



Comprehensive Annual Financial Report

Years Ended December 31, 2014 and 2013



**Serving Benton and Franklin Counties
for over 30 years**

1000 Columbia Park Trail
Richland, WA 99352
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www.bft.org

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Ben Franklin Transit

Comprehensive Annual Financial Report

Years Ended December 31, 2014 and 2013



**Administrative Services Department
Richland, WA**

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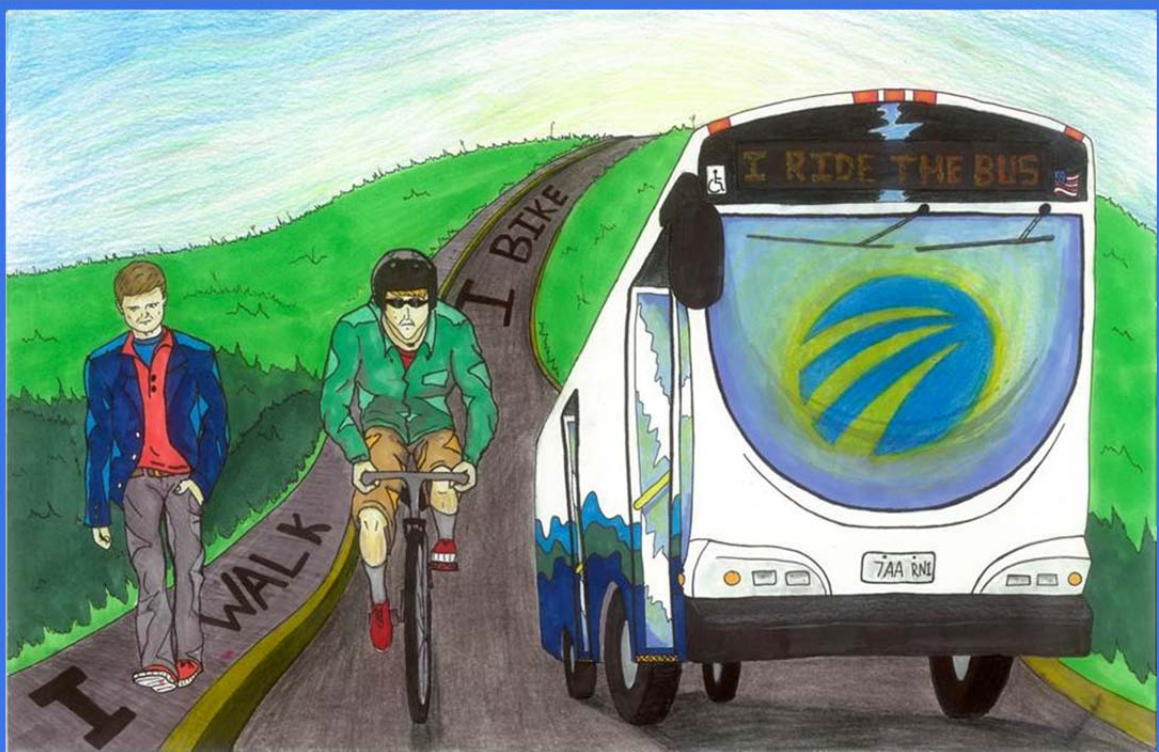
Ben Franklin Transit
Table of Contents

| | |
|--|-----------|
| TABLE OF CONTENTS | 1 |
| INTRODUCTORY SECTION | 3 |
| Transmittal Letter | 5 |
| Certificate of Achievement | 9 |
| Board of Directors and Management Team | 11 |
| Organizational Chart | 12 |
| FINANCIAL SECTION | 13 |
| Report of the Independent Auditor | 15 |
| Management's Discussion and Analysis | 19 |
| Basic Financial Statements | 27 |
| Comparative Statement of Net Position | 29 |
| Comparative Statement of Revenues, Expenses, and Changes in Net Position | 30 |
| Comparative Statement of Cash Flows | 31 |
| Notes to the Financial Statements | |
| 1. Summary of Significant Accounting Policies | 32 |
| 2. Deposits and Investments | 35 |
| 3. Receivable and Payable Balances | 35 |
| 4. Capital Assets | 36 |
| 5. Pension Plans | 37 |
| 6. Risk Management | 42 |
| 7. Contingencies & Litigations | 43 |
| 8. Capital Contributions | 43 |
| 9. Lease Obligations | 43 |
| 10. Other Disclosures | 43 |
| STATISTICAL SECTION (LAST TEN FISCAL YEARS) | 45 |
| Contents | 47 |
| Net Position | 49 |
| Changes in Net Position | 50 |
| Taxable Sales by Category | 51 |
| Direct and Overlapping Sales Tax Rates | 52 |
| Demographic and Economic Statistics | 53 |
| Principal Employers | 54 |
| Selected Operating Information | 55 |

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Introductory Section



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June 03, 2015

To the Board of Directors and Citizens Served in the Benton Franklin Public Transportation Benefit Area

