

CITY OF WHITEHORSE

COUNCIL POLICY

POLICY: WHITEHORSE TRANSIT COST RECOVERY

PURPOSE: To establish a definite cost recovery policy in order to establish a consistent fare structure for Whitehorse Transit.

AUTHORITY: Council Resolution # 94-16-30 dated July 25, 1994

TRANSIT COST RECOVERY POLICY

Background

Whitehorse Transit requires a definite Cost Recovery Policy in order to establish a consistent Fare Structure for Whitehorse Transit. The Transit Commission has recommended that:

- ◆ a 40% cost recovery rate be achieved over the next three years;
- ◆ the ADULT recovery rate be 100% of the 40% recovered;
- ◆ the STUDENT recovery rate be 75% of the adult rate;
- ◆ the SENIOR recovery rate be 45% of the adult rate;
- ◆ the DISABLED recovery rate 45% of the adult rate (new fare group);
- ◆ the MATURE STUDENT fare be included in the student rate; and
- ◆ the YOUTH fare be included in the student rate.

Definitions

The definitions for fare groups are:

ADULT means a person nineteen (19) years of age up to and including a person sixty-five (65) years of age.

STUDENT means a person five (5) years of age up to and including a person eighteen (18) years of age, and a person 19 years of age and older attending a post secondary school full time. A student identification card or proof of attendance will be required to use this fare group.

SENIOR means a person sixty-five (65) years of age and older.

DISABLED INDIVIDUAL means an individual who is physically challenged on a permanent basis.

Policy

1. The Cost Recovery Policy is based on the principle that Municipal Government has a role in the provision of a Transit Public Service. The City's role is based on the direct and indirect Transit benefits received by residents.
2. The foundation for the charging of fares is based on the fact that Transit monies are required, either through general taxation or user fees, to pay for the Department's operational costs.
3. Public user fees should pay for the operating costs of Transit. Capital costs are the responsibility of the municipality, due to the benefits derived by the overall community from the provision of public transportation.
4. The fares charged are based on ultimately recovering a minimum of 40% of the total operating cost of the Department.
5. The fares are based on the philosophy of the ability to pay for different groups (i.e. adults/students). This is reflected in fare structures in which the percentage of the actual operating cost to be recovered varies for different groups.
6. The Transit fare structure must continue to be reviewed annually and adjusted as required, so as to ultimately meet the 40% recovery of operating and maintenance costs.

Implementation

7. Implementation of the recommended rates shall be August 1, 1994.

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