

2.5.12 Fare Policy

Monitoring period: October 1, 2022 – September 2023

Finance Committee Meeting Date: September 12, 2023

Board Meeting Date: September 21, 2023

INFORMATION TYPE
Decision
RECOMMENDED ACTION(S):
<p>That the Board review this monitoring report and consider accepting it as:</p> <ul style="list-style-type: none"> (A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations. (B) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance. (C) 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation 2. For policy items x.x.x – the interpretation is not reasonable 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance 4. For policy items x.x.x – the Board acknowledges and accepts the CEO’s stated non-compliance and the proposed dates for compliance
BACKGROUND
<p>Monitoring Reports are a key Policy Governance tool to assess organizational/CEO performance in achieving Ends (1.0) within Executive Limitations (2.0). A Policy-Governance-consistent Monitoring Process is:</p> <ul style="list-style-type: none"> 1. CEO sends Monitoring Report to all board members 2. At Board meeting, board accepts Monitoring Report through majority vote (or if not acceptable, determines next steps)

ISSUE SUMMARY:

This policy was scheduled for submission in September and submitted in the September Board Meeting.

TheRide’s Board of Directors establish policies that define what methods are unacceptable to use to achieve expected results, called Executive Limitations. This monitoring report provides the CEO’s interpretations of those policies, evidence of achievement, and an assertion on compliance with the Board’s written goals. As with other monitoring reports, the Board decides whether the interpretations are reasonable, and the evidence is convincing.

I certify that the information is true and complete, and I request that the Board accept this as indicating an acceptable level of compliance.

CEO’s Signature






Date




8/29/23

ATTACHMENTS:

1. Monitoring report for Policy 2.5.12: Fare Policy
2. Operating & Capital Budget for FY2024 Version 1.0, Draft Budget FY2024

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 Fully Compliant
  Partially Compliant
  Non-Compliant

Preliminary CEO Interpretations and Evidence

POLICY 2.5.12 The CEO shall not...adjust passenger fares.

Degree of Compliance: Compliant

Interpretation

Measure/ Standard & Level of Achievement

Compliance with this policy will be demonstrated when the CEO does not adjust any fares without prior approval from the Board.

Rationale

The Board has retained the right to control decisions on changes to fares for itself.

Evidence

Source of Data: FY 2024 Budget review

Date of Data Review: 8/23/2023 as verified by the Deputy CEO, Finance and Administration

Data: A comparison of fares and prices used during the monitoring period with those used in previous years confirms that none were changed. See below for that detail as provided in Table 8.3 on page 49 of FY 2024 Draft budget.

FIXED ROUTE FARES	FY2022	FY2023	FY2024
<i>Cash Fares</i>			
Full Fare Cash	\$1.50	\$1.50	\$1.50
Transfer	Free	Free	Free
<i>Reduced Cash Fares</i>			
Youth (Grades K-12)	\$0.75	\$0.75	\$0.75
Children (5yrs & Younger)	Free	Free	Free
Fare Deal Card	\$0.75	\$0.75	\$0.75
A-Ride Card	Free	Free	Free
GoldRide Card	Free	Free	Free
<i>Passes and Tokens</i>			
Day Pass	\$3.00	\$3.00	\$3.00
Reduced Day Pass	\$1.50	\$1.50	\$1.50
30 Day Pass	\$45.00	\$45.00	\$45.00
30 Day Value Pass (Senior)	\$22.50	\$22.50	\$22.50
30 Day Value Pass (Income Elig.)	\$22.50	\$22.50	\$22.50
30 Day Value Pass (Disability)	\$22.50	\$22.50	\$22.50
30 Day Value Pass (Student)	\$22.50	\$22.50	\$22.50
Full Fare Token	\$1.50	\$1.50	\$1.50
Reduced Fare Token	\$0.75	\$0.75	\$0.75
SPECIAL SERVICES FARES	FY2022	FY2023	FY2024
<i>GroceryRide</i>			
GroceryRide	\$0.75	\$0.75	\$0.75
<i>NightRide</i>			
NightRide (Full Fare)	\$5.00	\$5.00	\$5.00
NightRide (go!Pass)	\$3.00	\$3.00	\$3.00
NightRide (Reduced Fare)	\$2.50	\$2.50	\$2.50
NightRide (Surcharge/outside A2)	\$0.00	\$0.00	\$0.00
NightRide (Child age 5 & under)	Free	Free	Free
<i>HolidayRide</i>			
HolidayRide (Full Fare)	\$5.00	\$5.00	\$5.00
HolidayRide (go!Pass)	\$3.00	\$3.00	\$3.00

