

CHAPTER 5: FINANCIAL RESOURCES

There are several federal, state and local sources dedicated to funding of transportation services. A report from the General Accounting Office (GAO-03-697) provided an inventory of all federal programs that were using federal funds to provide transportation services for the transportation disadvantaged. This report identified 62 sources in 18 federal departments, including the U.S. Department of Transportation (USDOT). However, the primary source of funding for public transit programs comes from the USDOT and the Highway Trust Fund. The Highway Trust Fund provides funding for the federal grant programs authorized SAFETEA-LU. The Iowa Department of Transportation (Iowa DOT) also has several transit funding programs that help support public transit agencies. Human service agencies within the area also provide funding for clients to have services or contract services with a public transit provider. USDOT, FTA, Iowa DOT and know human service funding will be described in this chapter.

Federal Funding Programs

Metropolitan Planning Program (Section 5303):

This is a FTA program to support planning activities in metropolitan areas on an 80% federal, 20% non-federal basis. By law, the state is the direct recipient of the funding. In Iowa, these funds are administered by the Iowa DOT's Office of Systems Planning and are distributed to each of the state's Metropolitan Planning Organizations (MPOs). Annual allocations of 5303 funds are based on a formula that distributes 1/3 of the funds based on the 1990 urban area population, 1/3 based on the 2000 urban area population and the last 1/3 is equally distributed. The 5303 funds are administered jointly with Metropolitan Planning "PL" funds available through the Federal Highway Administration as part of a Consolidated Planning Grant. The 5303 and PL funds can support MPO costs related to intermodal transportation planning activities for the urbanized area.

Section 5303 Allocations

Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
ECIA (Illinois Side)	\$1,611	\$1,611	\$1,611	\$1,611	\$1,611
ECIA (Iowa Side)	\$32,065	\$32,605	\$32,605	\$32,605	\$32,605

Statewide Planning and Research (Section 5304):

These funds are intended to support transit planning in addition to what is conducted by the individual MPOs. By law, the state is the direct recipient of the funding. Iowa uses these funds, along with 5311 funds set aside specifically for planning, to support a system of Regional Planning Affiliations (RPAs). The RPAs are responsible for local intermodal transportation planning in areas of the state not included in a Metropolitan Planning Organization. Iowa DOT’s Office of Systems Planning serves as the direct recipient of these funds. The combined 5304 and 5311 planning funds are allocated among the state’s 18 RPAs based on half of the funds being evenly distributed among the RPAs, 25% distributed on the basis of population and 25% on the basis of the number of counties within the region.

Section 5304 Allocations

Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
ECIA	\$26,375	\$26,375	\$26,375	\$26,375	\$26,375

Urbanized Area Formula Program (Section 5307):

This is a federal program for support of urban transit systems serving communities with more than 50,000 population.

In all urbanized areas, 5307 funds can be used for capital improvements, including preventive maintenance activities, or planning activities on an 80% federal, 20% non-federal basis. Purchase and installation of special equipment or features required by the Americans with Disabilities Act or the Clean Air Act Amendments, and certain bicycle accommodation projects are eligible for 90% federal assistance. FTA has allowed revenue vehicles with required ADA and clean air equipment to be purchased at a blended participation rate of 83% federal, 17% non-federal.

Transit systems may use up to 10 percent of their total 5307 funds to pay for ADA paratransit costs on an 80% federal, 20% non-federal basis. Each area over 200,000 population receives its own 5307 allocation directly from FTA. The allocations are based partially on population and population density, and partially on performance factors, including passenger miles of service provided.

Each state receives a single allocation of 5307 funds for use in the smaller urbanized areas (with population from 50,000-200,000). This ‘Governor’s Apportionment’ includes a base allocation calculated strictly on population and population density of the state’s communities in that size range, plus a “growing states” allocation, based on projected population growth. There is also now a “small transit intensive cities” tier that provides additional funding if any of the small urbanized areas in the state exceed the average performance of the larger communities across the nation on one or more of six specified performance measures. The state is responsible for deciding how 5307 Governor’s Apportionment funds are distributed. Ames, University of Iowa’s Cambus, Cedar Rapids, Coralville, Dubuque, Iowa City, Sioux City, and Waterloo all receive funding from the Iowa Governor’s Apportionment. The Iowa DOT determines the allocation of the 5307 Governor’s Apportionment funds after the federal appropriation process is completed (usually sometime from October to December). In addition to capital and planning uses, funding for these smaller urbanized areas can also be used to support operating deficit. Funds for operating support must be matched by non-federal funds (other than passenger revenues) on a dollar-for-dollar basis.

