

Transit Budget Trend Update and Fare Strategy Recommendation

April 19, 2016

Wade Coombs, Director

Document #8588115

Council Request

During the 2016 Budget Review and Approval process, Council requested the following:

- That Administration provide a report to Priorities Committee, before the end of the second quarter of 2016, with an update on Transit strategies and issues, including:
 - Trend data for the past five years on the proportion of overall municipal tax dollars allocated to Transit.
 - Trend data for the past five years on the proportion of Transit costs covered by fees versus the proportion supported by tax and any other financial inputs.
 - An update on the Transit Fare Strategy.
 - Progress on implementation of the Transit Master Plan recommendations, including:
 - changes to improve the local Transit loop systems,
 - plans to support the transit needs of seniors, youth, rural populations, and the needs of vulnerable transit users.

Presentation Purpose

This presentation will provide an update on the following:

- Trend data for the past five years on the proportion of overall municipal tax dollars allocated to Transit.
- Trend data for the past five years on the proportion of Transit costs covered by fees versus the proportion supported by tax and any other financial inputs.
- An update on the Transit Fare Strategy.

An update on the Transit Master Plan will be provided at the Priorities Committee Meeting June 14th.

Trend Data

Proportion of overall Municipal tax dollars allocated to Transit

	2011	2012	2013	2014	2015	2016
Annual estimate of Municipal tax bill for a sample household	\$1,712	\$1,795	\$1,832	\$1,868	\$1,889	\$1,906
Transit budget portion	\$223	\$197	\$209	\$210	\$212	\$207

Trend Data

Proportion of Transit costs covered by fees versus the proportion supported by tax and any other financial inputs

	2011	2012	2013	2014	2015	2016
Fare Revenue	25.20%	25.32%	26.81%	27.23%	25.41%	25.15%
Tax Support	74.03%	74.09%	72.55%	71.82%	73.64%	74.27%
Other Revenue	0.77%	0.59%	0.64%	0.95%	0.95%	0.58%

Transit Fare Strategy

- Provide information and context from the Transit Fare Study completed in June 2015.
 - Transit Fare Strategy Final Report June 22, 2015
- Present a recommendation for a Strathcona County Transit Fare Strategy.

Policy Background

Strategic Plan

Goal #3 - Increase public involvement

Goal #7 - Build strong neighbourhoods/communities

Corporate Plan

Goal #5 - We are effective and efficient in daily operations

Transit Master Plan (2011 - 2021)

- Recommendation to develop a detailed fare strategy

Social Inclusion Policy

- Fee Subsidy Guidelines ensure a consistent and standardized process for all Municipal fee subsidies

Community Engagement

First round consultation

- Public online survey
- Interviews with all members of Council
- Key stakeholders meetings
- Internal (staff) open house

Second round consultation

- Public open houses
- Public online survey
- Interviews with members of Council
- Key stakeholder meetings
- Interviews with regional partners
- Additional communications with seniors and rural Mobility Bus users



Transit Fare Study Findings

- Current fare discounts seem ad hoc, there is no consistent price relationship between products.
- Fares should be based on a fixed percentage discount for cash and tickets, and a fixed multiplier for passes:
 - this means that an increase or decrease in an established base fare will ripple through the entire fare structure,
 - this would provide an equivalent fare adjustment, and
 - this would also maintain the relationship of the fares.

Transit Fare Study Findings

- There is a multitude (8) of senior fares with different and inconsistent discounts:
 - Still senior discount products are not provided in all markets.
 - Senior monthly passes are based on a significantly lower multiplier than all other categories.
 - Low income seniors receive a greater discount than all other low income County residents.
- Most people support discount based on income:
 - Low income discounts should be equal in all age categories.
- Student/youth and senior fares should be standardized.
- There are no existing incentives to specifically attract young riders.

Transit Fare Study Findings

- Mobility Bus

- Human Rights Commission rulings in other communities have resulted in transit agencies being required to extend the fixed route fare structure to specialized transit.
- The Fare Study recommends being proactive to make this change.
- Mobility Bus clients should be allowed to ride free on fixed route service:
 - When an attendant is required they also should ride free.
- Rural Mobility Bus rates would not change to Sherwood Park as the County does not provide rural fixed route service.
- Everybody Rides Low Income Passes would not be accepted.

