



Fare Revenue Assumptions

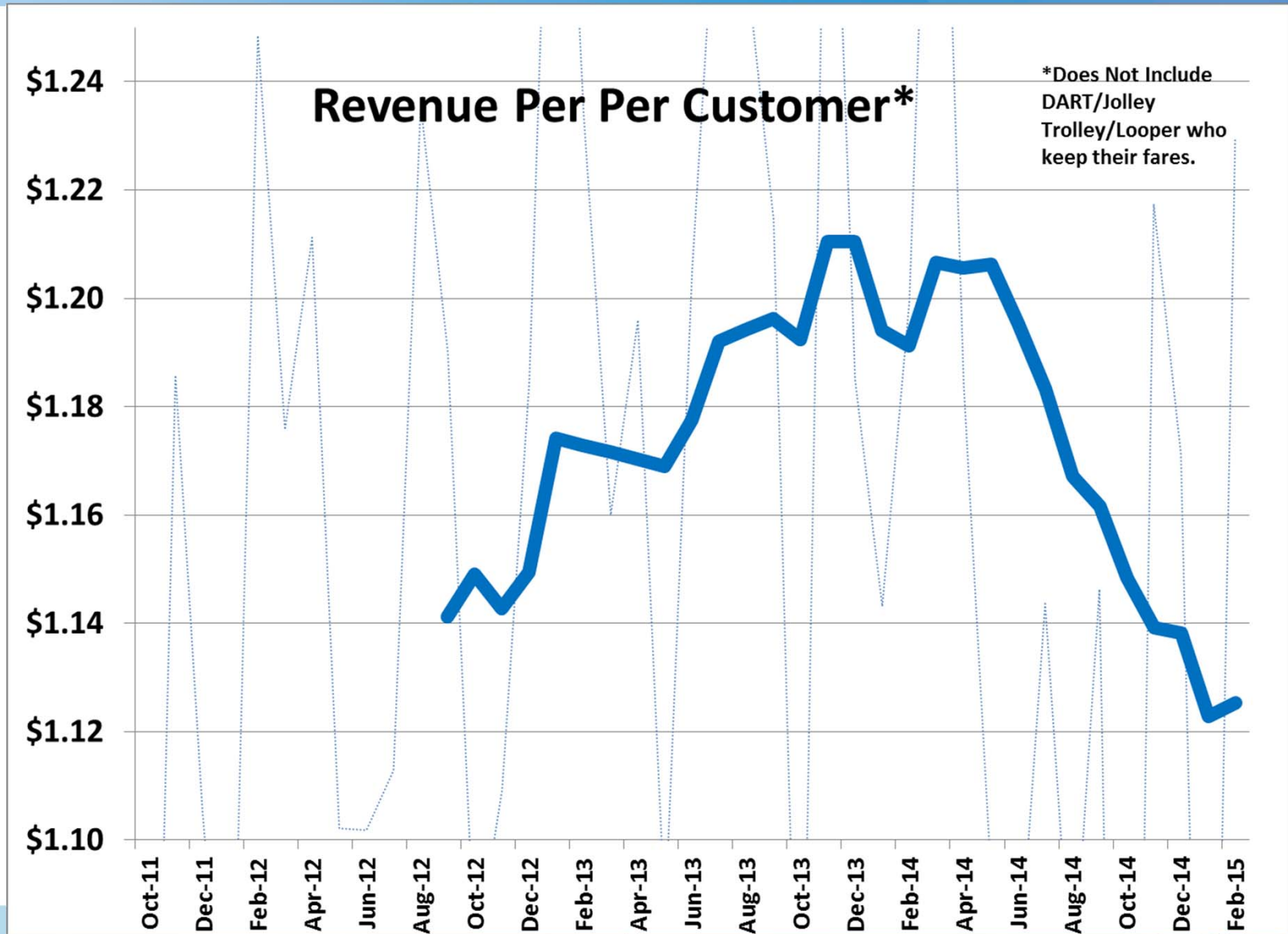
Planning Committee

April 15, 2015

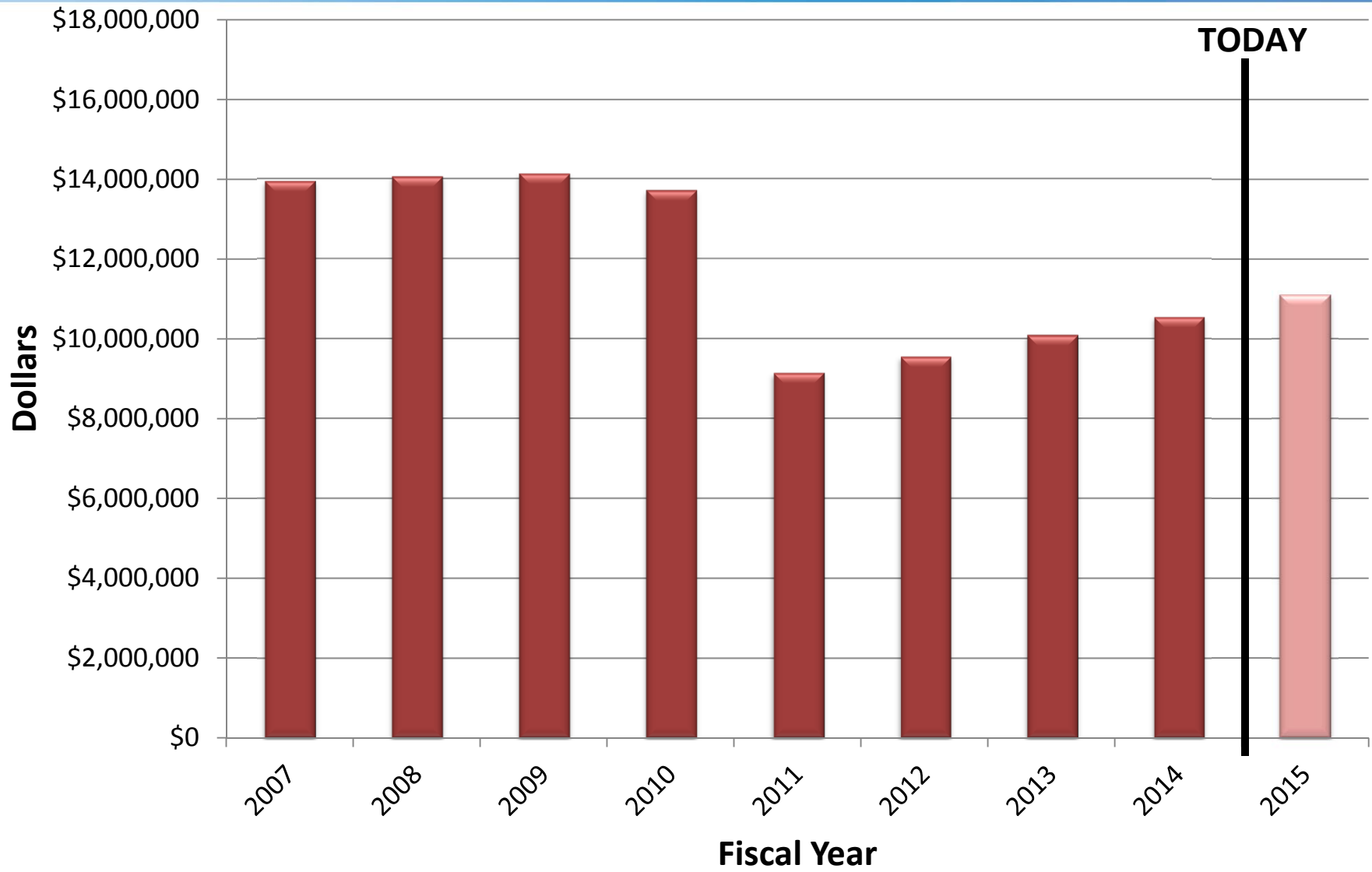
Fare Revenues

- Previous PSTA Leadership Focus on Maximizing Customer Payments has changed to providing Customer Oriented Service.
- PSTA customers are getting transportation at less out of pocket cost to them while PSTA's reserve balances and funding is maintained.
- At \$14M Annually, PSTA fares remain a key source of revenue and strategies must be considered to increase it along with all others.

