

RESOLUTION NO. 1996-72

ADOPTING A COMPREHENSIVE FARE POLICY

WHEREAS, increasing ridership is one of GCRTA's primary goals; and

WHEREAS, the GCRTA Board of Trustees has a statutory responsibility to establish the fares charged on the GCRTA system; and

WHEREAS, a comprehensive fare policy can provide a broad context within which to make decisions on specific fare structures; and

WHEREAS, the Board's Marketing and Communications Committee has recommended adoption of the attached Comprehensive Fare Policy.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority:

Section 1. That the Greater Cleveland Regional Transit Authority hereby adopts the attached Comprehensive Fare Policy.

Section 2. That this resolution shall become effective immediately upon its adoption.

Attachment: Comprehensive Fare Policy

Adopted: May 21, 1996


Vice President

Attest:


General Manager
Secretary-Treasurer

COMPREHENSIVE FARE POLICY

The Board of Trustees affirms that RTA is both a tax-supported public service agency and a business-like enterprise that competes for customers in the marketplace. This dual role sometimes necessitates balancing disparate goals. When establishing and adjusting RTA fares, the Board of Trustees will seek to balance the following general policies, recognizing that an action that furthers one of these policies will sometimes run counter to another one.

1. Within the constraints of law and regulation, the RTA Board of Trustees will maximize ridership by using a market-based approach that tailors fares to market conditions. That means:
 - (a) Fares for each type of service will be determined by the market segment served and the value provided.
 - (b) The fare structure will be reasonable and equitable in the view of the market, including riders, taxpayers, and community leaders.
 - (c) The timing and amount of fare adjustments will be sensitive to market conditions such as the price of competing services.
2. To promote financial stability, the RTA Board of Trustees will maintain an operating ratio of at least 25%, and will strive toward an operating ratio of 30%, or higher if Federal operating funds are reduced. (Sales tax revenue currently represents approximately 65% of total revenue.) The operating ratio will be reported quarterly, and fare and service levels will be reviewed annually during the budget process to determine whether adjustments to fares or operating expenses are needed.
3. In order to maintain the desired operating ratio systemwide, the RTA Board of Trustees will consider the cost of providing each type of service when establishing or adjusting the fare for that service.

4. In concurrence with resolution 1990-206, with each paid fare customers are entitled to receive one transfer, which may be used to make up to two free connections (for a total of three boardings). Transfers may be used on connecting routes to complete a one-way trip. Transfers may not be used for stop-overs or round trips. They may be used as an upgrade from Local to Express/Flyer service, even if both routes serve the same destination, if the difference in value is paid.
5. The RTA Board of Trustees will encourage the use of discounted pre-paid fare media to increase RTA's overall share of the travel market. In determining the percentage discount (i.e., the spread between cash fares and pre-paid fares), the Board will take into account that some low-income customers must use cash because they cannot afford to buy pre-paid media.
6. Since the Cuyahoga County sales tax provides the majority of RTA's operating funds, service to other counties will be subject to fare surcharges, private-sector subsidies, and/or tax support from other jurisdictions, as stated in resolution 1977-153.
7. As set forth in resolution 1990-70, special services, such as special event shuttles, should recover a minimum of 25% of their fully-allocated cost from passenger revenues and subsidies. Fare levels for special services should be set at such a level to insure this minimum.
8. The RTA Board of Trustees will avoid fare structures that are too complex to be successfully communicated to customers or administered by RTA staff. However, recognizing the need for innovation, the RTA will continually seek new technology that makes fare payment and collection more convenient for customers and staff.
9. As the largest provider of public transportation services in Cuyahoga County GCRTA explores opportunities for joint cooperation and public private partnerships with third party entities that generate a high volume of ridership and/or manage their own parking demand, such as colleges, universities, and large employers. Coordination could involve employer pass subsidies, guaranteed ride home programs, and on-site automated fare media dispensers.