Recommendations – Fixed Route

- Student/youth and senior fares:
 - Standardized fares for both groups
 - Provide discounted fares for both groups in all fare categories:
 - currently there are no student/youth commuter or local cash/ticket fares,
 - currently there are no senior commuter ticket, local cash/ticket or local monthly pass fares, and
 - in each of the above, the customer is required to pay the adult fare.
- Provide other fare media to attract young riders:
 - Off Peak Youth Local Monthly pass
 - Student/Youth Summer pass

Recommendations – Fixed Route

Provide a structure that offers a consistent methodology for cash and tickets based on:

- base fare is the Adult Commuter cash fare,
- tickets and other cash categories will be based on the following approved fixed percentage discounts:
 - Adult Commuter tickets, Student/Youth Commuter Cash and Senior Commuter cash
 - 25% less than base fare
 - Student/Youth Commuter and Senior tickets
 - 25% less than Student/Youth and Senior Commuter Cash
 - Adult Local cash
 - 50% less than base fare
 - Adult Local tickets, Student/Youth and Senior Local cash
 - 25% less than Adult Local cash
 - Student/Youth and Senior Local tickets
 - 25% less than Student/Youth and Senior Local cash

Recommendations – Fixed Route

Provide a structure that offers a consistent methodology for passes based on:

- bus passes will be based on an approved fixed trip multiplier of 24 one way trips:
 - multiplier is the number of cash trips equal to the cost of the pass.
 - Senior Monthly pass multipliers will start at 10 one way trips and increase by one trip per year until it reaches 24 one way trips
 - Senior Annual Low Income Commuter pass multiplier to start at the equivalent of 6.5 Everybody Rides monthly passes and increase by one each year until equivalent to 12 Everybody Rides Commuter Monthly passes, at which time it will be discontinued.
 - discontinue Senior Annual Commuter pass due to very low usage.

Based on this methodology, a change in the Adult Commuter cash fare will trigger a change in all other fare media.

The only exception is Everybody Rides passes, it is recommended that increases to Everybody Rides passes are tied to the Provincial increases in AISH.

Recommendations - New Products

New Fare Media for 2017

Single Day pass	Equal to two one-way Adult Commuter cash trips Valid for unlimited trips in one service day for one adult
Family Day pass	Equal to two Single Day passes Valid for unlimited trips for two adults and three children or one adult and four children under 13 years of age

Recommendations – Mobility Bus

- Align Mobility Bus fares with fixed route fares in 2018
 - Will provide time to investigate impact on demand for service due to the reduced per trip fare and make recommendations.
- Allow Mobility Bus clients to ride fixed route service for free starting in 2018
 - For clients who require an attendant they would also ride free while accompanying the client.
- Do not change the rural fares to Sherwood Park
 - A rural client going to Edmonton would pay the current rural fare plus the new commuter cash fare (Sherwood Park to Edmonton).
- Everybody Rides passes would not be accepted on Mobility Bus

Implementation Plan

2016

- Implemented a 2% increase for Adult Commuter passes
- Introduced Local Student/Youth Off Peak pass
- Introduced Local Student/Youth Summer pass

2017

- Implement a fixed percentage discount with Adult Commuter cash being the base fare
- Implement a fixed multiplier of 24 one way trips for monthly passes
- Introduce new fare products:
 - Student/Youth Commuter cash and tickets
 - Student/Youth Local cash and tickets
 - Senior Commuter tickets
 - Senior Local cash, tickets and monthly pass

Implementation Plan

2017

- Introduce new fare products
 - Everybody Rides Local Monthly pass
 - Single and Family Day passes
- Discontinue Senior Commuter Annual pass - less than five per year currently being purchased
- Discontinue Senior Off Peak pass – replace with Everybody Rides Local Monthly pass

2018

- Implement changes to Mobility Bus fares

2018 Forward

- Continue to implement incremental increases to senior passes to bring them up to the recommended multiplier level
- Small annual increases are recommended to offset annual inflation increases
 - Percentage of increase is subject to the annual Operating Budget deliberations

Transit Fare Strategy

Questions?

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