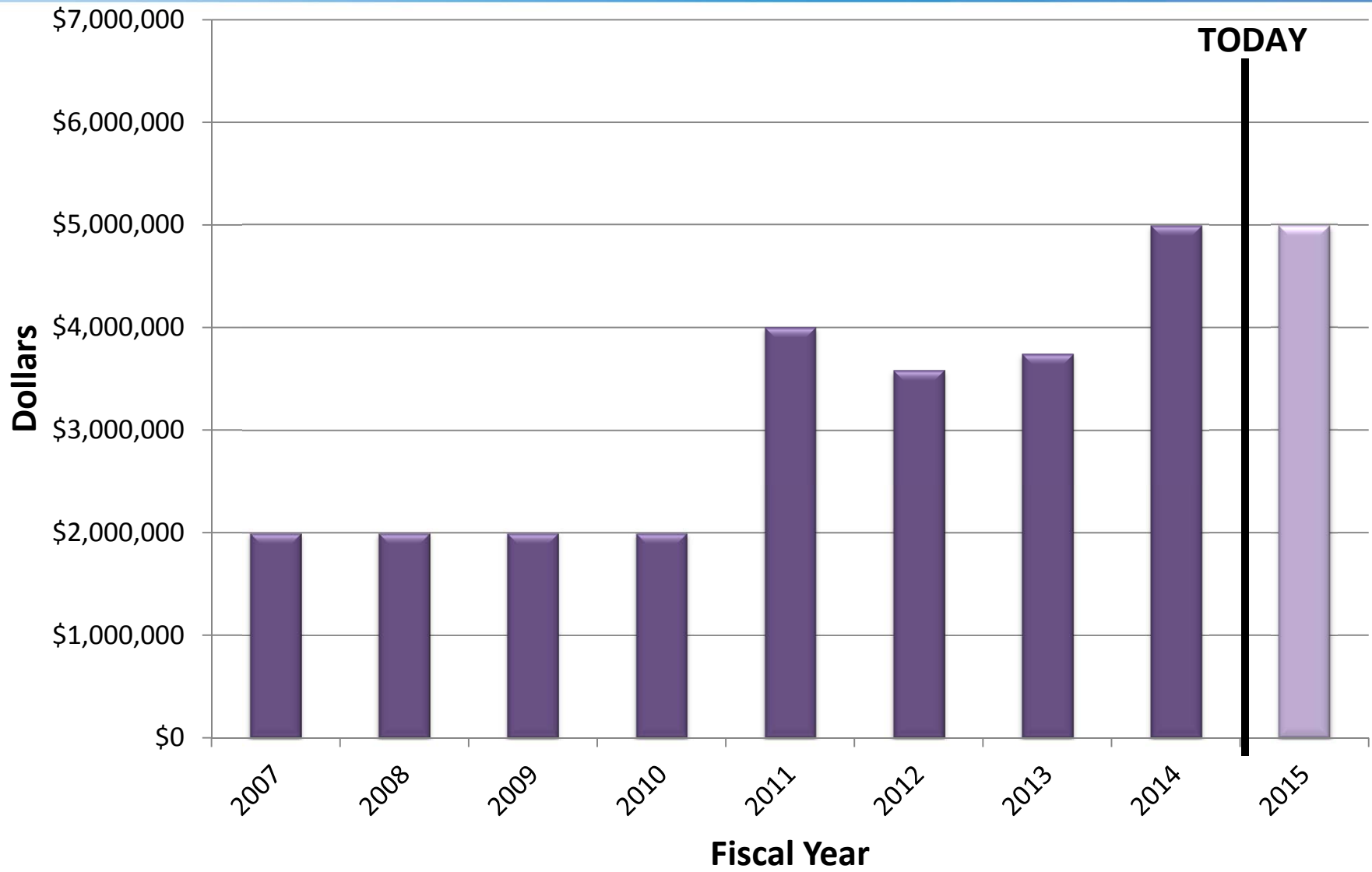
Lowering Our "Price"



