

## Fare Assumptions

### Adopted Wake Transit Plan

Bus Fares for Fixed Bus Routes	Assumes 24% Farebox Recovery Ratio for Ridership Scenario; 10% for Coverage; 3% Inter-town; 0% for no-fare for with an annual increase in farebox revenue of 2.5% beginning in FY 2019
Commuter Rail Fares	Assumes 20% Farebox Recovery
Bus Rapid Transit	Assumes 24% Farebox Recovery Ratio for Ridership Scenario

### Nelson Nygaard Projection

Short term (FY19 – FY22)	Nelson\Nygaard estimated ridership and revenue in the short term using existing ridership by route to estimate expected fare revenue associated with changes in service designs and hours. Estimated changes in revenue were added to revenue collected in the base year (fiscal year 2019) to estimate future year revenue totals by provider. For existing services (services with no changes), a one percent increase in the existing ridership was applied annually to account for growth. NN also assumed ridership would increase on new services, but applied a slower ramp-up increased over the three years to develop full ridership potential.
Longer term (FY22 – FY27)	Building on the short-term model, Nelson\Nygaard developed a longer-term model to estimate fare revenue out to fiscal year 2027. This model used the same methodology as the short-term model, using existing productivity by route to estimate new fare revenue out to 2023 based on changes in hours of service. From 2024 forward a similar estimation method was used which relies on higher estimated productivity, based on the Wake Bus Plan Service Guidelines document. 2024 was chosen as the year for this change because it is the year when high capacity services, such as bus rapid transit will come on line, increasing the attractiveness of the network overall. Consistent with the short-term methodology, NN added all new revenue to the base year (fiscal year 2019) revenue to estimate total annual revenue for each provider by year. As with before, a one percent increase in the existing ridership was applied annually to account for growth on existing services. All new services were given an estimated ramp-up of three years to develop full ridership potential.

### Fare Work Group Projection

FY 2021 Wake Transit Financial Model	GoTriangle, GoRaleigh, and GoCary reviewed NN projections. Instead of using Wake Bus Plan standards, the providers used actual ridership per route, multiplied by an average fare. The average fare, based on the Fare Strategy, but also including the percentage of riders with discounted fares riding, were then applied to actual ridership realized. New routes being added that are similar to existing routes had a similar ridership estimate applied vs using the Wake Bus Plan guidelines. Bus Rapid Transit fares were also modified to reflect that not all four corridors will be open by FY 2024 but are planned by FY 2027. Commuter Rail remains at 20% farebox recovery and will be updated for Recommended Work Plan based on final results of Greater Triangle Commuter Rail Study.
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The change in fare projection methodology provides a lower projected fare revenue than the Adopted Wake Transit Plan. This number is \$5 million less in FY 2027 compared to the FY 2020 model but still includes \$12.3 million a year in 2027 in fare revenue supporting fixed bus route services including BRT (approximately 14% farebox recovery). It is quite possible that fare revenue will be higher as ridership increases; yet as the average fare per rider has decreased and as fare capping will be implemented, it is prudent to be conservative in fare projections. The following page shows fare projections for fixed bus services by year and provider for Wake Transit services.

