6,914,667	68%	17%	10,232,719	22%
1983	2,691,497	27%	26%	750,063	7%	-37%	6,595,792	66%	-5%	10,037,352	-2%
1984	3,201,745	28%	19%	1,272,782	11%	70%	6,855,309	61%	4%	11,329,836	13%
1985	3,244,368	30%	1%	983,919	9%	-23%	6,455,446	60%	-6%	10,683,733	-6%
1986	4,005,970	33%	23%	1,145,153	9%	16%	6,922,429	57%	7%	12,073,552	13%
1987	4,476,517	35%	12%	1,100,029	9%	-4%	7,176,872	56%	4%	12,753,418	6%
1988	4,510,406	37%	1%	1,202,178	10%	9%	6,530,112	53%	-9%	12,242,696	-4%

IOWA TRANSIT FUNDING STUDY

OPERATING REVENUE: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

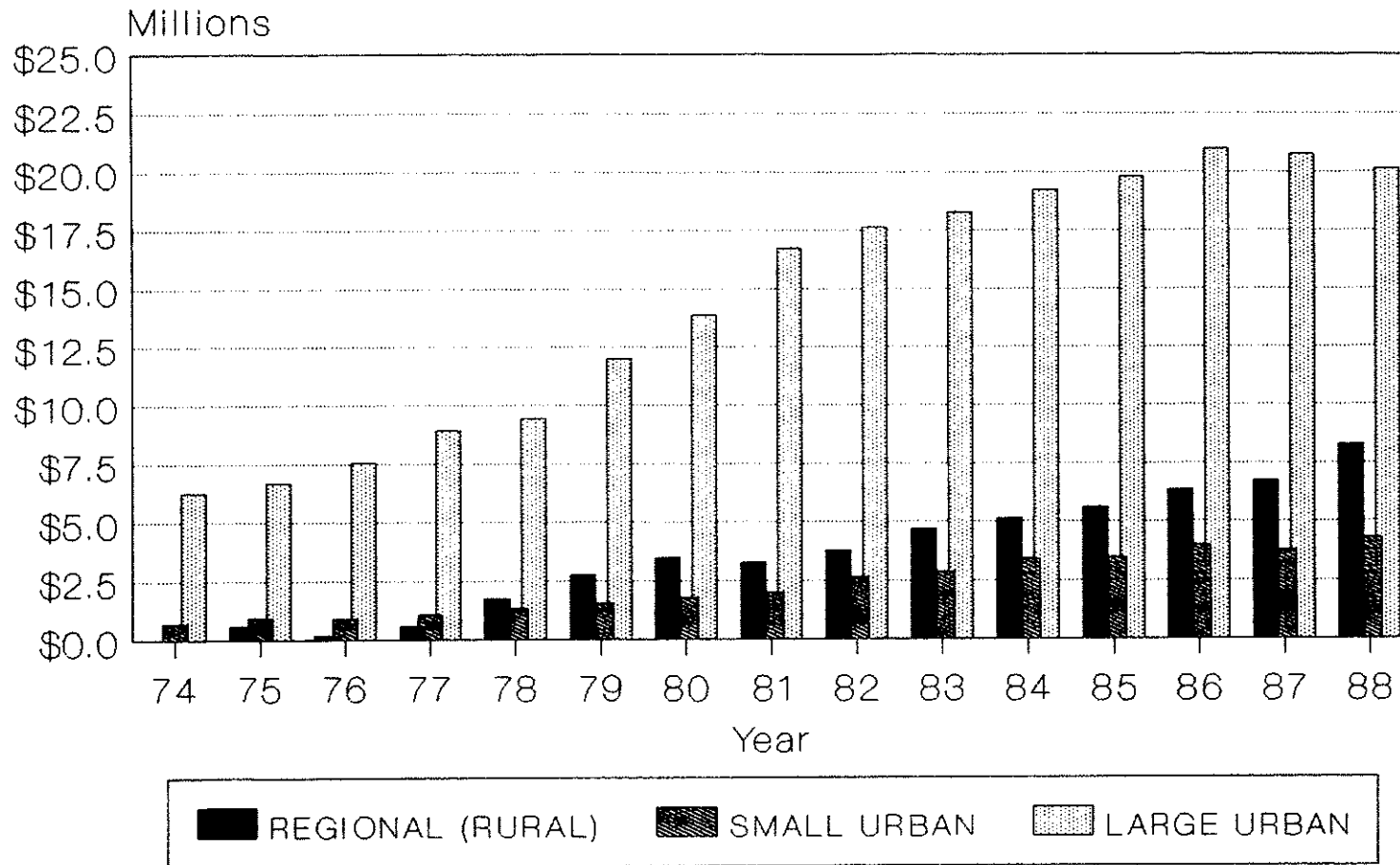


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM OPERATING EXPENSES: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Operating Expenses	Percent Change
1974	N/A	--	--	\$710,227	10%	--	\$6,250,327	90%	--	\$6,960,554	--
1975	\$569,829	7%	--	\$947,669	12%	33%	\$6,687,897	82%	7%	\$8,205,395	18%
1976	\$197,236	2%	-65%	\$905,547	10%	-4%	\$7,567,040	87%	13%	\$8,669,823	6%
1977	\$566,707	5%	187%	\$1,067,306	10%	18%	\$8,916,273	85%	18%	\$10,550,286	22%
1978	\$1,752,267	14%	209%	\$1,326,253	11%	24%	\$9,438,411	75%	6%	\$12,516,931	19%
1979	\$2,727,399	17%	56%	\$1,534,964	9%	16%	\$11,985,181	74%	27%	\$16,247,544	30%
1980	\$3,496,674	18%	28%	\$1,777,077	9%	16%	\$13,860,336	72%	16%	\$19,134,087	18%
1981	\$3,256,717	15%	-7%	\$2,001,420	9%	13%	\$16,721,154	76%	21%	\$21,979,291	15%
1982	\$3,804,525	16%	17%	\$2,638,428	11%	32%	\$17,633,653	73%	5%	\$24,076,606	10%
1983	\$4,684,497	18%	23%	\$2,871,722	11%	9%	\$18,264,088	71%	4%	\$25,820,307	7%
1984	\$5,113,869	18%	9%	\$3,389,587	12%	18%	\$19,218,122	69%	5%	\$27,721,578	7%
1985	\$5,596,636	19%	9%	\$3,466,121	12%	2%	\$19,806,142	69%	3%	\$28,868,899	4%
1986	\$6,327,716	20%	13%	\$3,958,801	13%	14%	\$20,984,783	67%	6%	\$31,271,300	8%
1987	\$6,705,824	21%	6%	\$3,767,203	12%	-5%	\$20,737,247	66%	-1%	\$31,210,274	0%
1988	\$8,279,458	25%	23%	\$4,291,874	13%	14%	\$20,122,781	62%	-3%	\$32,694,113	5%