HolidayRide (Reduced Fare)	\$2.50	\$2.50	\$2.50
HolidayRide (Surcharge/outside A2)	\$0.00	\$0.00	\$0.00
HolidayRide (Child age 5 & under)	Free	Free	Free
FootballRide			
One-Way	\$1.50	\$1.50	\$1.50
Round Trip	\$3.00	\$3.00	\$3.00
A-RIDE FARES	FY2022	FY2023	FY2024
Cash Fares			
Advance Reservation	\$3.00	\$3.00	\$3.00
Same Day Reservation	*\$4.00	*\$4.00	*\$4.00
Will Call return Trip	\$3.00	\$3.00	\$3.00
Companion Fare	\$3.00	\$3.00	\$3.00
Companion Fare (Youth K-12)	\$1.50	\$1.50	\$1.50
Companion Fare (Age 5 & Under)	Free	Free	Free
Personal Care Assistant	Free	Free	Free
Scrip Coupons			
Booklet of 10	\$30.00	\$30.00	\$30.00
FLEXRIDE FARES	FY2022	FY2023	FY2023
Standard Adult One-Way	\$1.00	\$1.00	\$1.00
Students (K-12, ages 6-18)	\$0.50	\$0.50	\$0.50
Children (Age 5 & Under)	Free	Free	Free
Fare Deal Card	\$0.50	\$0.50	\$0.50
A-Ride Card	Free	Free	Free
GoldRide Card	Free	Free	Free
30-Day Value Pass (Fare Deal)	Free	Free	Free

*D2A2 fares are controlled by the RTA and are not under the authority of this policy.

POLICY 2.5.12.1

The CEO shall not...request authorization to adjust passenger fares without (a) incorporating the request into a budget or budget amendment for board consideration, (b) providing data that demonstrates the fare adjustment is fiscally responsible and aligned with achievement of the board’s Ends, and (c) providing data that supports an informed decision by the Board – including but not limited to clearly articulated information about the following:

- A. A clear listing of all proposed fare categories/types and prices, along with supporting information.
- B. The fare discounts to be provided for low-income residents and other vulnerable populations and rationale for how residents qualify for fare discounts.
- C. The impact of the proposed adjustment on equity among different fare categories.
- D. The implication of the proposed fare adjustment on ridership.
- E. The implications of the proposed adjustment on the authority’s budget and the financial trade-offs required (e.g., tax rate increase/decrease, increased/decreased services, impact on reserve or deficit, etc.).
- F. Opportunities that users, residents, Legal Owners, and stakeholders had to provide feedback on the proposed adjustment, the nature of their feedback, and how their feedback has been addressed.

Degree of Compliance: Compliant

Interpretation

I understand this policy to mean that should the CEO seek authorization from the Board to change fares, the Board has articulated the process and information it will want to see as part of the CEO proposal.

Measure/Standards & Level of Achievement

Compliance will be demonstrated when a CEO’s proposal to change fares:

1. Is presented as a part of the annual budget process or a mid-year budget amendment.
2. Provides the following information:
 - a. A table clearly showing the existing and proposed fares side-by-side to make it easy to see the proposed changes.
 - b. Comments on how the proposed changes will advance the Board’s written Ends goals.
 - c. Estimates for impacts on ridership.

- d. Documentation of what discounts are being proposed for low-income or other passengers, and a description of, and justification for, the process for assessing eligibility for the discount.
- e. A description of the public involvement process used in developing the proposal (often dictated by Title VI requirements).
- f. An assessment of the cost per trip and subsidy per trip for each fare type, as well as the average cost per trip and the amount of costs covered by taxpayers.
- g. A financial assessment documenting the anticipated impacts on revenues and how the agency will compensate for any decrease in revenue.

