Fare Study Introduction
Part I

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Agenda

- Fare Study Overview
- Current State of TheRide's Fares
- Peer Comparison Summary
- Needs, Opportunities, and Challenges
- Next Steps
- Board Feedback

Fare Study Objectives

- Frame and inform future discussions and decisions.

- Develop potential goals for fares to balance ridership, revenue, and social, environmental, and economic development benefits.

- Suggestions to make fares easier to understand for customers and explainable.

- Provide ideas for current and future technologies to improve processes for the sale and collection of fares.

- Deliver a forecasting tool for further analysis of fare options.
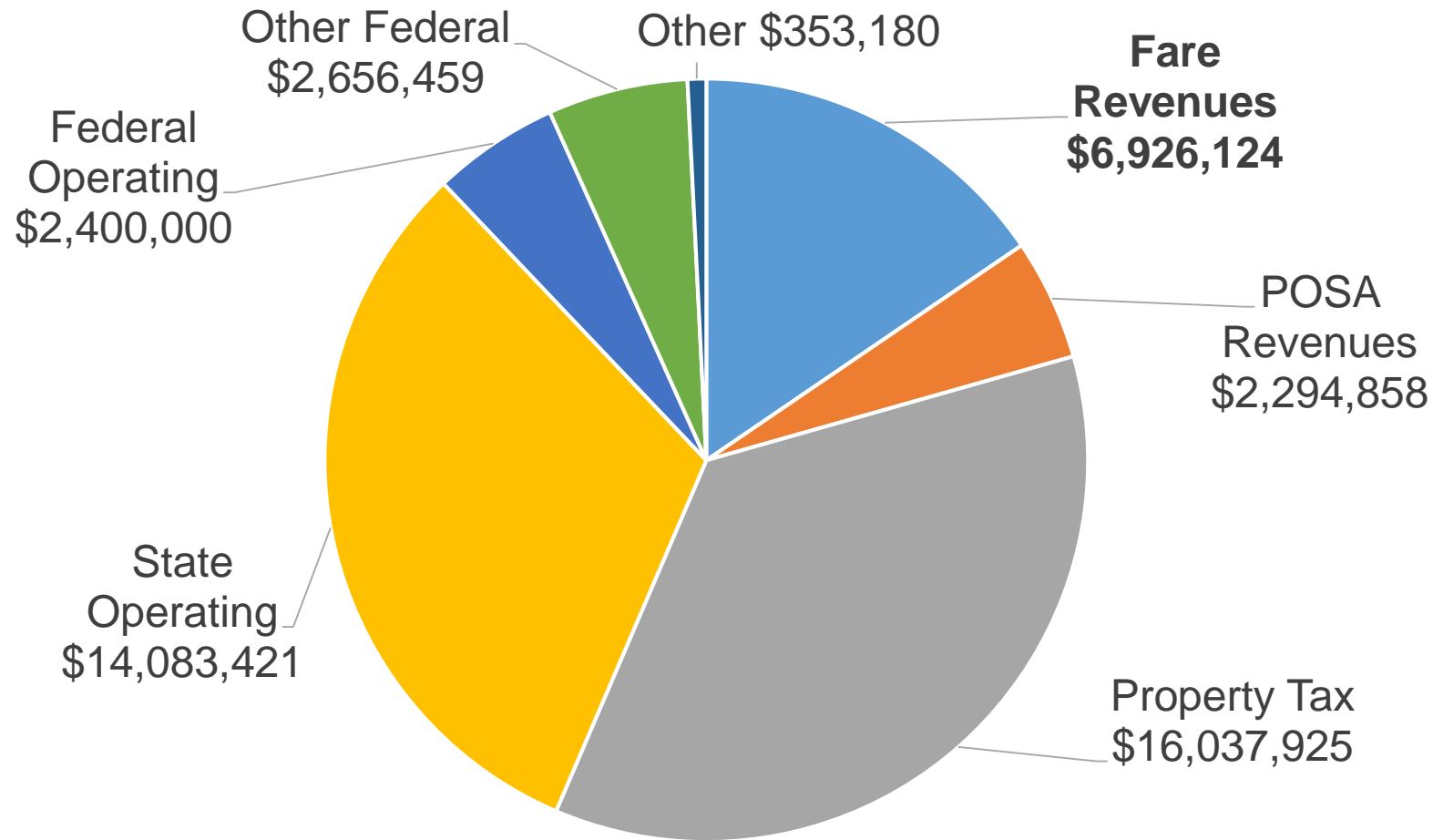
Fare Study Overview
Deliverables

