

MBTA FY13 Operating Budget Oversight Report

FINAL REPORT
TO THE MBTA ADVISORY BOARD

Offered by the
Finance Committee
April 23, 2012

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FINAL REPORT
TO THE MBTA ADVISORY BOARD
MBTA FISCAL YEAR 2013 OPERATING BUDGET

Submitted by the
MBTA Advisory Board Finance Committee
April 20, 2012

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The MBTA Advisory Board is an independent statutory organization which represents the interests of the 175 cities and towns in the MBTA service district. Each year these municipalities contribute over \$155 million in subsidies to the MBTA via municipal assessments.

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Massachusetts General Law chapter 161A, section 20 states:

“The board shall approve a preliminary itemized budget for the subsequent fiscal year not later than March 15 prior to the beginning of that fiscal year. The authority shall submit to the advisory board a final itemized budget not later than April 15 prior to the beginning of the fiscal year.”

Statement of Revenue and Expense

MBTA Operating Budget	FY11 Actual	FY 12 Budget	FY 13 MassDOT	Δ \$ FY12- FY13	Δ % FY12- FY13
<u>REVENUES</u>					
Revenue from Transportation	448,813,678	454,467,000	536,860,339	82,393,339	18.13%
Other Operating Revenue	62,392,121	50,291,603	42,482,930	-7,808,673	-15.53%
Total Operating Revenue	511,205,799	504,758,603	579,343,269	74,584,666	14.78%
Non-Operating Revenue					
Assessments	150,429,215	152,100,139	155,902,644	3,802,505	2.50%
Dedicated Sales Tax	767,056,684	777,028,421	786,866,938	9,838,517	1.27%
Contract Assistance	159,999,996	160,000,000	160,000,000	0	0.00%
Other Income	24,490,782	62,256,041	84,150,554	21,894,513	35.17%
Total Non-Operating	1,101,976,677	1,151,384,601	1,186,920,136	35,535,535	3.09%
TOTAL REVENUES	1,613,182,476	1,656,143,204	1,766,263,405	110,120,201	6.65%
<u>EXPENSES</u>					
Operating Expenses					
Wages	398,341,653	410,938,780	415,212,218	4,273,438	1.04%
Fringe Benefits					
Pensions	59,665,520	72,741,177	65,326,526	-7,414,651	-10.19%
Healthcare	115,868,416	129,196,207	121,472,448	-7,723,759	-5.98%
Group Life	1,328,451	1,116,451	807,539	-308,912	-27.67%
Disability Insurance	23,791	16,851	46,048	29,197	173.27%
Worker's Comp	9,432,901	10,376,524	10,352,125	-24,399	-0.24%
Other FB	108,592	237,719	225,479	-12,240	-5.15%
Total Fringe Benefits	186,427,671	213,684,928	198,230,164	-15,454,764	-7.23%
FICA	30,344,223	31,436,817	31,763,735	326,918	1.04%
Unemployment	1,886,874	1,168,764	1,915,645	746,881	63.90%
Total Payroll Taxes	32,231,097	32,605,581	33,679,380	1,073,799	3.29%
Materials, Supplies, & Services	182,741,475	195,142,197	202,060,879	6,918,682	3.55%
Casualty and Liability	15,300,405	15,435,693	11,435,693	-4,000,000	-25.91%
Commuter Rail Contract	297,911,135	313,914,177	337,333,564	23,419,387	7.46%
Local Service Contracts	102,351,579	107,079,468	125,727,144	18,647,676	17.41%
Financial Service Charges	4,636,325	5,157,569	5,560,000	402,431	7.80%
Total Other Operating	602,940,919	636,729,104	682,117,280	45,388,176	7.13%
Total Operating Expenses	1,219,941,340	1,293,958,393	1,329,239,041	35,280,648	2.73%
Debt Interest	253,590,062	237,521,709	244,149,663	6,627,954	2.79%
Debt Principal	126,886,949	115,356,121	187,281,197	71,925,076	62.35%
Lease Payments	12,751,316	9,306,981	5,593,504	-3,713,477	-39.90%
Total Debt Costs	393,228,326	362,184,811	437,024,364	74,839,553	20.66%
TOTAL EXPENSES	1,613,169,666	1,656,143,204	1,766,263,405	110,120,201	6.65%
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	-12,810	0	0		