Section 5307 Allocations

Tranist Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$762,548	\$793,049	\$824,770	\$857,760	\$892,070
RTA 8	\$0	\$0	\$0	\$0	\$0

Capital Investment Program (Section 5309):

This is a federal program for support of transit capital needs that exceed what can be funded under the federal formula programs. All public transit systems are eligible for these funds. Public agencies may receive these funds directly. Private non-profit transit agencies may not apply directly, but can be part of a statewide application. This federal program provides discretionary funding of transit capital improvements on an 80% federal, 20% non-federal matching basis (83% federal, 17% non-federal for vehicles equipped to meet ADA and Clean Air standards). In most recent years, all 5309 funding has been earmarked by Congress through the authorization or appropriation processes. Iowa's Congressional delegation has been successful in capturing a portion of these funds for both individual system earmarks and a statewide bus earmark. The statewide funds are allocated to rollingstock replacement/rehabilitation projects in the Statewide Transportation Improvement Program (STIP) using a ranking process based on the age and accumulated mileage of vehicles being replaced/rehabilitated.

Section 5309 Historic Allocations

Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0
RTA 8	\$48,140	\$49,800	\$244,850	\$58,100	-

*Please refer to the Bi State Region Transit Development Plan for River Bend Transit Information

Special Needs Program (Section 5310):

This is a federal program for support of transit services serving elderly and disabled persons. These funds are allocated to Iowa on the basis of the number of persons who are elderly or have disabilities within the state compared to other states. By law, the state is the direct recipient of the funding. Public agencies responsible for coordinating human service transportation are eligible, as are private not-for-profit agencies. Because Iowa requires the designated public transit systems to coordinate all publicly-funded passenger transportation services, Iowa distributes these funds to the public transit agencies. The funds may be used for the cost of contracted operations, equipment and passenger or vehicle shelters on an 80% federal, and 20% non-federal basis. Purchase of vehicles equipped for access by persons with disabilities can be funded at 83% federal participation. Facilities other than passenger or vehicle shelters are not eligible.

The Iowa DOT's Office of Public Transit (OPT) is the recipient of the 5310 funds from FTA. Seventy percent of the annual funding is distributed to Iowa's large urban transit systems to support services to qualifying persons living in urbanized areas. These funds are distributed based on the same formula used for the rural systems, but with each transit system developing its own eligible project. The remaining 30% of the funds are administered and distributed in conjunction with Non-urbanized Area Formula Program 5311 funds. To simplify administration, the 5310 funds going to rural systems are only distributed to transit systems that purchase contracted transportation services. All projects using 5310 funding must derive from the Passenger Transportation Development Plan (TPDP) prepared by the respective metropolitan or regional planning agency through their joint public transit/human service transportation planning process. All services supported with 5310 funding must be operated open to the general public. (Complementary ADA paratransit meets this requirement, so long as it matches up with an urban transit system's fixed-route hours and service area.) equipment and passenger or vehicle shelters on an 80% federal, and 20% non-federal basis. Purchase of vehicles equipped for access by persons with disabilities can be funded at 83% federal participation. Facilities other than passenger or vehicle shelters are not eligible.

Section 5310 Allocations

Tranist Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA*	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$28,623	\$28,743	\$29,892	\$31,087	\$32,330
RTA 8*	\$0	\$0	\$0	\$0	\$0

*Section 5310 and 5311 funding for Iowa's small urban and regional transit systems is allocated under a single formula, however all three entities in RPA 8 receive funding throught the 5311 program.