I further interpret that this policy does not prohibit the CEO from suspending fare collection under emergency situations or for public safety reasons. Notification of such an action will be communicated to the Board within 48 hours.

Rationale

The above interpretations are reasonable because the Board policy is already specific and unambiguous regarding the information it expects to accompany a proposal to adjust fares. The interpretation re-orders the information for a succinct proposal and clarifies the details to be provided in a few instances.

The interpretation that the CEO can suspend fare collection in emergency situations is reasonable because 1) emergency situations sometimes require immediate action, 2) all passengers would be treated equally, and 3) although rare, this situation did arise during the COVID pandemic. 48 hours is adequate under emergency circumstances when staff may be dealing with multiple challenges.

Evidence

Source of data: Recommended FY2024 Budget
Date of data collection: 8/23/2023 as verified by the Deputy CEO, Finance and Administration
Data: The CEO is not requesting any changes to fares or prices in the recommended FY2024 budget (pg. 49). No proposal has been submitted to the Board.

POLICY 2.5.12.2 The CEO shall not...let the travelling public, residents and businesses be without reasonable advance notice of approved changes to fares.

Degree of Compliance: Compliant

Interpretation

I interpret this policy to be about publicizing a decision, not about the public involvement leading up to a decision. Public involvement is already addressed above in policy 2.5.12.1(f). Public involvement prior to decisions is also a legal requirement of Title VI.

Measure/Standards & Level of Achievement

Compliance with this policy will be demonstrated when the public is notified of any change at least 30 days in advance. While tools for notification may change, they will at least include publication on agency’s website and social media accounts, and hardcopy postings in terminals and on buses.

Rationale

This interpretation is reasonable because a minimum of 30 days of advance notification provides a good chance that regular patrons will encounter the notification before changes take effect. This also allows patrons an opportunity to buy a monthly pass at the old price before new prices take effect. This approach does not preclude staff from recommending a longer timeline between Board approval and implementation of changes.

The minimum approaches of publication and posting are reasonable as they will reach most patrons. Electronic publication will reach many, while hardcopy postings will be physically available where patrons interact with paying fares. This also does not preclude staff from mounting more expansive public education efforts based on the scale of the change.

Finally, this approach is consistent with the rules from the agency’s Title VI plan which also requires considerable public involvement before a final approval can be made.

Evidence

Source of data: Review of Public Input Policy

Date of data collection: 8/23/2023 as verified by the Deputy CEO, Finance and Administration

Data: There were no fare changes implemented during the monitoring period so no notifications were made.

Policy Trendline

Policies	FY21	FY22	FY23
2.5	2	3	3
2.5.1	2	3	3
2.5.12	2	2	3
2.5.12.1	2	3	3
2.5.12.2	n/a	1	3

Legend	
1	Policy is not compliant
2	Policy is partially compliant
3	Policy is fully compliant

The policy trends for this policy are as shown below. The trendline for FY 23 is not final and is dependent on the Board’s decision.

Board’s Conclusion on Monitoring Report

Board’s conclusion after monitoring the report.

Following the Board’s review and discussion with the CEO, the Board finds that the CEO:

- A. a reasonable interpretation for **all** policy items and that the evidence demonstrates compliance with the interpretations.
- B. a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations, except for the CEO’s stated non-compliance with item(s) x .x, which the Board acknowledges and accepts the proposed dates for compliance.is making reasonable progress towards compliance.
- C. 1. For policy items x.x.x – there is evidence of compliance with a reasonable interpretation
- 2. For policy items x.x.x – the interpretation is not reasonable
- 3. For policy items x.x.x – the interpretation is reasonable, but the evidence does not demonstrate compliance
- 4. For policy items x.x.x – the Board acknowledges and accepts the CEO’s stated non-compliance and the proposed dates for compliance.

Board’s notes (where applicable)

Board accepted the policy as (A) a reasonable interpretation for all policy items and that the evidence demonstrates compliance with the interpretations.