Document	Description	No. of Pages
Memo 1 & 2	Existing Fare Structure, Best Practices, Industry Review	61
Memo 3	Community Engagement Summary	17
Memo 4	Strengths, Needs, Opportunities, Challenges	12
Memo 5	Improvement Options & Recommendations	52
Memo 6	Fare Model Calibration & Assumptions	12
Final Report	Executive Summary and Final Report	171

Reports Online at http://www.theride.org/AboutUs/Initiatives/Fare-Study

Operating Revenue Sources

Other Federal $2,656,459

Other $353,180

Fare Revenues $6,926,124

Total Revenue: $44.8 million (FY2018)

Federal Operating $2,400,000

POSA Revenues $2,294,858

State Operating $14,083,421

Property Tax $16,037,925

Fare Collection Technology

Genfare
Odyssey
Farebox

Magnetic Passes
Swipe

TRiM Unit
(Paper Ticket
Printer/Receiver)

Coins, Tokens, Bills

Contact Card
Capability

Peer Comparison

Average Fare per Boarding

- Peer Average: $0.83

Peoria, IL		$0.56
Champaign-Urbana, IL		$0.58
Ann Arbor, MI		$0.69
South Bend, IN		$0.73
Shreveport, LA		$0.80
Grand Rapids, MI		$0.85
Roanoke, VA		$0.85
Hartford, CT		$0.91
Erie, PA		$0.96
Syracuse, NY		$1.37

Peer Comparison
Subsidy per Boarding

- Peer Average: $3.61

Champaign-Urbana, IL	$1.95
Grand Rapids, MI	$2.28
Roanoke, VA	$2.32
Shreveport, LA	$3.46
Ann Arbor, MI	$3.75
Erie, PA	$3.87
Syracuse, NY	$4.03
South Bend, IN	$4.44
Hartford, CT	$4.75
Peoria, IL	$5.22

Peer Comparison
Fare vs. Subsidy per Trip

City	Fare % Per Trip Cost	Subsidy % Per Trip Cost	Cost per Boarding
Grand Rapids, MI	27%	73%	$3.14
Roanoke, VA	27%	73%	$3.17
Syracuse, NY	25%	74%	$5.41
Champaign-Urbana, IL	23%	77%	$2.53
Erie, PA	20%	80%	$4.84
Shreveport, LA	19%	81%	$4.26
Hartford, CT	16%	84%	$5.66
Ann Arbor, MI	16%	84%	$4.45
South Bend, IN	14%	86%	$5.17
Peoria, IL	10%	90%	$5.78
Peer Average	**20%**	**80%**	**$4.44**

SWOT Analysis
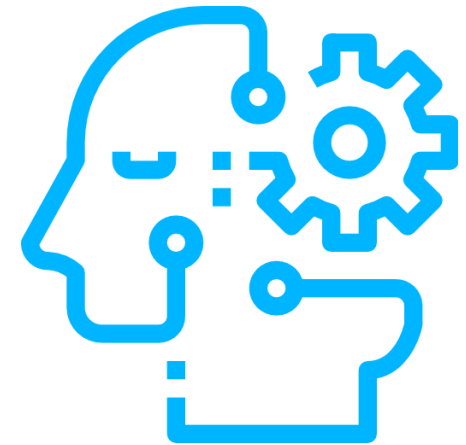
Needs, Opportunities, Challenges

