



Proposed Fare Changes

Board of Directors
November 5, 2015



Objective

- Generate revenue to support increased operating and maintenance needs
- Support Strategic Plan Focus Area
 - Finance: “Caltrain will establish financial stability, minimize its operating subsidy and fund system improvements.”
 - “Develop strategies to increase returns from existing revenue streams (e.g. fares, parking, concessions, advertising and leases)”



Proposal

- Increase base fare by 50 cents
 - From \$3.25 to \$3.75
 - Corresponding increase for Day Pass, 8-ride Ticket and Monthly Pass
- Maintain 15 percent Clipper discount
- Maintain 50 percent Eligible Discount fare
- Increase Parking Fees
 - 50 cent increase in Daily Parking fee (from \$5.00 to \$5.50)
 - Five dollar increase in Monthly Parking fee (from \$50 to \$55)

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Fare History

- 2011 – Base fare increased from \$2.50 to \$2.75
- 2012 – Base fare for paper tickets increased to \$3.00
Clipper base fare remained at \$2.75
- 2014 – Base fare for paper tickets increased to \$3.25
Clipper base fare remained at \$2.75

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Parking Fee History

- 2011 – Daily fees increased from \$3 to \$4
Monthly fees increased from \$30 to \$40
- 2013 – Daily fees increased from \$4 to \$5
Monthly fees increased from \$40 to \$50

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Fare Comparison*

Agency	Max. Fare Per Mile		One-way Cash Fare		Monthly Pass	
	Cash	Pass	Base	Max.	Base	Max.
Caltrain (SF-SJ)	\$0.20	\$0.12	\$3.25	\$9.25	\$73.00	\$232.00
w/ Gilroy ext.	\$0.17	\$0.11	\$3.25	\$13.25	\$73.00	\$338.00
Caltrain (SF-SJ) with increase	\$0.21	\$0.12	\$3.75	\$9.75	\$84.80	\$243.80
w/ Gilroy ext.	\$0.18	\$0.11	\$3.75	\$13.75	\$84.80	\$349.80
Agency Average	\$0.20	\$0.13	\$3.56	\$12.83	\$91.97	\$298.99

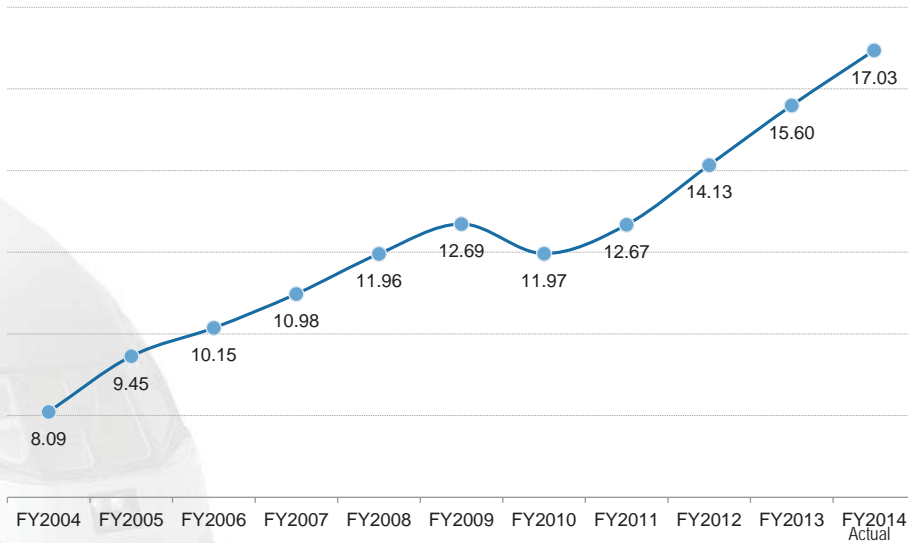
* Comparison of nine other rail transit agencies
(ACE, Capitol Corridor, BART, Coaster, MBTA, Metra, Metrolink, Sounder, VRE)