Non-Urbanized Area Formula Program (Section 5311):

This federal program supports transit activities in rural areas and communities with less than 50,000 population. These funds are allocated to Iowa based on the number of persons living outside urbanized areas compared to other states. By law, the state is the direct recipient of the funding. Iowa DOT serves as the direct recipient of the funds, through both the Office of Public Transit (OPT) and the Office of Systems Planning. The OPT administers the bulk of the 5311 funding that is provided to small urban and regional transit systems, as well as the 15% of the annual apportionment, that in conformance with federal law, is utilized to support intercity bus services. The Office of Systems Planning administers that portion of the 5311 funds that are combined with the 5304 funding to support rural transit and intermodal planning activities.

The portion of the 5311 funds used for support of public transit services in Iowa is administered in conjunction with the rural portion of the 5310 funding. The 5311 funds may be used to support operating deficits (potentially on a 50% federal, 50% non-federal match), capital purchases (on an 80% federal, 20% non-federal match or 83% federal, 17% non-federal for vehicles meeting ADA and Clean Air standards), or planning activities (on an 80% federal, 20% non-federal match). State policy does not allow local transit administration costs for public transit systems to be treated any differently than operating expenses.

The Iowa DOT formula allocating 5310 and 5311 funds uses the past year's performance statistics. The amount of formula funds to be distributed to small urban systems versus regional systems is determined by comparing the "net public deficit" (unrestricted tax support) for all urban systems to that for all regional systems. The individual allocations to small urban systems are then determined on the basis of 50 percent of the percentage of total small urban ridership accomplished by that system and 50 percent of the percentage of total small urban revenue miles provided by the individual system. Individual allocations for regional systems are based on 40 percent of the system's percentage contribution to total regional transit ridership and 60 percent on the system's percentage contribution to total regional revenue miles.

The formula apportionment funds received by each system must be used to support services open to the public. This would include eligible transit capital operating expenses as defined by the federal government. The decision of how the formula funds are programmed is a part of the local transportation planning and programming process conducted through the regional planning affiliation. OPT provides a projection of the formula funding that will be available to each system for the coming state fiscal year in early December, in order to facilitate integration of the 5311 programming process with the annual preparation of the Passenger Transportation Development Plan (PTDP) and the Regional Transportation Improvement Program (RTIP).

The OPT decides which agencies will receive 5310 funds versus 5311 funds, based on how the transit systems will use the monies. At present, most transit systems choose to use their formula funds for support of transit service costs. The 5310 funds are targeted to systems that purchase services from sub-providers, and 5311 funds are targeted first to systems that provide their services directly. To the extent that any system proposes to use its 5310/5311 allocation for purchase of rolling stock to operate within an urbanized area, 5310 funds will be used (and the project will be included in that urbanized area's Transportation Improvement Program (TIP).) If facility improvements are programmed with the formula funds, 5311 funding will be used.

Section 5311 Allocations

Tranist Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$415,571	\$444,460	\$462,238	480,727	\$499,956
River Bend Transit	\$219,323	\$210,011	\$218,411	\$227,147	\$236,232
Keyline Transit*	\$0	\$0	\$0	\$0	\$0
RTA 8	\$231,600	\$220,376	\$229,191	\$238,358	\$274,892

*Section 5310 and 5311 funding for Iowa's large urban systems is allocated the section 5310 program.

Rural Transit Assistance Program:

This federal program provides a source of funding to assist in the design and implementation of training and technical assistance programs and other support services tailored to meet the specific needs of transit operators in non-urbanized areas (less than 50,000 in population). By law, the state is the direct recipient of the funding. In Iowa, the DOT's OPT serves as the recipient of these funds.

Iowa's RTAP funds are mainly used to provide local transit agencies with training fellowships. The fellowships pay 50 percent of the cost for Iowa's small urban and regional transit systems and their planners to attend Iowa DOT sponsored seminars, as well as transit-related courses or conferences sponsored by other groups. Transit systems may also be reimbursed for training held in-house. A parallel program funded with state transit assistance (STA) funds pays for costs incurred by large urban systems and their planners.