I. TRANSMITTAL OF BEN FRANKLIN TRANSIT'S 2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

Ben Franklin Transit's (BFT's) Comprehensive Annual Financial Report for the year ended December 31, 2014 is presented herein. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that has been established for this purpose. Because the cost of internal controls should not outweigh their benefits, BFT's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that its financial statements will be free from material misstatement. We believe the data, including management's discussion and analysis, the financial statements, supporting schedules and statistical tables, as presented, is accurate in all material aspects and that adequate internal controls are in place to ensure that it presents fairly the financial position and results of the operations of BFT. All disclosures necessary to enable the reader to gain the maximum understanding of BFT's business have been included.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis of the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal should be read in conjunction with the MD&A. BFT's operation is accounted for under a single enterprise fund, which uses the same accrual accounting method as private enterprise. Under revenue recognition and matching principles of the accrual accounting method, revenues are recorded when earned, and expenses are recorded as soon as they result in liabilities for benefits provided. Note 1 to the financial statements provides further details of BFT's accounting policies.

II. PROFILE OF THE AGENCY

BFT is a Public Transportation Benefit Area (PTBA) authorized by Washington State Law Chapter 36.57A RCW. It is located in Benton and Franklin counties in Washington State. The Benton Franklin PTBA, also known as "Ben Franklin Transit," was formed on May 11, 1981 when voters passed a 0.3 % sales tax to fund public transportation. By authorizing this taxing authority, a municipal corporation (BFT), was formed. BFT assumed the operation of the PTBA's Dial-A-Ride system January 1, 1985. Vanpool service was initiated in September 1982

II. PROFILE OF THE AGENCY (continued)

under a contract with the Benton-Franklin Council of Governments. BFT took over Vanpool operations on January 1, 1984. In 1997, Benton City and the City of Prosser annexed into the PTBA; BFT contracted with the City of Prosser to provide service to the communities of Prosser and Benton City using their Prosser Rural Transit system. In January 1999, BFT assumed these operations. In May 2001, an additional 0.3% sales tax proposition was defeated but then approved in March 2002 increasing the direct PTBA sales tax to its current rate of 0.6%. In April 2005, the unincorporated area of Finley (11.5 square miles in Benton County) was annexed to the PTBA.

Today, BFT provides fixed route, demand response and vanpool services in a 588.3 square mile area located in Benton and Franklin Counties. The service area includes the entire cities of Kennewick, Pasco, Richland, West Richland, Benton City, Prosser and certain unincorporated areas of Benton and Franklin Counties with a combined population of approximately 246,149 residents. In 2014, combined ridership for all modes of service totaled 4,143,874.

BFT is governed by an appointed nine-member Board of Directors. The Board consists of two Franklin County commissioners, one Benton County commissioner, and a city council member from each of six cities all within BFT's service area: Kennewick, Pasco, Richland, West Richland, Benton City, and Prosser. There is also one non-voting member of the Local Teamsters Union. The Board appoints a General Manager to implement policies authorized by the Board and oversee BFT's daily operations as well as its approximately 265 employees. The overall management of BFT is divided into six departments; Operations, Dial-A-Ride, Maintenance, Service Delivery, Human Resources and Administrative Services.

BFT operates 21 fixed routes serving Benton City, Kennewick, Pasco, Prosser, Richland, and West Richland. There are five (5) inter-city routes, which travel between cities and sixteen (16) local routes that operate within each city. Fixed route service is derived from a network of four transit center hubs and seven park and ride lots connecting passengers with destinations such as the Tri Cities Airport, Pasco Amtrak and Greyhound Stations, Grapeline service to Walla Walla, Tri City Trolley service to Hermiston and Pendleton, and People for People service to Yakima. In addition, fixed route service serves both Columbia Basin Community College and Washington State University, most area schools and major local employers such as Battelle and the North Richland area business hub. In 2014, fixed route services carried 2,824,121 passengers.

BFT's demand response mode includes all non-fixed route services including taxi feeder routes in low-density areas, Trans+plus night service and specialized transportation service known as Dial-A-Ride. Dial-A-Ride provides transportation to individuals in the community, who, due to a disability, are unable to use fixed route bus services. Dial-A-Ride is provided directly by BFT and through contracts with local transportation providers. In 2014, total ridership was 379,530.

Since its inception in 1984, BFT's vanpool program has expanded to 279 vans with over 3,073 daily weekday riders serving rural employment locations such as the Hanford facility, Washington State Department of Corrections in both Walla Walla and Connell, WA and neighboring agricultural facilities.

As a community partner, BFT provides over 34,800 rides each year to special events such as

II. PROFILE OF THE AGENCY (continued)

the annual International Hydroplane Race and Air Show, Benton County Fair, Cable Bridge Run, and Art in the Park.

In recent years BFT has restored Sunday Service and Night Service through contracted transportation services and expanded operating hours to meet the gaps between regular service provided by BFT and contracted transportation services.