1. BUDGET OVERVIEW

On April 5, 2012, MBTA staff presented the Authority's FY13 operating budget to the MassDOT/MBTA Board of Directors, which approved it that same day. Later this day MassDOT transmitted this budget to the MBTA Advisory Board for consideration but not any binding action. While the fare revenue side of this budget was subject to extreme public scrutiny by virtue of the proposed fare increases and service cuts, the remaining \$1.23 billion in non-fare revenue, and \$1.76 billion in expenses underwent no public overview. In the past the Advisory Board undertook an expert review of all aspects of the MBTA budget to provide not only transparency, but also expert oversight. Staff and committee members began a review in January and spent 3 months working with department heads, and senior MBTA officials on budget requests. The end result was thoroughly examined MBTA operating budget, without unjustifiable revenue projections, or hidden expenses that the public had faith in. However, after the "Transportation Reform" legislation the public is now left with fare increases, service cuts, opacity, and billions in expenditure presented and approved without comment on the same day, in the same meeting, and within 5 minutes of being presented. Cities and towns with operating budgets one-tenth the size of that the MBTA now go through a more transparent process than that offered by MassDOT. How can the public believe what is on offer, without the ability to verify, test, question, or scrutinize?

The municipalities that will contribute over \$155 million in direct operating subsidies to the MBTA this year demand reform of budget adoption process. A budget process needs sunlight, and the chance for meaningful and expert public input to be heard and heeded. The mechanics of public review with meaningful oversight must exist, not because we lack faith in the good intentions of the current MassDOT leadership, but because there is no guarantee that future leaders will be dedicated to good governance, value for money, and serving as wise stewards of the public's funds.

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Transparency and oversight are in everyone’s interests. They are the norm in municipal government, and we believe they should also be the norm in MassDOT governance. ...

2. BUDGET TIMELINE

On January 3, 2012, MassDOT announced proposals to increase MBTA fares dramatically and cut MBTA service severely, and began a 3 month tour of the service district to solicit feedback from the public on these proposals. MassDOT scenario 1 called for an average 43% fare increase, the elimination of 23 weekday bus routes, 19 Saturday bus routes, 18 Sunday bus routes, 2 private carrier routes, and all suburban bus routes. MassDOT scenario 2 sought a 35% average fare increase, the elimination of 101 weekday bus routes, 69 Saturday routes, 50 Sunday routes, the reduction in length of 11 other bus routes, and the elimination of all private carrier and suburban bus routes. Both scenarios also called for the elimination of weekend service on the Mattapan branch of the red line, weekend service on the E branch on the green line, commuter rail service after 10 PM on weekdays, all weekend commuter rail service, all ferry service, and changes to The RIDE territory

In accordance with Chapter 161A, section 5d of the General Laws the Authority also formally presented their proposals to the Advisory Board. In late February 2012, the Advisory Board voted to reject MassDOT’s scenarios and instead offered a fair, balanced, and nuanced counter-proposal calling for the following actions:

<u>Advisory Board Proposals</u>	<u>Revenue/Savings (\$, net, millions)</u>
New Revenue from MBTA Ridership	
25% fare increase	75.0
Subtotal:	75.0
More Savings from Transportation Reform	
Assistance with transportation security costs	36.3
Transfer ferry service & assets to MassPort	31.1
Private Carrier/Suburban Bus cost reallocation	2.1
Assistance of homeless transportation costs	1.3
Subtotal:	70.8
MBTA Innovation and Efficiencies	
0% FY13 wage increase for all MBTA employees	8.2

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MBTA abutter lease program	2.0
Alcohol advertisement program reinstatement	<u>1.5</u>
Subtotal:	11.7
Payments	
Transit proximity beneficiary payments	5.5
Special event surcharge	5.0
CR proximity beneficiary payments	<u>2.6</u>
Subtotal:	13.1
TOTAL:	<u>170.6</u>

Non-Revenue Policy Proposals

- Fare evasion study and reduction policy ASAP
- RIDE in-person assessments as soon as possible
- Statewide paratransit commission findings by 4/1/12
- Transit Oriented Development value capture study with recommendations by 9/1/12
- Underperforming route “watch list” policy with timeline and public processes.
- New fare policy including support for small, regular increases

Instead MassDOT presented and approved scenario 3.