**Farebox - Estimates (Bus Plan compared to Partners)**

FY 20 Financial Model - Fixed Bus Route Fare Revenue (Includes BRT)									
Projected Revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027
GoTriangle	\$ 697,134	\$ 714,563	\$ 732,427	\$ 750,737	\$ 769,506	\$ 788,744	\$ 808,462	\$ 828,674	\$ 849,391
GoCary	142,158	145,712	149,355	153,089	156,916	160,839	164,860	168,982	173,206
GoRaleigh	3,204,342	3,284,450	3,366,562	3,450,726	3,536,994	3,625,419	3,716,054	3,808,955	3,904,179
Wake Transit New Service	15,000	1,257,712	2,251,489	3,316,594	4,413,051	5,559,522	6,784,184	8,043,997	9,107,504
Bus Rapid Transit						2,694,860	2,762,231	2,831,287	2,902,069
<b>Total Model</b>	<b>\$ 4,058,634</b>	<b>\$ 5,402,437</b>	<b>\$ 6,499,833</b>	<b>\$ 7,671,146</b>	<b>\$ 8,876,467</b>	<b>\$ 12,829,383</b>	<b>\$ 14,235,791</b>	<b>\$ 15,681,894</b>	<b>\$ 16,936,349</b>
Nelson/Nygaard Fixed Bus Route Projection (Includes BRT)									
Projected Revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027
GoTriangle	\$ 767,316	\$ 912,025	\$ 986,933	\$ 1,158,172	\$ 1,152,991	\$ 1,412,977	\$ 1,683,418	\$ 1,797,276	\$ 1,590,373
GoCary	156,269	191,019	235,772	247,353	249,969	423,135	856,752	858,659	1,014,223
GoRaleigh	3,560,946	3,605,002	3,820,184	3,982,586	4,622,685	9,473,452	12,498,889	14,981,106	18,394,465
<b>Total N/N</b>	<b>\$ 4,484,531</b>	<b>\$ 4,708,045</b>	<b>\$ 5,042,890</b>	<b>\$ 5,388,111</b>	<b>\$ 6,025,645</b>	<b>\$ 11,309,564</b>	<b>\$ 15,039,058</b>	<b>\$ 17,637,041</b>	<b>\$ 20,999,061</b>
Transit Partners Projection (Includes BRT)									
Projected Revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027
GoTriangle	\$ 714,812	\$ 773,208	\$ 901,834	\$ 961,659	\$ 1,005,733	\$ 946,484	\$ 1,055,695	\$ 1,099,817	\$ 834,080
GoCary	155,636	168,444	222,316	233,218	237,882	347,697	363,310	379,042	452,086
GoRaleigh	3,032,128	3,069,916	3,257,403	3,386,430	3,920,588	6,029,593	7,251,025	8,377,588	9,705,771
GoRaleigh BRT	-	-	-	-	-	178,984	870,672	870,672	1,354,198
<b>Total Partners</b>	<b>\$ 3,902,576</b>	<b>\$ 4,011,569</b>	<b>\$ 4,381,553</b>	<b>\$ 4,581,307</b>	<b>\$ 5,164,203</b>	<b>\$ 7,502,758</b>	<b>\$ 9,540,702</b>	<b>\$ 10,727,119</b>	<b>\$ 12,346,135</b>
Financial Model vs. Transit Partners - Impact - B/(W) Fixed Bus Route									
Projected Revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027
<b>Total Impact</b>	<b>\$ (156,059)</b>	<b>\$ (1,390,869)</b>	<b>\$ (2,118,280)</b>	<b>\$ (3,089,839)</b>	<b>\$ (3,712,264)</b>	<b>\$ (5,326,625)</b>	<b>\$ (4,695,089)</b>	<b>\$ (4,954,776)</b>	<b>\$ (4,590,214)</b>
Nelson/Nygaard vs. Transit Partners - Impact - B/(W) Fixed Bus Route									
Projected Revenue	2019	2020	2021	2022	2023	2024	2025	2026	2027
GoTriangle	\$ (52,503)	\$ (138,817)	\$ (85,099)	\$ (196,513)	\$ (147,258)	\$ (466,493)	\$ (627,722)	\$ (697,460)	\$ (756,293)
GoCary	(633)	(22,575)	(13,456)	(14,135)	(12,087)	(75,438)	(493,442)	(479,617)	(562,138)
GoRaleigh	(528,818)	(535,086)	(562,781)	(596,156)	(702,097)	(3,443,859)	(5,247,864)	(6,603,518)	(8,688,694)
<b>Total Impact</b>	<b>\$ (581,955)</b>	<b>\$ (696,477)</b>	<b>\$ (661,337)</b>	<b>\$ (806,804)</b>	<b>\$ (861,441)</b>	<b>\$ (3,985,790)</b>	<b>\$ (6,369,028)</b>	<b>\$ (7,780,595)</b>	<b>\$ (10,007,124)</b>

*\*Numbers above do not include projected fares for CRT*