IOWA TRANSIT FUNDING STUDY

OPERATING EXPENSES: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

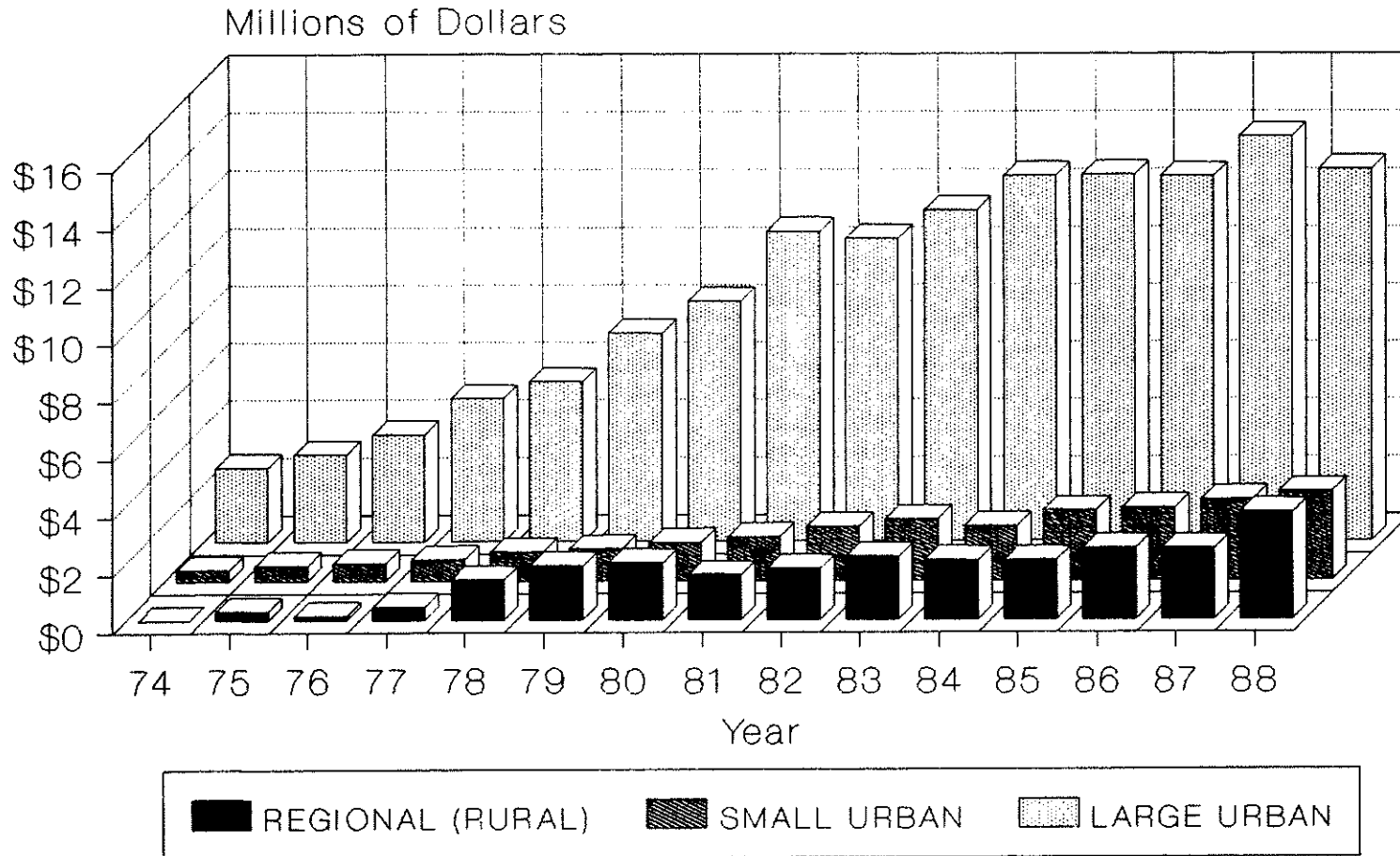


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM OPERATING DEFICIT: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Operating Deficit	Percent Change
1974	\$0	--	--	\$393,900	13%	--	\$2,586,863	87%	--	2,980,763	--
1975	\$314,757	8%	--	\$541,505	14%	37%	\$3,022,421	78%	17%	3,878,683	30%
1976	\$163,544	4%	-48%	\$620,138	14%	15%	\$3,707,479	83%	23%	4,491,161	16%
1977	\$469,762	8%	187%	\$751,486	12%	21%	\$4,952,462	80%	34%	6,173,710	37%
1978	\$1,395,035	18%	197%	\$1,003,929	13%	34%	\$5,545,166	70%	12%	7,944,130	29%
1979	\$1,886,460	18%	35%	\$1,116,661	11%	11%	\$7,238,022	71%	31%	10,241,143	29%
1980	\$1,984,134	17%	5%	\$1,333,734	11%	19%	\$8,348,361	72%	15%	11,666,229	14%
1981	\$1,562,763	11%	-21%	\$1,530,861	11%	15%	\$10,764,795	78%	29%	13,858,419	19%
1982	\$1,772,877	13%	13%	\$1,882,245	13%	23%	\$10,521,673	74%	-2%	14,176,795	2%
1983	\$2,197,968	14%	24%	\$2,129,872	13%	13%	\$11,496,589	73%	9%	15,824,429	12%
1984	\$2,075,186	12%	-6%	\$1,892,743	11%	-11%	\$12,668,699	76%	10%	16,636,628	5%
1985	\$2,065,636	12%	0%	\$2,421,626	14%	28%	\$12,711,087	74%	0%	17,198,349	3%
1986	\$2,484,195	14%	20%	\$2,516,369	14%	4%	\$12,650,301	72%	0%	17,650,865	3%
1987	\$2,468,773	13%	-1%	\$2,789,300	14%	11%	\$14,039,377	73%	11%	19,297,450	9%