<u>Scenario 3 Proposals</u>	<u>Revenue/Savings (\$, net, millions)</u>
23% average fare increase (see appendices)	71.0
RMV Inspection Fund transfer	51.0
Service Cuts (see below)	15.4
Snow & Ice transfer	5.0
North Station Lease payment	5.0
10 Park Plaza rent restructure	5.0
Tort Reform	4.0
RIDE federal reimbursements	<u>5.0</u>
TOTAL	161.4

Approved service cuts include:

- Complete elimination of bus routes 48 (Jamaica Plain), 355 (Woburn), 500 (Newton), 710 (Medford)
- Saturday elimination of bus routes 52 (Newton), 245 (Quincy/Milton), 451 (Beverly), 554 (Waltham/Newton)
- Sunday elimination of bus routes 18 (Dorchester), 37/38 (West Roxbury), 245 (Quincy), 436 (Lynn/Danvers)
- Weekend elimination Needham, Kingston/Plymouth and Greenbush Commuter Rail lines
- Weekend discontinuance of Green Line E branch service beyond Brigham Circle (Boston)

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- Weekend elimination of Quincy ferry services
- Adoption of a premium and ADA RIDE territories and a bifurcated fare structure.

Despite the fare increase and cuts to service, a substantial gap still exists. To close this gap the Governor filed legislation (House 4011) seeking authority to transfer \$51 million from the Registry of Motor Vehicles inspection fund, change the way some RIDE trips are classified to qualify for Medicaid reimbursement, and other administrative changes. The Secretary also transferred \$5 million in unused statewide snow and ice funds to the MBTA. These actions are expected to generate an additional \$61 million (\$56 million non-recurring) for the FY13 operating budget. On April 4, 2012, the MassDOT Board voted 4-1 to approve this budget.

On April 9, 2012 the Joint Committee on Transportation held a hearing on the Governor's bill. No legislator testified favorably. Based on the remarks of committee members, newspaper reports, and public comments, it is unclear what the bill's future holds. While committee members appear willing to approve the one-time transfer of \$51 million from the RMV to the MBTA, several expressed concern about the use of a statewide fund for this purpose. Others expressed concern about the budget deficits of the state's other regional transit authorities, which face a cumulative \$15 million gap in FY13. It is unclear what the timeframe, or outcome of this legislation may be. MassDOT officials publically stated that should the Legislature not approve the transfer requests they will seek Board approval to close the remaining budget gap with additional fare increases and/or service cuts.

3. POLICY ANALYSIS

Scenario 3 represents a lost opportunity to engage more individuals and institutions in the discussion about solving the long-term transportation funding crisis in this state. Throughout the

public meeting around scenarios 1 and 2, MassDOT senior leadership repeatedly stated that their budgetary problems must be solved internally, and without seeking any legislative assistance.. Most of the Advisory Board's counter-proposals were publically dismissed as mere cost-shifting and un-realistic because they required legislative assistance and action. Yet under scenario 3 MassDOT seeks both legislative assistance and the shifting of costs and responsibilities. The Advisory Board's counter-proposals sought to engage more stakeholders in supporting public transportation. Instead of asking the legislature for pro-active measures to broaden the basis of support for public transportation from beneficiaries like MassPort, universities, hospitals, and entertainment venues, scenario 3 seeks a one-time infusion from an obscure MassDOT trust fund that will be depleted by this action. Instead of setting the stage for the larger, so-called "adult conversation" as the counter-proposal sought, scenario 3 serves to reinforce the public's belief that there are always more gimmicks, tricks, and financial engineering to be tried, and that the MBTA has yet to hit rock-bottom. Convincing the public, institutions, and stakeholders that more of their money is required for a real fix to all of transportation will be almost impossible next year. This is why we regret that more was not done now to engage those who benefit the most from transit now.

4. BUDGET ANALYSIS

By nature of the compressed budget process, this year's review is correspondingly truncated.