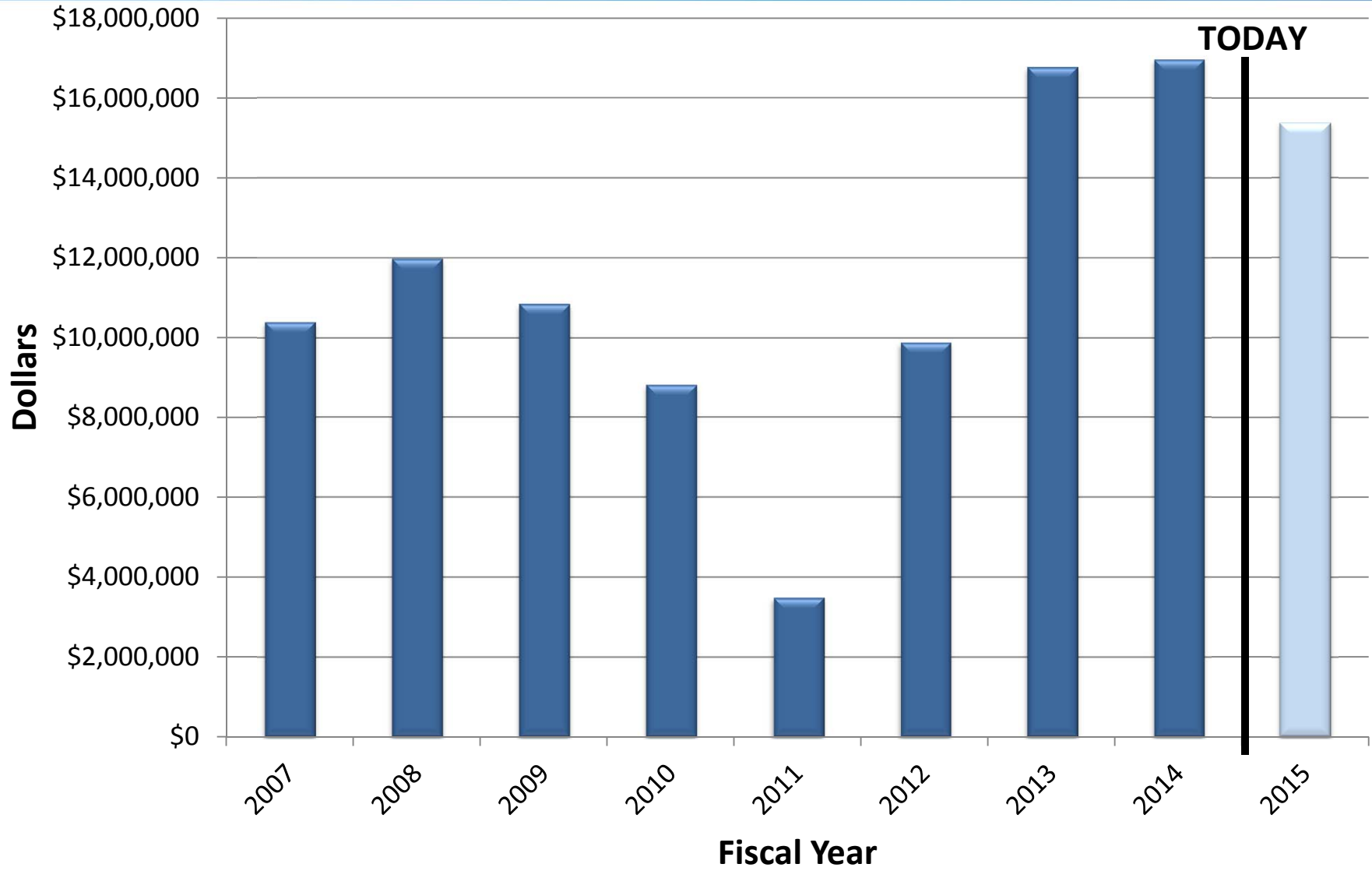
Pinellas Suncoast Transit Authority Operating Reserve (End of Fiscal Year)