1988	\$3,721,285	19%	51%	\$3,083,696	16%	11%	\$12,898,182	65%	-8%	19,703,163	2%

IOWA TRANSIT FUNDING STUDY

OPERATING DEFICIT: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

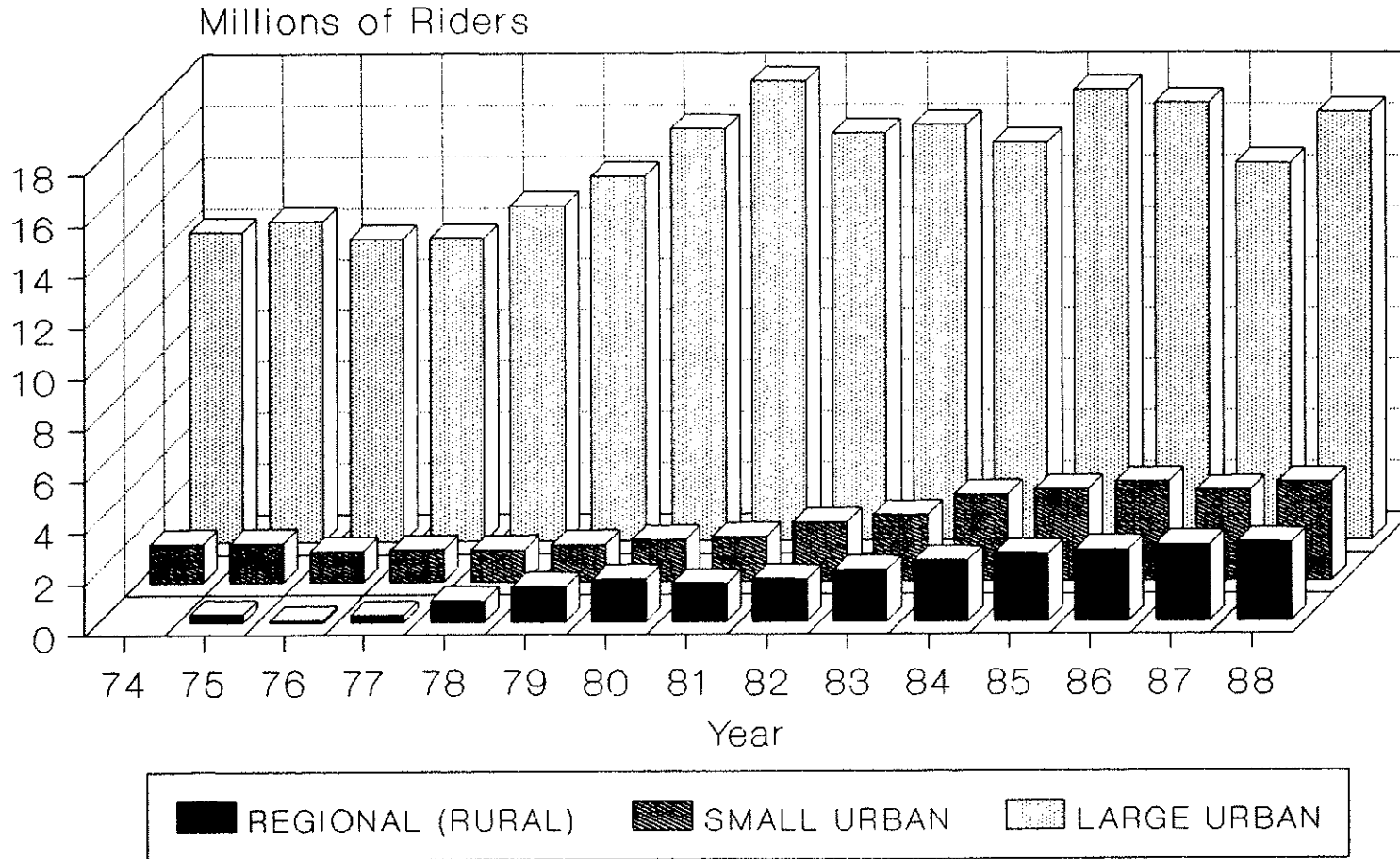


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM RIDERSHIP: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Ridership	Percent Change
1974	N/A	--	--	1,494,843	11%	--	12,133,524	89%	--	13,628,367	--
1975	323,774	2%	--	1,513,439	11%	1%	12,543,496	87%	3%	14,380,709	6%
1976	93,425	1%	-71%	1,199,169	9%	-21%	11,849,945	90%	-6%	13,142,539	-9%
1977	276,014	2%	195%	1,253,969	9%	5%	11,875,217	89%	0%	13,405,200	2%
1978	835,458	5%	203%	1,241,507	8%	-1%	13,143,980	86%	11%	15,220,945	14%
1979	1,386,541	8%	-71%	1,436,974	8%	16%	14,287,960	83%	9%	17,111,475	12%
1980	1,653,916	9%	195%	1,627,337	8%	13%	16,128,412	83%	13%	19,409,665	13%
1981	1,479,081	7%	203%	1,721,596	8%	6%	17,970,570	85%	11%	21,171,247	9%
1982	1,661,931	8%	66%	2,284,206	11%	33%	15,950,249	80%	-11%	19,896,386	-6%
1983	1,989,025	10%	19%	2,567,566	12%	12%	16,265,788	78%	2%	20,822,379	5%
1984	2,366,168	11%	-11%	3,340,684	16%	30%	15,574,726	73%	-4%	21,281,578	2%
1985	2,621,460	11%	12%	3,549,267	15%	6%	17,616,847	74%	13%	23,787,574	12%
1986	2,771,329	12%	20%	3,838,610	16%	8%	17,107,689	72%	-3%	23,717,628	0%
1987	2,965,533	14%	19%	3,508,003	17%	-9%	14,779,317	70%	-14%	21,252,853	-10%
1988	3,049,967	13%	11%	3,843,500	16%	10%	16,744,264	71%	13%	23,637,731	11%