Rural Transit Assistance Program Historic Allocations

Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
Clinton MTA**	-	-	-	-	-	-
River Bend Transit*	-	-	-	-	-	-
Keyline Transit**	-	-	-	-	-	-
RTA 8	\$1,000	\$1,000	\$1,000	\$1,000	\$2,000	\$2,000

*Please refer to the Bistate Region Transit Development Plan for information on River Bend Transit. **Information was not available.

Intercity Bus Assistance Program:

A minimum of 15 percent of each year's non-urbanized formula funds allocated to Iowa under the 5311 program is required to be set aside to support intercity bus transportation. Iowa's Intercity Bus Assistance Program is intended to support intercity bus service in rural and small urban areas. Private-for-profit companies, private non-profit corporations, or public entities may apply for this funding. Eligible bus service must make convenient connections to the existing national intercity bus network. Connections to Amtrak or passenger air service terminals are desirable. Service strictly for commuter purposes is not eligible. Projects may include operating assistance, capital assistance, planning, or administrative costs such as marketing and insurance.

The Iowa Intercity Bus Assistance Program includes funding for four categories of projects:

- Category 1 is support for continuation of existing services. Funding is available for providers of existing intercity bus service that apply and agree to reporting requirements. Category 1 projects pay \$0.10/revenue mile of scheduled route service that is justified based on preventive maintenance costs.
- Category 2 is support for new and expanded intercity bus service or feeders connecting to existing intercity bus services. It is not intended to support duplication of existing services. Projects pay up to \$0.50/mile based on preventive maintenance, insurance and administrative costs, and operating support for a maximum of two years. After two years, the service may receive support under Category 1.
- Category 3 is support for marketing of existing and new services. Preference is for cooperative projects with involvement by communities served. Projects may pay up to 80% of project administration/marketing costs.
- Category 4 supports facility improvements or equipment purchases necessary for the support of existing or new intercity bus services. Projects pay up to 80% of approved project amounts (83% for purchase of accessible vehicles or 90% on accessibility retrofits of existing vehicles) based on actual costs.

The Intercity Bus Assistance Program is included as a statewide total funding amount in the Statewide Transportation Improvement Program (STIP). Annual intercity bus assistance applications must be received by OPT by the first business day of October for projects to begin in January. Project selections are finalized by December.

Intercity Bus Assistance Program Historic Allocations

Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
A-Ok- Yellow Cab	\$0	\$35,026*	\$0	\$0	\$0	\$0
Burlington Trailways	\$65,838	\$135,519	\$546,154	\$555,475	\$147,422	\$690,661
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$1,900	\$0

*Funds Reassigned from Keyline Transit



Job Access and Reverse Commute Program (JARC):

This is a federal program established to provide transportation services to access employment opportunities and support services (such as training and child care) for welfare recipients and low-income individuals. Services designed for these purposes may be used by the general public for any trip purpose.

Each urbanized area over 200,000 population receives a separate annual apportionment of funding, and each state receives both an apportionment for use in urbanized areas under 200,000 population and a second apportionment for use in non-urbanized areas. The federal apportionments are based on census data concerning the number of low income individuals in each area, but the law requires that a competitive project selection process must be administered for each of these apportionment areas.

All projects must derive from the area's Passenger Transportation Development Plan (PTDP), developed through collaboration of public transit and human service interests. Required match (50% of net cost for operating projects and 80% for capital [83% for ADA vehicles]) can come from any non-DOT federal funds, as well as from state or local government or from private sources.

The OPT accepts applications for JARC projects under the small urbanized areas apportionment or the non-urbanized areas apportionment as part of its Consolidated Transit Funding Application due the first business day of May each year. If any funding remains unobligated after those applications are processed, a second round of applications may be solicited. The competitive application process in the Des Moines, Omaha-Council Bluffs and Quad Cities areas are each administered locally. For more information contact DART (Des Moines Area Regional Transit), MAPA (Omaha/Council Bluffs MPO) or Bi-State (Quad Cities MPO).

The majority of the grants in Iowa are for transit agencies to extend hours into the evenings and weekends. Other projects established new services to connect employment centers not previously served by transit, or purchased vehicles used for service expansions.