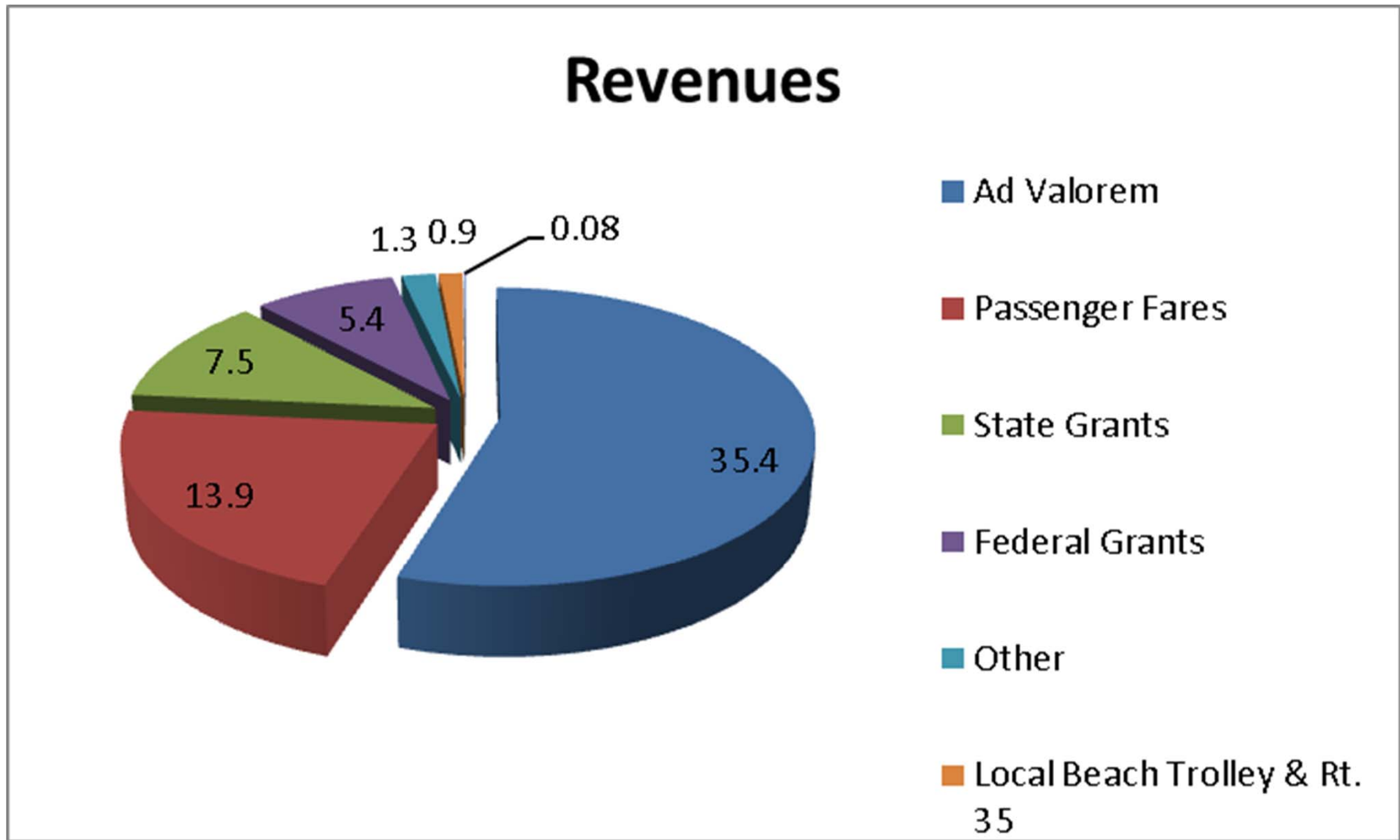
Pinellas Suncoast Transit Authority Insurance Reserve (End of Fiscal Year)