IOWA TRANSIT FUNDING STUDY

TRANSIT SYSTEM RIDERSHIP: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

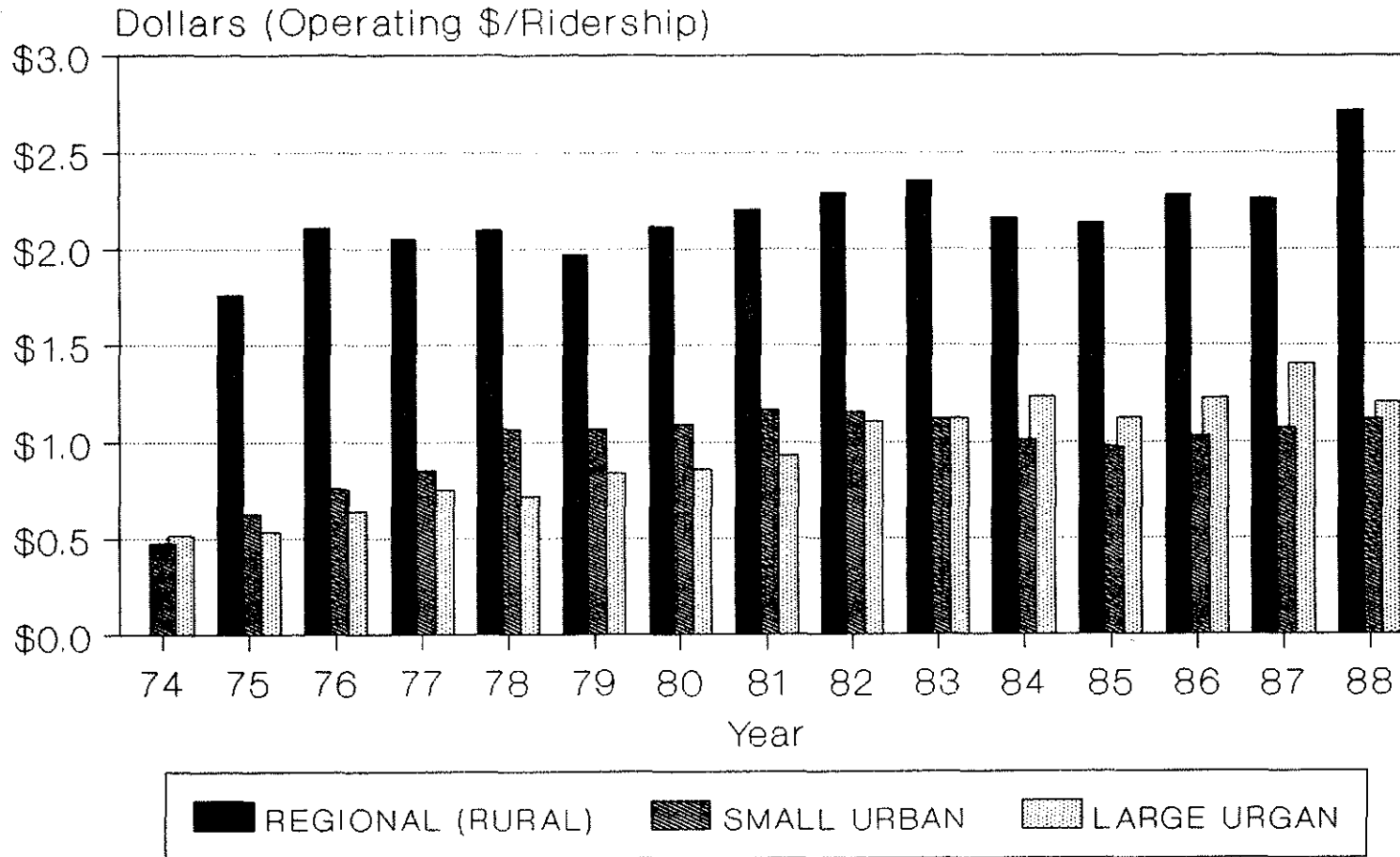


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM COST PER RIDER: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Cost Per Rider	Percent Change
1974	N/A	--	--	\$0.48	48%	--	\$0.52	52%	--	\$0.99	--
1975	\$1.76	60%	--	\$0.63	21%	32%	\$0.53	18%	4%	\$2.92	195%
1976	\$2.11	60%	20%	\$0.76	22%	21%	\$0.64	18%	20%	\$3.50	20%
1977	\$2.05	56%	-3%	\$0.85	23%	13%	\$0.75	21%	18%	\$3.66	4%
1978	\$2.10	54%	2%	\$1.07	28%	26%	\$0.72	18%	-4%	\$3.88	6%
1979	\$1.97	51%	-6%	\$1.07	28%	0%	\$0.84	22%	17%	\$3.87	0%
1980	\$2.11	52%	7%	\$1.09	27%	2%	\$0.86	21%	2%	\$4.07	5%
1981	\$2.20	51%	4%	\$1.16	27%	6%	\$0.93	22%	8%	\$4.29	6%
1982	\$2.29	50%	4%	\$1.16	25%	-1%	\$1.11	24%	19%	\$4.55	6%
1983	\$2.36	51%	3%	\$1.12	24%	-3%	\$1.12	24%	2%	\$4.60	1%
1984	\$2.16	49%	-8%	\$1.01	23%	-9%	\$1.23	28%	10%	\$4.41	-4%
1985	\$2.13	50%	-1%	\$0.98	23%	-4%	\$1.12	27%	-9%	\$4.24	-4%
1986	\$2.28	50%	7%	\$1.03	23%	6%	\$1.23	27%	9%	\$4.54	7%
1987	\$2.26	48%	-1%	\$1.07	23%	4%	\$1.40	30%	14%	\$4.74	4%
1988	\$2.71	54%	20%	\$1.12	22%	4%	\$1.20	24%	-14%	\$5.03	6%

