

PROPOSED PROGRAM’S IMPACT ON PASSENGER FARES

The multi-source financing plans presented also include assumptions for the operating budget over time. The financing plan assumes annual PTC operating costs, initially higher maintenance costs over normal inflation due to the aging fleet and infrastructure requiring more materials and labor, providing \$10 million each year for Metra farebox capital, and 3 percent per year inflation. The plan also assumes that during the 10-year period, Metra would issue four \$100 million bonds or similar financing, which will require funds to repay the debt. The funding sources could include federal, state or RTA funds or, in the event that alternative funding cannot be secured, fare increases would be necessary.

To implement the financing plan, which relies on \$400 million in bonds or similar financing, and to adhere to the policy adopted by the Metra Board in 2011 of reviewing fares annually to account for increased operating costs, Table 9 shows a proposed fare increase plan for the next 10 years. Under Metra’s annual program and budget, it is anticipated that the Metra Board will, at present, consider only the level of fare increase needed for 2015.

Table 9
Proposed 10-Year Fare Increase Plan

Year	Proposed Increase
2015	10.80%*
2016	5.00%
2017	8.50%*
2018	4.00%
2019	7.75%*
2020	3.00%
2021	3.00%
2022	5.75%*
2023	3.00%
2024	3.00%

* Year of Metra financing

However, in order to demonstrate the actual cost of Metra’s beginning to overcome years of deferred maintenance and a failure to confront the reality of responsibly funding Metra’s operations and capital needs, the tables below constitute an effort to fully disclose to the riding public and other stakeholders the costs of meeting Metra’s needs for PTC & Rolling Stock. It should be emphasized that, as the 10-year plan unfolds, if alternative sources can be found to either provide for the debt service for the to-be-issued bonds or other financing or to eliminate the need for all of the financing, some of the proposed fare increases may be able to be eliminated.

As an example, Tables 10 and 11 show the potential fare increase necessary to pay for all \$400 million of financing through fare increases. Table 10 provides an example of how the multi-source financing plan impacts the one-way fares over the 10-year period. In 2014, the Metra Zone AE riders pay \$5.25 for a one-way ticket. Under this program, over the course of the next five years the cost would increase to \$7.50 in 2019 and \$9 by 2024. Table 11 provides the likely increase to the monthly tickets over the ten-

year period. In 2014, the Metra Zone AE rider pays \$149.50 for a monthly ticket. Under this program, over the course of the next five years the cost would increase to \$214 in 2019 and \$257 by 2024.

Table 10
Sample of One-way fares over 10 years (\$400 million financing serviced by fares)

Metra Zone Pair	Distance (miles)	2014	2015*	2016	2017*	2018	2019*	2020	2021	2022*	2023	2024
AA	0.0 - 5.0	\$2.75	\$3.25	\$3.50	\$3.75	\$4.00	\$4.25	\$4.50	\$4.75	\$5.00	\$5.25	\$5.50
AB	5.1 - 10.0	\$3.00	\$3.50	\$3.75	\$4.00	\$4.25	\$4.50	\$4.75	\$5.00	\$5.25	\$5.50	\$5.75
AC	10.1 - 15.0	\$4.25	\$4.75	\$5.00	\$5.50	\$5.75	\$6.25	\$6.50	\$6.75	\$7.25	\$7.50	\$7.75
AD	15.1 - 20.0	\$4.75	\$5.50	\$5.75	\$6.25	\$6.50	\$7.00	\$7.25	\$7.50	\$8.00	\$8.25	\$8.50
AE	20.1 - 25.0	\$5.25	\$6.00	\$6.25	\$6.75	\$7.00	\$7.50	\$7.75	\$8.00	\$8.50	\$8.75	\$9.00
AF	25.1 - 30.0	\$5.75	\$6.50	\$6.75	\$7.25	\$7.50	\$8.00	\$8.25	\$8.50	\$9.00	\$9.25	\$9.50
AG	30.1 - 35.0	\$6.25	\$7.00	\$7.25	\$7.75	\$8.00	\$8.50	\$8.75	\$9.00	\$9.50	\$9.75	\$10.00
AH	35.1 - 40.0	\$6.75	\$7.50	\$8.00	\$8.75	\$9.00	\$9.75	\$10.00	\$10.25	\$10.75	\$11.00	\$11.25
AI	40.1 - 45.0	\$7.25	\$8.25	\$8.75	\$9.50	\$10.00	\$10.75	\$11.00	\$11.25	\$12.00	\$12.25	\$12.50
AJ	45.1 - 50.0	\$7.75	\$8.75	\$9.25	\$10.00	\$10.50	\$11.25	\$11.50	\$11.75	\$12.50	\$13.00	\$13.50
AK	50.1 - 55.0	\$8.25	\$9.25	\$9.75	\$10.50	\$11.00	\$11.75	\$12.00	\$12.25	\$13.00	\$13.50	\$14.00
AL	55.1 - 60.0	\$8.75	\$9.75	\$10.25	\$11.00	\$11.50	\$12.50	\$13.00	\$13.50	\$14.25	\$14.75	\$15.25
AM	60.1 - 65.0	\$9.25	\$10.25	\$10.75	\$11.75	\$12.25	\$13.25	\$13.75	\$14.25	\$15.00	\$15.50	\$16.00
% increase			10.80%	5.00%	8.50%	4.00%	7.75%	3.00%	3.00%	5.75%	3.00%	3.00%

* Year of Metra financing

Table 11
Sample of Monthly fares over 10 years (\$400 million financing serviced by fares)

Metra Zone Pair	Distance (miles)	2014	2015*	2016	2017*	2018	2019*	2020	2021	2022*	2023	2024
AA	0.0 - 5.0	\$78	\$93	\$100	\$107	\$114	\$121	\$128	\$135	\$143	\$150	\$157
AB	5.1 - 10.0	\$86	\$100	\$107	\$114	\$121	\$128	\$135	\$143	\$150	\$157	\$164
AC	10.1 - 15.0	\$121	\$136	\$143	\$157	\$164	\$178	\$185	\$192	\$207	\$214	\$221
AD	15.1 - 20.0	\$135	\$157	\$164	\$178	\$185	\$200	\$207	\$214	\$228	\$235	\$242
AE	20.1 - 25.0	\$150	\$171	\$178	\$192	\$200	\$214	\$221	\$228	\$242	\$249	\$257
AF	25.1 - 30.0	\$164	\$185	\$192	\$207	\$214	\$228	\$235	\$242	\$257	\$264	\$271
AG	30.1 - 35.0	\$178	\$200	\$207	\$221	\$228	\$242	\$249	\$257	\$271	\$278	\$285
AH	35.1 - 40.0	\$192	\$214	\$228	\$249	\$257	\$278	\$285	\$292	\$306	\$314	\$321
AI	40.1 - 45.0	\$207	\$235	\$249	\$271	\$285	\$306	\$314	\$321	\$342	\$349	\$356
AJ	45.1 - 50.0	\$221	\$250	\$264	\$285	\$299	\$321	\$328	\$335	\$356	\$371	\$385
AK	50.1 - 55.0	\$235	\$264	\$278	\$299	\$314	\$335	\$342	\$349	\$371	\$385	\$399
AL	55.1 - 60.0	\$249	\$278	\$292	\$314	\$328	\$356	\$371	\$385	\$406	\$420	\$435
AM	60.1 - 65.0	\$264	\$292	\$306	\$335	\$349	\$378	\$392	\$406	\$428	\$442	\$456
% increase			10.80%	5.00%	8.50%	4.00%	7.75%	3.00%	3.00%	5.75%	3.00%	3.00%

* Year of Metra financing