JARC Historic Allocations

Transit Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0	\$30,000
Keyline Transit	\$12,398	\$4,865	\$14,675	\$23,763	\$17,266	-
RTA 8	\$86,934	\$113,226	\$114,977	\$146,271	\$178,112	\$186,470

New Freedom Program (Section 5317):

This is a federal program established under SAFETEA-LU to support new services or accommodations for persons with disabilities that go beyond the minimums established by the rules implementing the Americans with Disabilities Act. “New” is defined as projects that were not implemented or programmed prior to the signing of SAFETEA-LU (August 10, 2005).

As with the JARC program, each urbanized area over 200,000 population receives a separate annual apportionment of funding, and each state receives both an apportionment for use in urbanized areas under 200,000 population and a second apportionment for use in non-urbanized areas. The federal apportionments are based on census data concerning the number of persons with disabilities in each area, but the law requires that a competitive project selection process must be administered for each of these apportionments.

All projects must derive from the area’s Passenger Transportation Development Plan (PTDP), developed through collaboration of public transit and human service interests. Required match (50% of net cost for operating projects and 80% for capital [83% for ADA vehicles]) can come from any non-DOT federal funds, as well as from state or local government or from private sources.

The OPT accepts applications for New Freedom projects under the small urbanized areas apportionment or the non-urbanized areas apportionment as part of its Consolidated Transit Funding Application due the first business day of May each year. If any funding remains unobligated after those applications are processed, a second round of applications may be solicited.

The competitive application process in the Des Moines, Omaha-Council Bluffs and Quad Cities areas are each administered locally.

New Freedom Allocations

Transt Agency	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$4,363	\$4,537	\$4,718	\$4,906
River Bend Transit	\$14,874	\$15,468	\$16,086	\$16,729
Keyline Transit	\$14,000	\$14,000	\$14,000	\$14,000
RTA 8	\$10,147	\$10,552	\$10,974	\$11,412

New Freedom Historic Allocations

Transt Agency	FFY 2006	FFY 2007
Clinton MTA	\$0	\$0
River Bend Transit	\$0	\$0
Keyline Transit	\$0	\$0
RTA 8	\$5,504	\$10,400

Iowa Clean Air Attainment Program (ICAAP):

This program is one of the five core funding programs of the Federal Highway Administration (FHWA) that can be flexed between highway, transit or bicycle/pedestrian uses. Nationally, the Congestion Mitigation/Air Quality (CMAQ) program is intended to fund transportation projects to assist metropolitan areas in violation of Clean Air Act standards. In those states with areas in violation, much or all of the CMAQ monies must be spent in the affected areas for projects conforming to a state air quality implementation plan. Because Iowa does not have any area in violation of transportation-related federal clean air standards, the state receives a minimum allocation of CMAQ funding that can be used anywhere in the state for any purpose for which STP funds can be used on the same 80% federal, 20% non-federal basis.

In Iowa, funds are programmed for highway or transit projects through a statewide application process based on the project's anticipated air quality or congestion relief benefits. Applications are due the first business day of October for projects to begin the following federal fiscal year. Project selections are determined in February. When ICAAP funds are programmed for transit projects, funding is transferred from FHWA to FTA for administration through the statewide grant under either the 5307 or 5311 programs depending on whether the projects are in urbanized or non-urbanized areas.

ICAPP Historic Allocations

Transit Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$44,000	\$44,000

Clinton MTA is planning on applying for an ICAAP grant in 2008. The proposed ICAAP project is to develop a new route that would expand services out to the new college located on Mill Creek Parkway. Clinton MTA would also like to expand service hours on Saturdays, that were cut a few years ago due to budget issues. A new route from the City of Camanche to Clinton is also a possibility for these funds. The Cities of Camanche and Clinton would have entered into a 28E agreement to share operational costs for this route to happen.