IOWA TRANSIT FUNDING STUDY

COST PER RIDER: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

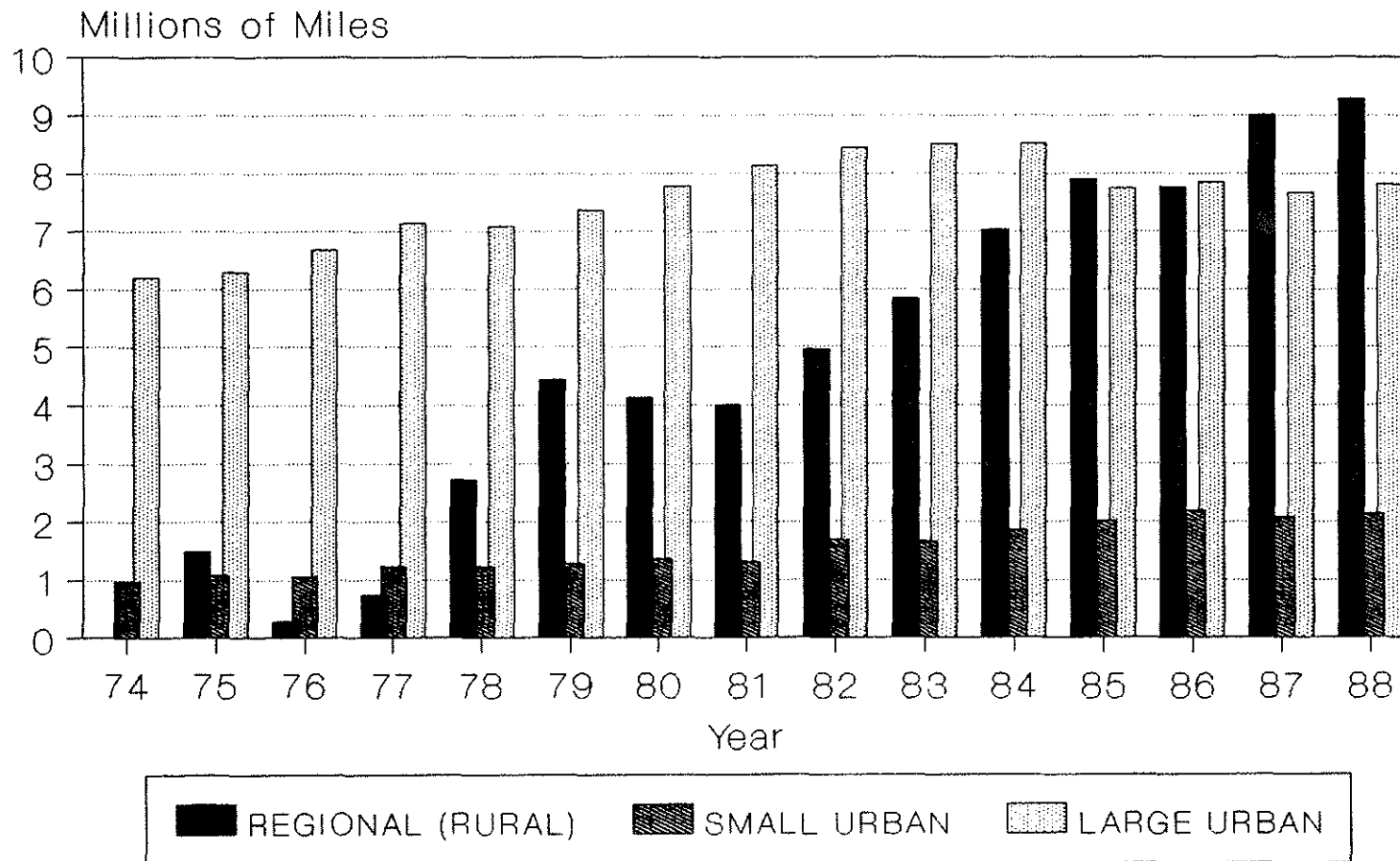


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM REVENUE MILES: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Revenue Miles	Percent Change
1974	N/A	--	--	981,153	14%	--	6,194,040	86%	--	7,175,193	--
1975	1,503,951	17%	--	1,085,892	12%	11%	6,293,286	71%	2%	8,883,129	24%
1976	289,844	4%	-81%	1,055,999	13%	-3%	6,685,488	83%	6%	8,031,331	-10%
1977	727,527	8%	151%	1,232,820	14%	17%	7,142,315	78%	7%	9,102,662	13%
1978	2,723,186	25%	274%	1,229,772	11%	0%	7,085,335	64%	-1%	11,038,293	21%
1979	4,443,341	34%	-81%	1,285,355	10%	5%	7,362,514	56%	4%	13,091,210	19%
1980	4,127,683	31%	151%	1,364,584	10%	6%	7,768,893	59%	6%	13,261,160	1%
1981	4,008,886	30%	274%	1,310,259	10%	-4%	8,131,357	60%	5%	13,450,502	1%
1982	4,951,452	33%	63%	1,680,250	11%	28%	8,446,708	56%	4%	15,078,410	12%
1983	5,842,652	36%	-7%	1,661,842	10%	-1%	8,516,142	53%	1%	16,020,636	6%
1984	7,039,361	40%	-3%	1,852,074	11%	11%	8,513,577	49%	0%	17,405,012	9%
1985	7,902,035	45%	24%	2,015,227	11%	9%	7,745,823	44%	-9%	17,663,085	1%
1986	7,752,082	44%	18%	2,190,742	12%	9%	7,852,736	44%	1%	17,795,560	1%
1987	9,012,828	48%	20%	2,079,040	11%	-5%	7,665,827	41%	-2%	18,757,695	5%
1988	9,278,917	48%	12%	2,127,416	11%	2%	7,816,112	41%	2%	19,222,445	2%