4A: Revenue

FY13 operating revenues are projected to increase by \$74,584,666 (14.78%) over the FY12 budgeted amounts. Fare revenue is expected to increase by \$82.4 million, of which \$71.8 million is projected from the 23% average fare increase, and \$10.6 million from increased ridership growth in the base ridership estimates. These increases, however, will be offset by projected

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decreases the “other transportation revenue” category of \$7.8 million from reduced parking revenue (\$0.1 million), advertising revenue (\$2.3 million), and other real estate operations (\$5.4 million). The \$100,000 decrease in parking is expected due to less utilization at lots in the coming year, and the downturn in advertising revenue is projected due to national trends in the industry related to the soft economy. Of the \$5.4 million decrease in other real estate, \$3 million will come from the loss in parking income associated with the lease of the North Station garage, with the remainder from lower projected income from Transit Realty Associates. The MBTA has not said publically if they will ask Transit Realty Associates to pursue additional rent and lease revenues along the rights-of-way, as per this Board’s recommendations.

REVENUES					
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Revenue from Transportation	448,813,678	454,467,000	536,860,339	82,393,339	18.13%
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TOTAL REVENUES	1,613,182,476	1,656,143,204	1,766,263,405	110,120,201	6.65%

Total non-operating revenue is projected to increase by \$35.5 million (3.09%) over FY12. This category is comprised of subsidy line items (assessments, sales tax and contract assistance) and the “other income” line item. Among subsidies assessments paid by municipalities are anticipated to grow at their statutory limit of 2.5%; dedicated sales tax, the single largest subsidy source for the MBTA is projected to increase 1.3%, and the \$160 million in contract assistance

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appropriated by the Legislature each year since the last time a fare increase was proposed is level funded. The “other income” line item is where the Authority accounts for the transfers it expects as part of scenario 3, and is projected to increase by \$21.9 million (35.1%) over the FY12 amount. This line item will include \$51.0 million transfer from the RMV trust fund, \$5.0 million in unused snow and ice funds, and \$5.0 million in Medicaid reimbursements due to statutory changes in certain RIDE trip classifications. These projections are offset by expected decreases in utility reimbursements (\$200,000), and the unavailability of proceeds from the sale of the North Station Garage in FY13. In the FY12 budget the sale of the North Station garage was included in this line item for \$40 million, and since the garage cannot be sold twice, is not included again.

4B: Expenses

FY13 expenses of \$1,766,263,405 represent a \$110,120,202 (6.6%) increase over FY12. While operating costs (wages, fringe benefits, and other operating costs) are expected to increase by \$35,280,649 (2.7%), debt service costs are expected to grow by a dramatic \$74,839,553 (20.7%). Operating costs are divided into operating expenses (wage, fringe benefits, payroll taxes, materials, supplies, and services, causality and liability insurance costs, the commuter rail contract, local service contracts (including The RIDE), and financial service charges. Non-operating expenses include debt principal and interest payments as well as lease costs. Operating costs are expected to rise by 2.7%, while non-operating costs will increase by 20.66%.

Among operating costs, wages are projected to grow by 1.0% due to 2% wage increase the Authority is obliged to pay several of its labor unions. This number also includes the projected loss of 20 FTE positions in the bus and light rail divisions related the approved service cuts.

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EXPENSES					
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Total Operating Expenses	1,219,941,340	1,293,958,393	1,329,239,041	35,280,648	2.73%
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Total Debt Costs	393,228,326	362,184,811	437,024,364	74,839,553	20.66%
TOTAL EXPENSES	1,613,169,666	1,656,143,204	1,766,263,405	110,120,201	6.65%
	-12,810	0	0		

These positions will be realized through attrition and not lay-offs. Payroll taxes (FICA and unemployment insurance) are also projected to grow by 3.3% or \$1.1 million. These increases, however, will be offset by decreases in fringe benefit costs of over \$15 million, a 7.7% decline. \$7.7 million in savings is expected from decreased healthcare expenses related to the shift of more and more employees to the GIC. An additional \$7.4 million in lower pension contributions due to favorable actuary reports for the Authority's two funds. The Authority's largest labor union the Carmen's Union still remains in negotiations over its contract. This contract's terms

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tend to set the pattern for others to follow in their own negotiations for pay and benefits. The Advisory Board is very concerned that an arbiter will mandate overly-generous and retro-active pay increases as part of the next contract that will negate any savings realized by the migration to the GIC.

The commuter rail contract line item is anticipated to increase by \$23.4 million, largely driven by contractual cost increases, and the rising cost of locomotive fuel. The materials, supplies, and services line item is projected to increase 3.5%, mostly from rising gasoline and diesel fuel costs, The local service contracts line item is projected to grow by 17.4% driven almost entirely by growth in The RIDE. This cost assumes the introduction of premium and ADA areas as per the MassDOT scenario 3, as well as the introduction of in-person assessments effective July 1, 2012. Financial service charges will grow by 7.8%, due to the increasing number of customer transactions conducted by credit card as opposed to cash.