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Ridership

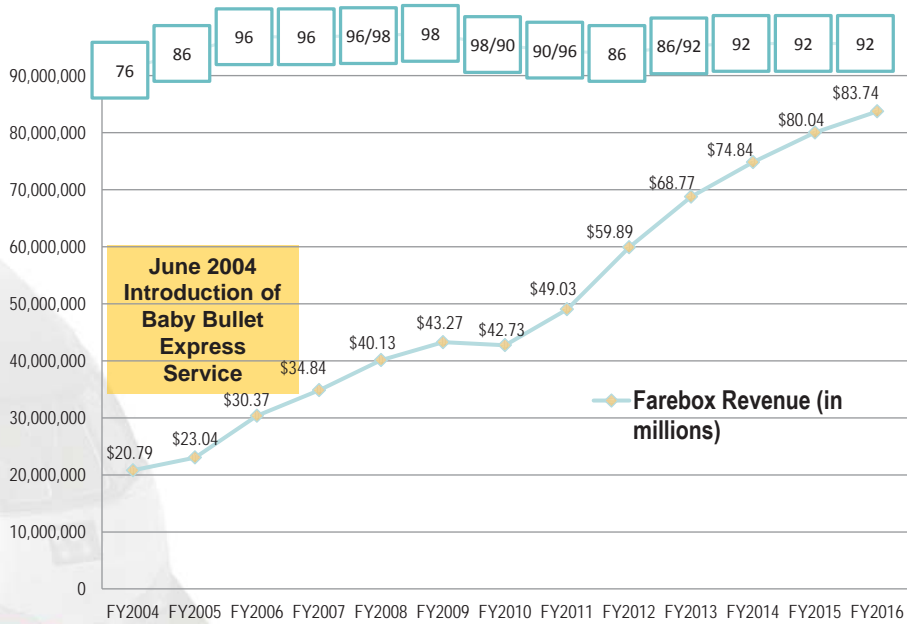
Historical Caltrain Ridership (in millions)



Increase
2.1x
since
FY2004



Farebox Revenues

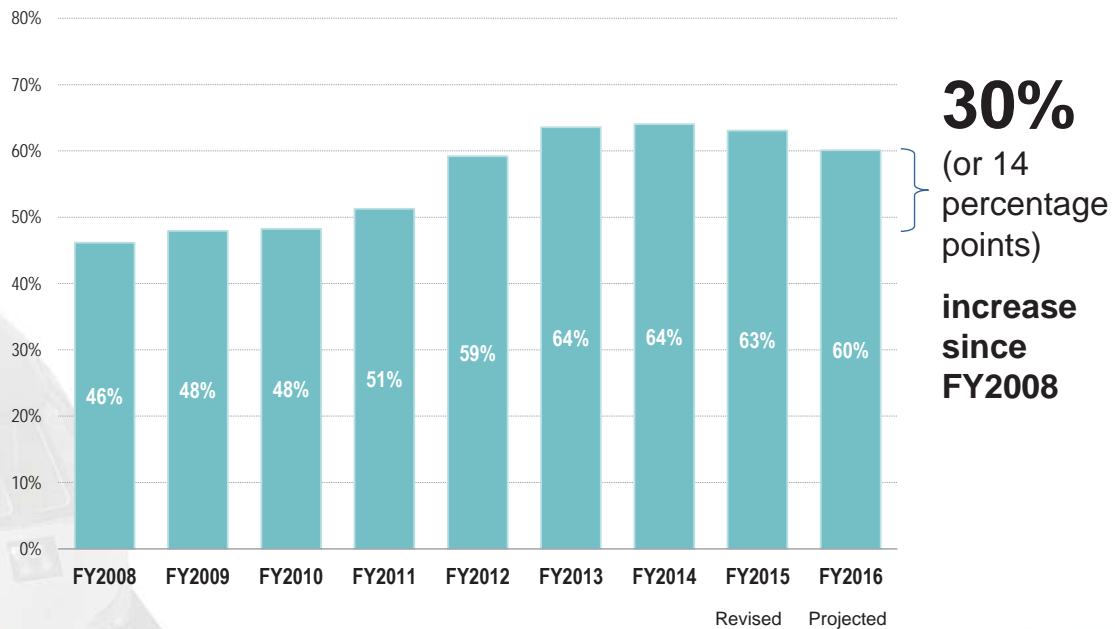


No. of
Weekday
Trains

Increase
4.03x
since
FY2004

FY2004 FY2005 FY2006 FY2007 FY2008 FY2009 FY2010 FY2011 FY2012 FY2013 FY2014 FY2015 FY2016
Revised Projected