IOWA TRANSIT FUNDING STUDY

REVENUE MILES: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

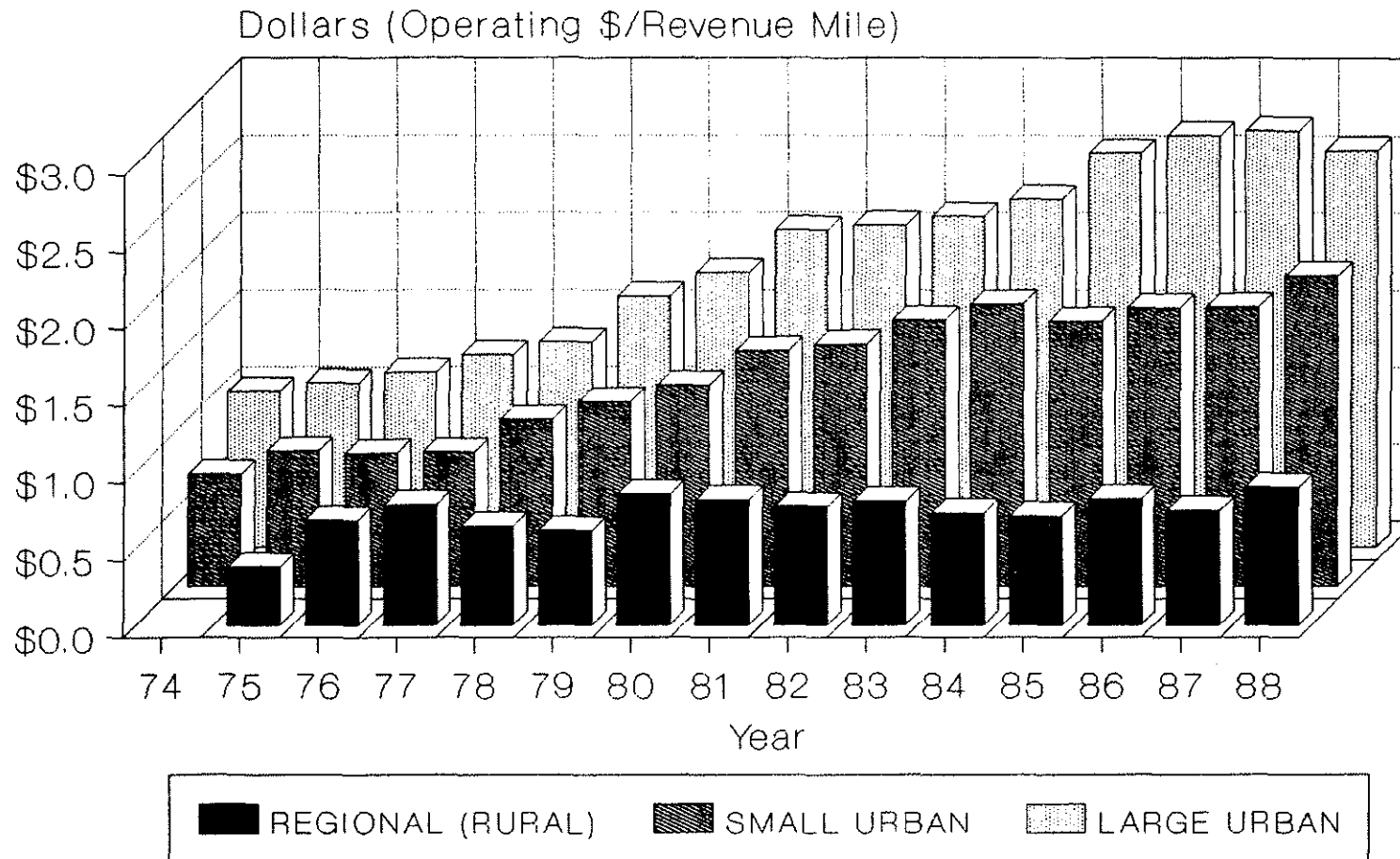


IOWA TRANSIT FUNDING STUDY
TRANSIT SYSTEM COST PER MILE: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Cost Per Mile	Percent Change
1974	N/A	--	--	\$0.72	42%	--	\$1.01	58%	--	\$1.73	--
1975	\$0.38	16%	--	\$0.87	38%	21%	\$1.06	46%	5%	\$2.31	34%
1976	\$0.68	25%	80%	\$0.86	32%	-2%	\$1.13	42%	7%	\$2.67	15%
1977	\$0.78	27%	14%	\$0.87	30%	1%	\$1.25	43%	10%	\$2.89	8%
1978	\$0.64	21%	-17%	\$1.08	35%	25%	\$1.33	44%	7%	\$3.05	6%
1979	\$0.61	18%	-5%	\$1.19	35%	11%	\$1.63	47%	22%	\$3.44	13%
1980	\$0.85	22%	38%	\$1.30	33%	9%	\$1.78	45%	10%	\$3.93	14%
1981	\$0.81	18%	-4%	\$1.53	35%	17%	\$2.06	47%	15%	\$4.40	12%
1982	\$0.77	17%	-5%	\$1.57	35%	3%	\$2.09	47%	2%	\$4.43	1%
1983	\$0.80	17%	4%	\$1.73	37%	10%	\$2.14	46%	3%	\$4.67	6%
1984	\$0.73	15%	-9%	\$1.83	38%	6%	\$2.26	47%	5%	\$4.81	3%
1985	\$0.71	14%	-3%	\$1.72	35%	-6%	\$2.56	51%	13%	\$4.99	4%
1986	\$0.82	15%	15%	\$1.81	34%	5%	\$2.67	50%	5%	\$5.30	6%
1987	\$0.74	14%	-9%	\$1.81	34%	0%	\$2.71	51%	1%	\$5.26	-1%
1988	\$0.89	16%	20%	\$2.02	37%	11%	\$2.57	47%	-5%	\$5.48	4%

