A method for sub-allocating STIF Formula Fund moneys to Public Transportation Service Providers (PTSP) was agreed upon by all PTSPs (Cherriots Local, Cherriots Regional, the City of Woodburn, and the City of Silverton) that have existing services in Marion and Polk Counties in August, 2018. Meetings with the two cities were held in January and August, 2018 and the allocation method was discussed at the August 1, 2018 STIF Advisory Committee meeting with no concerns raised by the committee members. The method of allocation could be reconsidered for the next biennium if another potential PTSP comes forward and requests funds to plan for a local transit service.

The method SAMTD will use as the Qualified Entity to sub-allocate STIF Formula Fund moneys is as follows:

- Payroll tax data for 2016 was obtained from the Oregon Department of Revenue for each city in Marion and Polk Counties. Then, a percent of the total payroll tax was calculated considering each county separately.
- Next, since a portion of the Cherriots Regional service operates within the Salem-Keizer Urban Growth Boundary (UGB), the percentage of miles inside versus outside the UGB was calculated using daily miles traveled inside the UGB for each county. The percentage of miles inside is multiplied by each county total to segregate urban regional tax versus rural regional tax for each county.
- Finally, the percentages of each rural city were multiplied by the rural total percentage to get the individual city benefit (local revenue generated).

This method was agreed upon by all PTSPs who receive funding from SAMTD as the Qualified Entity, and the STIF Advisory Committee at their October 3, 2018 meeting.