Debt service costs will consume nearly 25% of spending in FY13. The FY13 budget marks the first time in many years that the deficit was not artificially closed artificially via debt restructuring. Restructuring, as opposed to refinancing, extends payment schedules but does not reduce the amount to be repaid over time. Indeed, in most cases it increases the amount to be repaid. The Advisory Board has long championed an end to artificially balancing budgets by prolonging loans, and increasing long-term costs. Such an approach does not make balancing budgets any easier (in fact it may make it harder), but it does make the structural and cyclical imbalance plain to see.

5. CONCLUSION & RECOMMENDED VOTE

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MassDOT and the MBTA should be recognized for undertaking a brutal fare increase, and for their candor about the dire financial condition of the MBTA.. MassDOT and MBTA officials have publically stated that the deficit next year will be at least \$100 million. This will certainly grow, especially if a new commuter rail contract begins as expected, and the local 589 contract is agreed upon. The last time an arbiter imposed a labor contract upon the MBTA, it was forced to find an additional \$60 million in wage increases after the FY07 budget was approved. Regardless of the unexpected FY14 costs, if the MBTA is forced next year to face next year's deficit on its own with only the blunt tools of fare increases and service cuts, the public, institutions, and elected officials must undergo grueling process again.

MBTA is broken- financially, physically, and spiritually. The Advisory Board has lamented these undeniable facts for nearly a decade and warned three Governors and at least seven Secretaries of Transportation. In the run up to the FY13 operating budget the public outcry that the current system is not working was loud and clear. What the cities and towns have stated publically since 2003 is now known at large- the MBTA is mired in a structural and cyclical deficit that no amount of reform, rhetoric, restructuring, listening, or lamenting can fix. The Advisory Board cannot fix the MBTA's structural deficit, or its debt burden, or all the other factors that hold it back from being the best public transportation system in the country; as it once was. But we can do more. With this in mind the finance committee recommends favorable action on the following motions:

- 1) That the MBTA Advisory Board ratify the MBTA FY13 operating budget as adopted by the MassDOT Board of Directors with the following condition: that no service cut be implemented until January 1, 2012 and that in that time the Authority work with the

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affected communities to attempt to increase ridership, or find other revenues sufficient to preserve these services going forward.

- 2) That Advisory Board staff, with the assistance of members, draft and submit suitable language to each municipality in the service district calling upon the Governor and Legislature to take action on the long term needs of the entire transportation system in the Commonwealth.
- 3) That Advisory Board staff, with the assistance of members, draft and submit technical correction legislation seeking, among other things:
 - a. To restore the pre-2009 language granting the MBTA Advisory Board the authority to approve the annual MBTA operating budget, as well as a strengthened mandate for the MBTA Advisory Board to provide independent, expert budgetary and operational oversight of the Authority on behalf of the public.
 - b. To amend the pending proposed changes to the MassDOT/MBTA Board of Directors to require one seat on the Board of Directors for a representative of the MBTA Advisory Board, and one additional seat on the Board of Directors representing the Advisory Boards of all other regional transit authorities.
 - c. To clarify and expand the Advisory Board's existing mandate to provide policy oversight.
 - d. To require the MassDOT/MBTA Board of Directors to prepare, certify, adopt by a vote of the Board, and formally submit to the MBTA Advisory Board, a 5-year pro-forma operating budget and detailed 2-year operating budget. Furthermore, that any deviations between the proposed 1-year operating budget submitted to

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the Advisory Board each January, and that of the previous 2-year operating budget be explained in writing, and submitted to the Advisory Board.