Surface Transportation Program (STP):

This is another of FHWA’s core programs. These funds come to the state based on a number of factors including vehicle miles of travel, highway lane miles and the number and size of bridges. The funds can be used for roadway, transit capital projects, pedestrian/bikeway projects, or intermodal planning projects on an 80% federal, 20% local basis. In Iowa, a portion of these funds is programmed by local governments acting through metropolitan or regional planning agencies. Nearly all Iowa RPAs and some MPOs fund a portion of their intermodal transportation planning activities from STP funds. Most transit systems have also been successful in receiving STP funding from their local MPO or RPA. When programmed for transit or planning projects, these funds are transferred from FHWA to FTA for administration, either through a direct 5307 grant for large urban transit systems, through a statewide 5311 grant for small urban or regional systems, or through the statewide consolidated planning grant for planning projects. OPT administers the statewide grant for individual small urban and regional transit systems. The Office of Systems Planning administers the planning grant.

STP Historic Allocations

Transit Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0	\$0

*Please refer to Bi State Region Transit Development Plan for information on River Bend Transit.

Over-the-Road Bus Accessibility Program (OTRB):

Grants are provided directly from FTA to operators of over-the-road buses to help finance incremental capital and training costs to implement the final accessibility rule under the Americans with Disabilities Act (ADA). Providers of intercity fixed-route service, commuter service, and charter and tour service may apply directly to FTA for annual grants. FTA announces its solicitation for applications each year through a notice in the Federal Register.

OTRB Historic Allocations

Transit Agency	FFY 2003	FFY 2004	FFY 2005	FFY 2006	FFY 2007	FFY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0	\$0

*Please refer to the Bi-State Region Transit Development Plan for information regarding River Bend Transit.

State Programs:

State Transit Assistance (STA):

All public transit systems are eligible for funding under the STA program, which began in 1976. Since 1984, STA funding has been derived from a dedicated portion (currently 1/20th) of the first four cents of the state “use tax” imposed on the sale of motor vehicles and accessory equipment. STA funds are provided to support public transit services and may be used for either operating or capital projects.

The majority of the state transit assistance funds received in a fiscal year are distributed to individual transit systems on the basis of a formula using performance statistics from the most recent available year. Each month, the dollars received in the fund during the prior month are allocated to the transit agencies. These funds can be used by the public transit system for operating, capital or planning expenses related to the provision of open-to-the-public passenger transportation services.

The STA formula funds are first split between urban and regional systems on the basis of total revenue miles of service provided by each group. The funds are then split among individual systems in each category, 50 percent on the basis of locally determined income (LDI), 25 percent on the basis of rides per dollar of expense, and 25 percent on the basis of revenue miles per dollar of expenditure. OPT calculates LDI by subtracting FTA and STA formula funds from the system’s operating expenses.

STA Fund Allocations

Transt Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$188,134	\$178,973	\$186,131	\$193,576	\$201,319
Riverbend Transit	\$258,968	\$262,033	\$272,514	\$283,414	\$294,750
Keyline Transit	\$177,415	\$151,766	\$157,836	\$164,149	\$170,714
RTA 8	\$279,226	\$263,423	\$273,959	\$284,917	\$296,313

STA Special Projects:

Each year up to \$300,000 of the total STA funds are set aside to fund “special projects.” These can include grants to individual systems to support transit services which are developed in conjunction with human service agencies, or statewide projects to improve public transit in Iowa through such means as technical training for transit system or planning agency personnel, statewide marketing campaigns, etc.

STA Special Projects Allocations

Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0

*Please refer to the Bi-State Region Transit Development Plan for information regarding Riverbend Transit.

Coordination Special Projects:

The Coordination Special Projects are considered an “immediate opportunity” program by the Iowa DOT, meaning that these funds can be applied for at any time of the year as an opportunity arises, provided that funding is still available. Projects are intended to assist with start-up of new services that have been identified as needs by health, employment or human service agencies participating in the Passenger Transportation Development Planning process. Most projects are small in scope and typically will fall within the \$5,000-\$25,000 range. Operating projects may be for up to a two-year duration, with maximum STA participation of 80% of net project cost in the first year and 50% of net project cost in the second year. Capital project may have maximum 80% STA share. Priority is given to projects which include a contribution from human service agencies as well.

A major component of the state-wide Special Projects is a program of transit training fellowships that parallels the RTAP fellowship program described previously. The STA fellowship program focuses on training costs for Iowa’s large urban transit systems and metropolitan planning organizations that are not eligible under RTAP.