Pinellas Suncoast Transit Authority General Reserve (End of Fiscal Year)



Sources of Revenue



Suggested Goals to Consider

- Increasing Revenue From Fare, TD, UPASS, Medicaid and other “Fare-Like” Programs equivalent of 15% Increase in Average Revenue.
- Generate \$1.2M in Additional Revenue.

How Did This Happen?

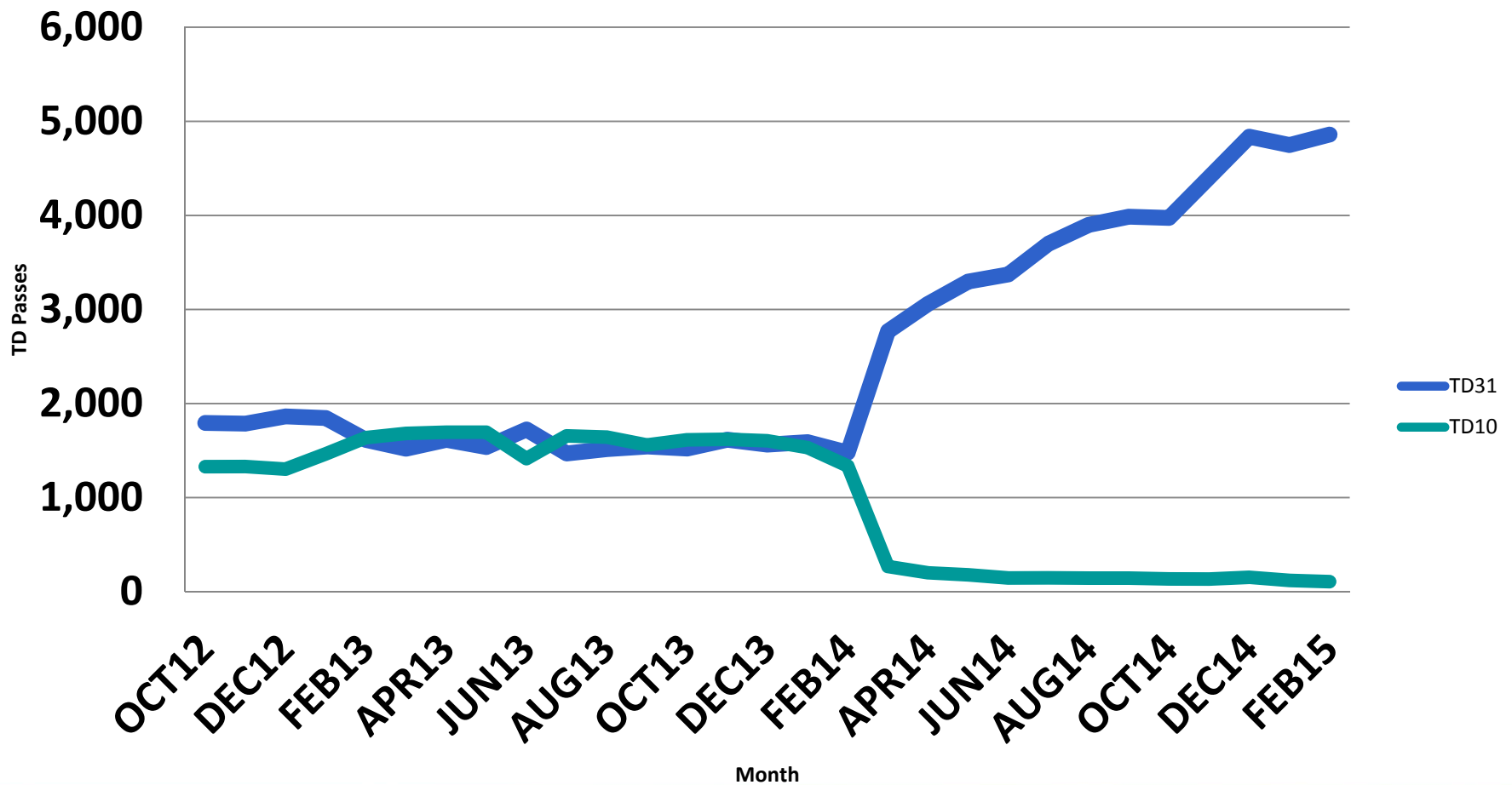
- Huge Expansion of TD Low-Income Bus Pass Program
- PSTA UPASS Program
 - Success: Nearly 50,000 UPASS Trips/Month
 - Many more UPASS trips to other destinations than school/work.
 - 2015 Survey: 61% of UPASS Riders rode PSTA Previously.
 - Regular, Steady Increases with Partners will Close Gap.