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Appendix 1: Key Single-Ride Fares: Existing and Proposed

Fare Category	Existing	Proposed	% Chg.	\$ Chg.
CharlieCard				
<i>Adult</i>				
Local Bus	\$1.25	\$1.50	20.0%	\$0.25
Rapid Transit	\$1.70	\$2.00	17.6%	\$0.30
Bus + RT*	\$1.70	\$2.00	17.6%	\$0.30
Inner Express	\$2.80	\$3.50	25.0%	\$0.70
Outer Express	\$4.00	\$5.00	25.0%	\$1.00
<i>Senior</i>				
Local Bus	\$0.40	\$0.75	87.5%	\$0.35
Rapid Transit	\$0.60	\$1.00	66.7%	\$0.40
Bus + RT*	\$0.60	\$1.00	66.7%	\$0.40
<i>Student</i>				
Local Bus	\$0.60	\$0.75	25.0%	\$0.15
Rapid Transit	\$0.85	\$1.00	17.6%	\$0.15
Bus + RT*	\$0.85	\$1.00	17.6%	\$0.15
CharlieTicket				
<i>Adult</i>				
Local Bus	\$1.50	\$2.00	33.3%	\$0.50
Rapid Transit	\$2.00	\$2.50	25.0%	\$0.50
Bus + RT*	\$3.50	\$4.50	28.6%	\$1.00
Inner Express	\$3.50	\$4.50	28.6%	\$1.00
Outer Express	\$5.00	\$6.50	30.0%	\$1.50
Commuter Rail**				
Zone 1A	\$1.70	\$2.00	17.6%	\$0.30
Zone 1	\$4.25	\$5.50	29.4%	\$1.25
Zone 2	\$4.75	\$6.00	26.3%	\$1.25
Zone 3	\$5.25	\$6.75	28.6%	\$1.50
Zone 4	\$5.75	\$7.25	26.1%	\$1.50
Zone 5	\$6.25	\$8.00	28.0%	\$1.75
Zone 6	\$6.75	\$8.75	29.6%	\$2.00
Zone 7	\$7.25	\$9.25	27.6%	\$2.00
Zone 8	\$7.75	\$10.00	29.0%	\$2.25
Zone 9	\$8.25	\$10.50	27.3%	\$2.25
Zone 10***	N/A	\$11.00	N/A	N/A
InterZone 1	\$2.00	\$2.50	37.5%	\$0.50
InterZone 2	\$2.25	\$3.00	33.3%	\$0.75
InterZone 3	\$2.50	\$3.25	30.0%	\$0.75
InterZone 4	\$2.75	\$3.50	36.4%	\$0.75
InterZone 5	\$3.00	\$4.00	41.7%	\$1.00
InterZone 6	\$3.50	\$4.50	35.7%	\$1.00
InterZone 7	\$4.00	\$5.00	31.3%	\$1.00
InterZone 8	\$4.50	\$5.50	27.8%	\$1.00
InterZone 9***	N/A	\$6.00	N/A	N/A
InterZone 10***	N/A	\$6.50	N/A	N/A
Ferry				
F1	\$6.00	\$8.00	33.3%	\$2.00
F2: Boston	\$6.00	\$8.00	33.3%	\$2.00
F2: X-Harbor	\$10.00	\$13.00	30.0%	\$3.00
F2: Logan	\$12.00	\$16.00	33.3%	\$4.00
Inner Harbor	\$1.70	\$3.00	76.5%	\$1.30
THE RIDE				
ADA Territory	\$2.00	\$4.00	100.0%	\$2.00
Premium Territory***	N/A	\$5.00	N/A	N/A