IOWA TRANSIT FUNDING STUDY

COST PER MILE: 1974 TO 1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

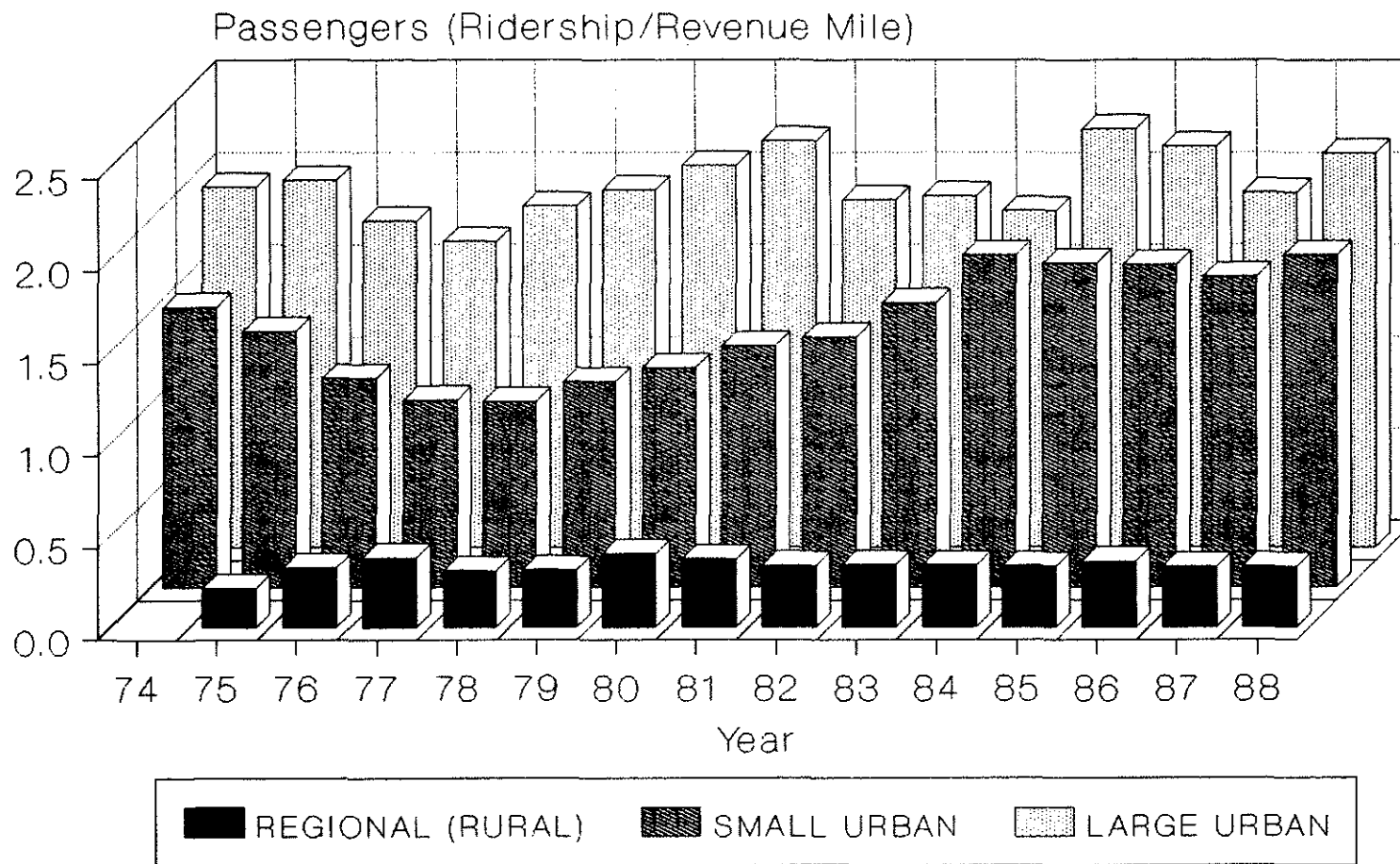


IOWA TRANSIT FUNDING STUDY
 TRANSIT SYSTEM PASSENGERS PER REVENUE MILE: 1974 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Riders Per Rev.Mile	Percent Change
1974	N/A	--	--	1.52	44%	--	1.96	56%	--	\$3.48	--
1975	0.22	6%	--	1.39	39%	-9%	1.99	55%	2%	\$3.60	3%
1976	0.32	10%	50%	1.14	35%	-19%	1.77	55%	-11%	\$3.23	-10%
1977	0.38	12%	18%	1.02	33%	-10%	1.66	54%	-6%	\$3.06	-5%
1978	0.31	10%	-19%	1.01	32%	-1%	1.86	58%	12%	\$3.17	4%
1979	0.31	9%	2%	1.12	33%	11%	1.94	58%	5%	\$3.37	6%
1980	0.40	11%	28%	1.19	33%	7%	2.08	57%	7%	\$3.67	9%
1981	0.37	9%	-8%	1.31	34%	10%	2.21	57%	6%	\$3.89	6%
1982	0.34	9%	-9%	1.36	38%	3%	1.89	53%	-15%	\$3.58	-8%
1983	0.34	9%	1%	1.55	41%	14%	1.91	50%	1%	\$3.80	6%
1984	0.34	8%	-1%	1.80	45%	17%	1.83	46%	-4%	\$3.97	5%
1985	0.33	8%	-1%	1.76	40%	-2%	2.27	52%	24%	\$4.37	10%
1986	0.36	8%	8%	1.75	41%	-1%	2.18	51%	-4%	\$4.29	-2%
1987	0.33	8%	-8%	1.69	43%	-4%	1.93	49%	-12%	\$3.94	-8%
1988	0.33	8%	0%	1.81	42%	7%	2.14	50%	11%	\$4.28	8%