TD Low-Income Bus Passes

- <150% Poverty Line Qualifies for \$8.25 Monthly Pass vs. \$65 Regular.
- A Year Ago: 2,500 Recipients
- Today: 5,500 Recipients & Growing

Changes in TD Program Pass Sales

TD Bus Pass Sales



Did We Anticipate This? Yes, Partially



#1 Complaint & PSTA Administrative Burden:
Medical & Work Trip Verification Restricted Pass
Eligibility.



#2 Complaint: Human Service Agency
Certification Delays



Accurately anticipated existing demand.



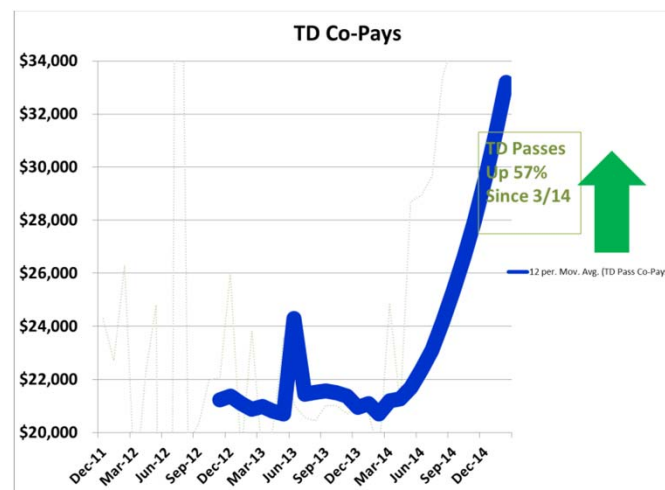
Did not predict pent-up demand unleashed by
these program improvements.



Without restrictions, what is demand?

Mitigating Revenues

- State TD Funds Stable – Increased Pinellas Demand Increases Funding via State Formula.
- TD Co-Pays
- Other Partnerships
- New Technology



TD Math

3,000 New Monthly TD Pass Holders

X

12 Months

36,000 New TD Bus Passes Sold Per Year

X

-\$56.75 Savings Per Month (Say \$50)

=

-\$1.8M Possible Revenue Reduction to PSTA

Challenge in Increasing Fare Revenue

- Increasing Base Fares Only May Drive Even More Demand for Discounted TD Fares.
- Large Portion (approximately 9%) of TD Bus Passes Purchased by Agencies – Free to Customers.



Public Transit Is Essential



Deliberate Process

- **MPO's Local Coordinating Board:** Patti Johnson/Brian Scott/Ross Silvers
- **PSTA's Riders:** TRAC Committee
- **Pinellas Homeless Leadership Board & Providers**
- **Other Providers:** Cabs & Uber

Timing

- **Start Communication Now**
- **Public Hearings/Decisions in September, 2015**