Appendix 2: Pass Prices: Existing and Proposed

Pass Category	Existing	Proposed	% Chg.	\$ Chg.
Local Bus	\$40.00	\$48.00	20.0%	\$8.00
LinkPass	\$59.00	\$70.00	18.6%	\$11.00
Senior/TAP	\$20.00	\$28.00	40.0%	\$8.00
Student 5-Day	\$20.00	\$25.00	25.0%	\$5.00
Student 7-Day*	N/A	\$28.00	N/A	N/A
1-Day	\$9.00	\$11.00	22.2%	\$2.00
7-Day	\$15.00	\$18.00	20.0%	\$3.00
Inner Express	\$89.00	\$110.00	23.6%	\$21.00
Outer Express	\$129.00	\$160.00	24.0%	\$31.00
Commuter Rail				
Zone 1A	\$59.00	\$70.00	18.6%	\$11.00
Zone 1	\$135.00	\$173.00	28.1%	\$38.00
Zone 2	\$151.00	\$189.00	25.2%	\$38.00
Zone 3	\$163.00	\$212.00	30.1%	\$49.00
Zone 4	\$186.00	\$228.00	22.6%	\$42.00
Zone 5	\$210.00	\$252.00	20.0%	\$42.00
Zone 6	\$223.00	\$275.00	23.3%	\$52.00
Zone 7	\$235.00	\$291.00	23.8%	\$56.00
Zone 8	\$250.00	\$314.00	25.6%	\$64.00
Zone 9	\$265.00	\$329.00	24.2%	\$64.00
Zone 10*	N/A	\$345.00	N/A	N/A
InterZone 1	\$65.00	\$82.00	26.2%	\$17.00
InterZone 2	\$77.00	\$100.00	29.9%	\$23.00
InterZone 3	\$89.00	\$109.00	22.5%	\$20.00
InterZone 4	\$101.00	\$118.00	16.8%	\$17.00
InterZone 5	\$113.00	\$134.00	18.6%	\$21.00
InterZone 6	\$125.00	\$151.00	20.8%	\$26.00
InterZone 7	\$137.00	\$167.00	21.9%	\$30.00
InterZone 8	\$149.00	\$184.00	23.5%	\$35.00
InterZone 9*	N/A	\$201.00	N/A	N/A
InterZone 10*	N/A	\$218.00	N/A	N/A
Commuter Boat	\$198.00	\$262.00	32.3%	\$64.00

* This fare category does not currently exist; therefore, both the existing price and percent change are marked as "N/A."

**Appendix 3: Pass Prices: Existing and Proposed
Park-and-Ride Facility Rates: Existing and Proposed**

Parking Facility	Existing	Proposed	% Chg.	\$ Chg.
Alewife	\$7.00	\$7.00	0.0%	\$0.00
Beachmont	\$5.00	\$5.00	0.0%	\$0.00
Braintree	\$7.00	\$7.00	0.0%	\$0.00
Chestnut Hill	\$5.50	\$6.00	9.1%	\$0.50
Eliot	\$5.50	\$6.00	9.1%	\$0.50
Forest Hills	\$6.00	\$6.00	0.0%	\$0.00
Lechmere	\$5.50	\$6.00	9.1%	\$0.50
Malden	\$5.50	\$6.00	9.1%	\$0.50
Mattapan*	\$4.50	\$4.00	-11.1%	-\$0.50
Milton*	\$5.00	\$4.00	-20.0%	\$1.00
North Quincy	\$5.00	\$5.00	0.0%	\$0.00
Oak Grove	\$5.50	\$6.00	9.1%	\$0.50
Orient Heights	\$5.00	\$5.00	0.0%	\$0.00
Quincy Adams	\$7.00	\$7.00	0.0%	\$0.00
Quincy Center	\$7.00	\$7.00	0.0%	\$0.00
Riverside	\$5.75	\$6.00	4.3%	\$0.25
Suffolk Downs	\$5.00	\$5.00	0.0%	\$0.00
Sullivan	\$5.50	\$6.00	9.1%	\$0.50
Waban	\$5.50	\$6.00	9.1%	\$0.50
Wellington	\$5.50	\$6.00	9.1%	\$0.50
Wollaston	\$5.00	\$5.00	0.0%	\$0.00
Woodland	\$6.00	\$6.00	0.0%	\$0.00
Wonderland	\$5.00	\$5.00	0.0%	\$0.00
Express Bus**	\$5.00	\$5.00	0.0%	\$0.00
Commuter Rail**	\$4.00	\$4.00	0.0%	\$0.00
Route 128***	\$5.00	\$7.00	40.0%	\$2.00
Ferry**	\$3.00	\$4.00	33.3%	\$1.00

* The Mattapan and Milton facilities currently have a \$3.00 parking rate, as they are part of the "Competitive Lots Program," which investigates lowering the parking rate at underutilized facilities. The existing rates listed in the table are those that were in place before the program. This program is intended to terminate on July 1, 2012, and the rates are programmed to increase to those listed as proposed.

** Park-and-ride daily facility rates are the same for all facilities serving these modes except for the Route 128 facility. The Fore River Shipyard Ferry Terminal in Quincy also has overnight and weekly rates that are currently set at \$6.00 and \$36.00, respectively. These proposed rates will increase to \$8.00 and \$48.00, respectively.

*** The park-and-ride rate at the Route 128 facility is currently set at \$5.00 for the first 14 hours and \$12.00 for each day thereafter. The post-14 hour rate will increase to \$14.00 per day.