The statewide project funds can also be used on statewide transit marketing and projects exploring new transit technologies. The administrative rules provide flexibility for use of the funding.

If not needed for special projects, the money set aside for that purpose may be moved back into the STA formula program for distribution to all systems.

Coordination Special Projects Allocations

Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0

*Please refer to the Bi-State Region Transit Development Plan for information regarding River Bend Transit.

Public Transit Infrastructure Grants:

In 2006, the Iowa Legislature established a new program to fund some of the vertical infrastructure needs of Iowa’s transit systems. Applications are accepted as part of the annual Consolidated Transit Funding Program. Projects can involve new construction, reconstruction or remodeling, but must include a vertical component to qualify. They are evaluated based on the anticipated benefits to transit, as well as the ability to have projects completed quickly. The infrastructure program participation in the cost of transit-related elements of a facility project is limited to 80% and cannot, in combination with federal funding, exceed that number. Also no single system can receive more than 40% of the available infrastructure funding in a given year.

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0	\$880,000

*Please refer to the Bi-State Region Transit Development Plan for information on River Bend Transit

Capital Match Revolving Loan Fund (AMOCO Loan):

The capital match revolving loan fund was created by the Iowa Legislature in the early 1980’s with funds from Iowa’s share of the federal government’s petroleum overcharge settlement against the American Oil Company (Amoco.) The loan program is subject to an intergovernmental agreement between the Iowa DOT and the Iowa Department of Natural Resources (DNR). All public transit systems are eligible for loans under this program. The intent of the program is to increase the inherent energy conservation benefits of public transit by expediting the implementation of transit capital projects.

The program allows “no interest” loans to transit systems, which the transit system uses towards the required local match on a federally-funded capital project, paying it back over a negotiated time period as local funds become available. The loan can be used to temporarily fund the entire local match on capital equipment projects or 50% of the required non-federal match on facility projects. Loan recipients may be required to report project energy savings annually to OPT until the loan is repaid.

A project is eligible if it is a transit capital project that is approved for federal funding. The project should be targeted at energy savings.

AMOCO Loan Historic Allocations

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$20,301	\$0	\$60,000	\$0

*Please refer to the Bi-State Region Transportation Development Plan for information on River Bend Transit.

Local Funding:

Passenger Revenue:

Fees paid by the passengers is one of the most common sources of local support. This can include monies collected on-board the transit vehicle (usually called “farebox receipts”), as well as prepaid fares from sale of passes or tickets, or fares billed to the passenger after the fact. FTA requires that all passenger revenues be subtracted from the total cost of operating transit service to identify a net operating cost, before eligibility for federal financial support of operations can be calculated.

Passenger Revenues

Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$188,195	\$188,195	\$188,195	\$188,195	\$188,195
River Bend Transit	\$287,494	\$287,494	\$287,494	\$287,494	\$287,494
Keyline Transit	\$181,490	\$181,490	\$181,490	\$181,490	\$181,490
RTA 8	\$142,122	\$142,122	\$142,122	\$142,122	\$142,122

Contract Revenue:

Human service agencies, local communities, as well as private businesses are often willing to pay a part or all of the cost for certain types of rides provided as part of the open to the public transit operation. Such subsidies are classified as contract revenues and can count toward the required local match on federal projects.

Contract Revenues					
Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$5,945	\$5,945	\$5,945	\$5,945	\$5,945
River Bend Transit	\$1,283,708	\$1,283,708	\$1,283,708	\$1,283,708	\$1,283,708
Keyline Transit	\$24,000	\$24,000	\$24,000	\$24,000	\$24,000
RTA 8	\$545,579	\$545,579	\$545,579	\$545,579	\$545,579

Local Taxes:

Municipal Transit Levy:

Iowa law authorizes municipalities to levy up to 95 cents per \$1,000 assessed valuation to support the cost of a public transit system. Most of Iowa's larger communities levy for support of their urban transit systems. A number of smaller communities use this authority to generate funding used to support services contracted from their designated regional transit system. (This is something that can be implemented with a simple vote from the city council).