IOWA TRANSIT FUNDING STUDY

PASSENGERS PER REVENUE MILE: 1974 -1988



Source: Iowa Dept. of Transportation
 Air and Transit Division
 Note: 1988 is estimated

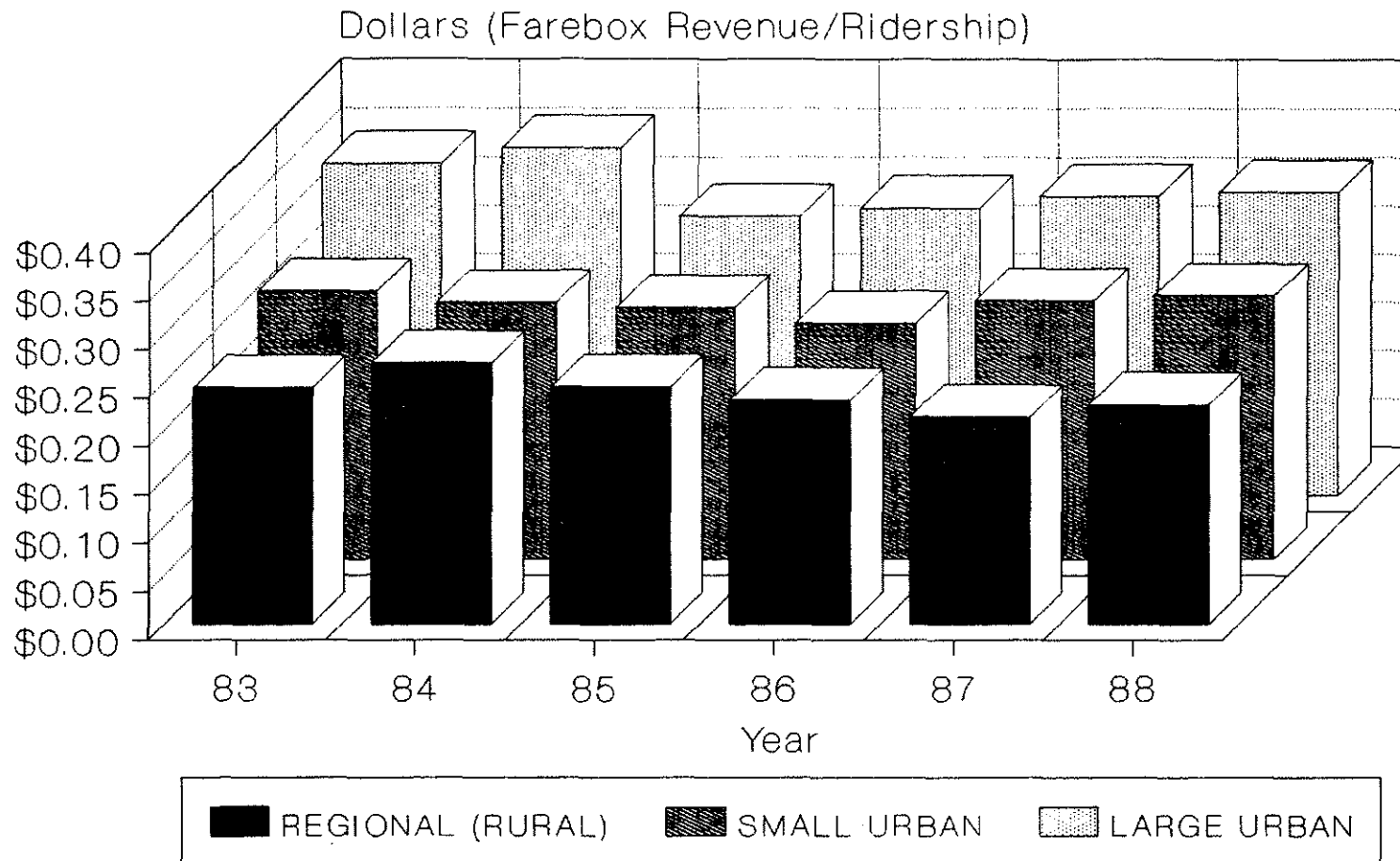


IOWA TRANSIT FUNDING STUDY
FAREBOX REVENUE PER PASSENGER: 1983 TO 1988

YEAR	REGIONAL	Percent of Total	Percent Change	SMALL URBAN	Percent of Total	Percent Change	LARGE URBAN	Percent of Total	Percent Change	Total Revenue Per Passenger	Percent Change
1983	\$0.24	28%	--	\$0.28	32%	--	\$0.34	40%	--	\$0.86	--
1984	\$0.27	30%	11%	\$0.27	30%	-4%	\$0.36	40%	5%	\$0.90	4%
1985	\$0.24	31%	-9%	\$0.26	33%	-2%	\$0.29	36%	-20%	\$0.79	-11%
1986	\$0.23	30%	-5%	\$0.24	32%	-6%	\$0.30	38%	3%	\$0.77	-3%
1987	\$0.21	27%	-8%	\$0.27	34%	10%	\$0.31	39%	4%	\$0.79	2%
1988	\$0.23	28%	6%	\$0.27	34%	2%	\$0.31	39%	2%	\$0.81	3%

IOWA TRANSIT FUNDING STUDY

FAREBOX REVENUE PER PASSENGER: 1983-1988



Source: Iowa Dept. of Transportation
Air and Transit Division
Note: 1988 is estimated