Emergent Themes

- Simplicity
- Equity
- Safety
- Cash vs. Cashless
- Technology

- Customer Service
- Ridership & Revenue Growth
- Data Collection & Use
- Integration Between Services

SWOT Analysis

Need to guide decision-making about fares

- Use of operational data in decision-making
- Establish equitable discounting methods
- Pricing of new services, integration with existing services
- Setting the price for new third-party pass programs

Opportunity to simplify payment choices

- 50+ ways to pay
- Need to simplify for clarity
- Focus upon retaining and improving highly used fares

Equitable discounts

- Build equity into discounting methodologies
- Align discounts with industry/regulatory standards
- Shift enforcement of discount fares off-board
- Opportunity to increase revenue

Clarify transfers

- Clarity will reduce customer confusion
- Consistency needed in transfer protocol
- Address time validity of transfer tickets

SWOT Analysis

Pricing promotes ridership

- Passes can incentivize ridership growth
- Faster boarding time
- Minimizes transfer problems
- Opportunity to price correctly

Reduce use of change cards

- Customer inconvenience, risk of loss

- Increased use of TRiM unit

- Incentivize cashless fare payment

Fare integrations and data-driven decisions

- Integrated fares between services can improve convenience

- Improve use of data and new technology

- Implement new technology such as smart cards or mobile app payments

Other opportunities and challenges

- Rising costs (price of fares not changed since 2010)
- Misclassification / Unclassification
- Underreporting of ridership
- Concerns about fare evasion
- Uncertainty from RTA

Suggested approach to future fare decisions

- Finding balance between needs and benefits

- Ensuring convenience and usability of fares

- Use technology to improve customer experience with fares
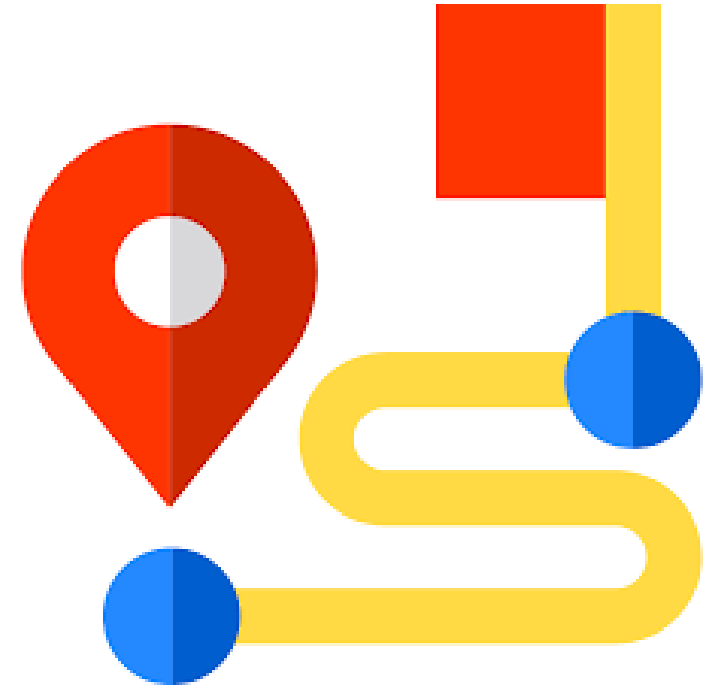
Board Policy

- Ends
  - Policy 1.1.1: Affordability
  - Policy 1.1.2: Equitable access
  - Policy 1.3.7: Financial sustainability
- Executive Limitations
  - Policy 2.1: Dignified, respectful, clear, non-intrusive procedures
  - Policy 2.5.2: Federal compliance
  - Policy 2.5.8: Adjusting fares is Board's responsibility
  - Policy 2.8.4.2: Importance of social, environmental, economic implications
  - Policy 2.10.4: Community engagement for fare changes

What's Next?

Presentation to Board in May:

- Customer survey results
- Consultant's ideas
- Staff perspectives
- Roadmap for further discussion

Questions / Feedback

Thank you.