Potential Municipal Transit Levy Funding					
Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$703,766	\$703,766	\$703,766	\$703,766	\$703,766
River Bend Transit (All Counties)	\$1,280,819	\$1,280,819	\$1,280,819	\$1,280,819	\$1,280,819
Riverbend Transit (Clinton County Only)	\$323,821	\$323,821	\$323,821	\$323,821	\$323,821
Keyline Transit	\$1,673,901	\$1,673,901	\$1,673,901	\$1,673,901	\$1,673,901
RTA 8	\$826,583	\$826,583	\$826,583	\$826,583	\$826,583

Regional Transit Levy:

In 2005, the Iowa legislature authorized Iowa's two largest counties to form special taxing districts, under the control of the county, for support of area-wide public transit services. Once formed, adjacent counties can become part of the district, or municipalities in non-participating adjacent counties can join. The district can levy up to the 95 cents per \$1,000 assessed valuation; but, unlike the provisions in the municipal levy, the regional transit districts can set differing levy rates across their territory. As of July 2007, only Polk County has chosen to form a district, and has, so far, limited its geographic coverage to just their county. Nearly all municipalities within the county have opted to participate.

Regional Transit Levy					
Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	N/A	N/A	N/A	N/A	N/A
River Bend Transit	N/A	N/A	N/A	N/A	N/A
Keyline Transit	N/A	N/A	N/A	N/A	N/A
RTA 8	N/A	N/A	N/A	N/A	N/A

General Fund Levy:

The cost of supporting transit services is an eligible use of general fund revenues for all Iowa governments and is the primary source of funding to support transit for counties who don't have the option of a transit levy, as well as for cities which chose not to use the transit levy.

General Fund Levy					
Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0

Trust and Agency Levy:

The Trust and Agency Levy can be used by cities and counties to support employee benefit plans. As such, it can be used to help support the cost of a city operated transit system.

Trust & Agency Levy					
Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$0	\$0	\$0	\$0	\$0
River Bend Transit	\$0	\$0	\$0	\$0	\$0
Keyline Transit	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0

Other Local Sources:

Student Fees:

Mandatory student fees established by a college or university are similar to a tax levy in that all members of the particular community contribute.

Historic Student Fee Revenue

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$0	\$0	\$0	\$0

*Please refer to the Bi-State Region Transit Development Plan for information regarding River Bend Transit.

Advertising Revenues:

Sale of on-board advertising or advertising space in brochures, etc., can provide some additional revenues to the transit program.

Advertising Revenue

Transit Agency	Current Year	FFY 2009	FFY 2010	FFY 2011	FFY 2012
Clinton MTA	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000
River Bend Transit*	-	-	-	-	-
Keyline Transit	\$10,407	\$10,407	\$10,407	\$10,407	\$10,407
RTA 8	\$0	\$0	\$0	\$0	\$0

*Please refer to the Bi-State Region Transit Development Plan for information regarding River Bend Transit.

Area Agency on Aging:

Area Agency on Aging Transit Funding History

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$42,386	\$37,563	\$53,750	\$36,981	\$33,640	\$41,244

*For information on River Bend Transit please refer to the Bi-State Region Transit Development Plan

Medicaid:

Historic Medicaid Transit Funding

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$82,605	\$80,885	\$106,524	\$119,322	\$140,622	\$150,000

*For River Bend Transit please refer to the Bi-State Region Transit Development Plan

Headstart Funding:

Historic Headstart Transit Funding

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$51,907	\$62,443	\$58,409	\$73,857	\$64,093	\$64,694

*For information on River Bend Transit please refer to the Bi-State Region Transit Development Plan

Other Transit Funding:

Historic Other Local Transit Funding

Transit Agency	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Clinton MTA	\$0	\$0	\$0	\$0	\$0	\$0
River Bend Transit*	-	-	-	-	-	-
Keyline Transit	\$0	\$0	\$0	\$0	\$0	\$0
RTA 8	\$0	\$0	\$4,400	\$0	\$10,000	\$0

*For information on River Bend Transit please refer to the Bi-State Region Transit Development Plan