Farebox Recovery Ratios

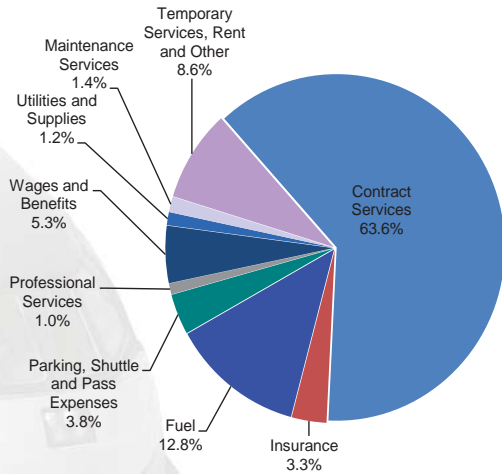


Operating Costs

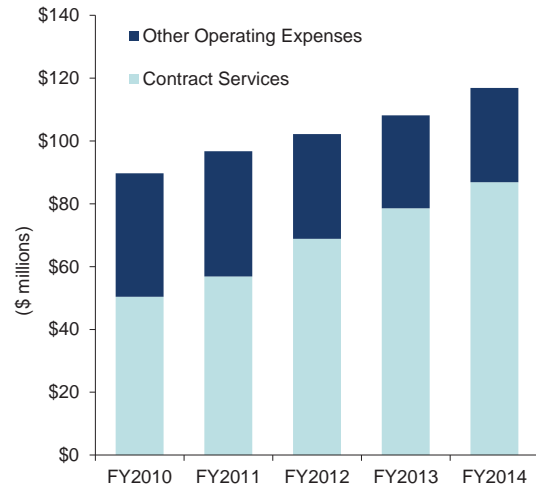
- Increased Costs
 - Aging Fleet = Increased maintenance
 - Increased demand for special service
- New Costs Projected
 - CBOSS-PTC
 - Electrification/EMUs

Summary of Operating Expenses

FY 2014 Operating Expense by Type



Historical Operating Expenses



O&M Forecast 2021 / 2024 (YOE \$)

Excluding long term debt expense

	Existing (Adopted)	Start of Electrification	10 Year Outlook
	FY2015	FY2021	FY2024
<u>Sources of Funds</u>			
Operating Revenues	\$89,337,446	\$132,000,000	\$158,000,000
JPB Member Subsidy	\$19,828,952	\$23,000,000	\$25,000,000
Other Contributions	\$21,569,628	\$8,000,000	\$9,000,000
Total Revenues & Funds	\$130,736,026	\$163,000,000	\$192,000,000
<u>Use of Funds</u>			
Operating Expenses	\$108,475,914	\$155,500,000	\$178,000,000
Other Use of Funds	\$17,947,237	\$23,500,000	\$26,000,000
Total Expenses*	\$126,423,151	\$179,000,000	\$204,000,000
Surplus / (Deficit)*	\$4,312,875	(\$16,000,000)	(\$12,000,000)

Note: Historic annual deficit



New Revenues

- **50-cent base fare increase = \$7.9 million**
- **Parking Fee Increases = \$400,000**

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Outreach

- **Community Meetings**
 - Gilroy, Mountain View, San Carlos, San Francisco
- **Presentation to CAC**
- **Public Hearing**
- **Social Media**
- **Website**
- **Newspaper notices**
- **News Release**
- **Onboard flyers**
- **Visual messages at stations**

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Outreach

- **Ways to comment**
 - Email
 - Phone
 - Comment Cards
 - USPS
- **35 Comments Received**

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Questions/Comments

Board of Directors
November 5, 2015