Long Term Financial Planning and Outlook

For long-term operating and capital financial planning purposes BFT has developed and annually updates its six-year Transit Development Plan (TDP). The current TDP is approved through 2019 and is sustainable at 2014 year-end service levels of 364,215 service hours through 2016.

Major Initiatives

BFT's Major Initiatives are formed from its Statement of Mission and Core Values:

- Customer Satisfaction
- Collaboration
- Diversity
- Fiscal Accountability
- Innovation
- Sustainability
- Safety

The initiatives for 2014 were planned in accordance with BFT's TDP; each initiative and/or project was carefully reviewed before implementation to ensure sustainability and adherence to BFT's strategic priorities. Planned initiatives and capital projects for 2014 included:

- Acquired 6 new Gillig buses as replacement vehicles
- Acquired 30 new Dodge Grand Caravans for Vanpool use
- Acquired 34 new Chevy Express Vans for Vanpool use
- Acquired 33 new Dial-A-Ride replacement vehicles
- Maintained Federal Fleet Safety Standards
- Continued successful Travel Training program
- Obtained 100% ADA Compliant Fleet Level
- Began planning stages and engineering of Tulip Lane Park-n-Ride Lot
- Began planning stages and engineering for updates and upgrades to Transit Centers

III. ECONOMIC CONDITION AND OUTLOOK

In 2014 stronger evidence of a recovery of the local economic conditions were evident. According to the Employment Security Department, for the Kennewick-Pasco-Richland Metropolitan Statistical Area (that contains both Benton and Franklin counties), the July 2014 preliminary unemployment rate was 5.7 percent, down by 2.4 percent from the 8.1 percent rate in July 2013. Preliminary July 2014 estimates for the combined counties show that the total

civilian labor force was up by 1.2 percent, from 131,030 in July 2013 to 132,600 in July 2014. The number of employed residents was 125,100 in July 2014, up by 3.9 percent from 120,430 in July 2013. At the same time the number of unemployed workers decreased by 29.2 percent from 10,600 in July 2013 to 7,500 in July 2014.

A 5.7% unemployment rate for BFT's PTBA in 2014 is just slightly higher than 2007 pre-recession unemployment rate of 5.3%. Local economic conditions and retail spending play major roles in the generation of sales tax revenue, BFT's primary revenue source. As BFT's primary source, sales tax is expected to generate nearly \$27.2 million or 65% of total revenues in 2015. The largest factor affecting sales tax revenues is planned activity at the Hanford Nuclear Site. Current federal budget uncertainties have reduced Hanford related employment recently although stabilization is expected in 2015. BFT's 2015 receipts for the first three months are trending up as compared to 2014 receipts for the same periods.

Federal and State funding continue to play an important part of revenues at BFT. These funds are budgeted to contribute about 24% of total revenues for 2015. Federal and State funds are used to subsidize operations and to procure capital assets. BFT is optimistic in its position with these grantors and the ongoing availability of this funding source. Staff and the Board of Directors are actively engaged in applications for new and additional funding as they become available.

BFT's Board of Directors continues to believe that transit is an essential service for seniors, the disabled and for people who rely on BFT for mobility throughout the community. BFT is committed to reducing operating costs where applicable to uphold the highest levels of services possible. These objectives assist BFT in meeting its mission of connecting communities with safe, reliable, customer-friendly, and sustainable transit options.

IV. ACKNOWLEDGEMENTS

The preparation of this report would not have been possible without the dedicated services of several departments and the tireless efforts of the Administrative Services staff. We would like to express our appreciation to all that assisted and contributed to the preparation of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Ben Franklin Transit for its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the second consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.


Gloria Boyce
Acting General Manager


Kevin Hebdon
Financial Services Supervisor



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Ben Franklin Transit
Washington**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2013

Executive Director/CEO

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Board of Directors

Watkins, Matt, Chair – Mayor, City of Pasco
Olson, Bob, Vice Chair – Council Member, City of Kennewick
Becken, Steve – Council Member, City of Prosser
Bloom, Richard – Council Member, City of West Richland
Christensen, Terry – Council Member, City of Richland
Delvin, Jerome – Commissioner, Benton County
Koch, Bob – Commissioner, Franklin County
Miller, Rick – Commissioner, Franklin County
Stade, Lisa – Council Member, City of Benton County
Nelson, Norma – Non-Voting Rep, Teamsters Union

Board of Directors Alternates

Garrison, Mike – Council Member, City of Pasco
Parish, Paul – Council Member, City of Kennewick
Taylor, Randy – Council Member, City of Prosser
Peck, Brad – Commissioner, Franklin County
Buel, Rich – Council Member, City of West Richland
Thompson, Bob – Council Member, City of Richland
Small, Shon – Commissioner, Benton County
Meredith, Connie – Council Member, Benton County
Lilyblade, Chris – Non-Voting Rep, Teamsters Union

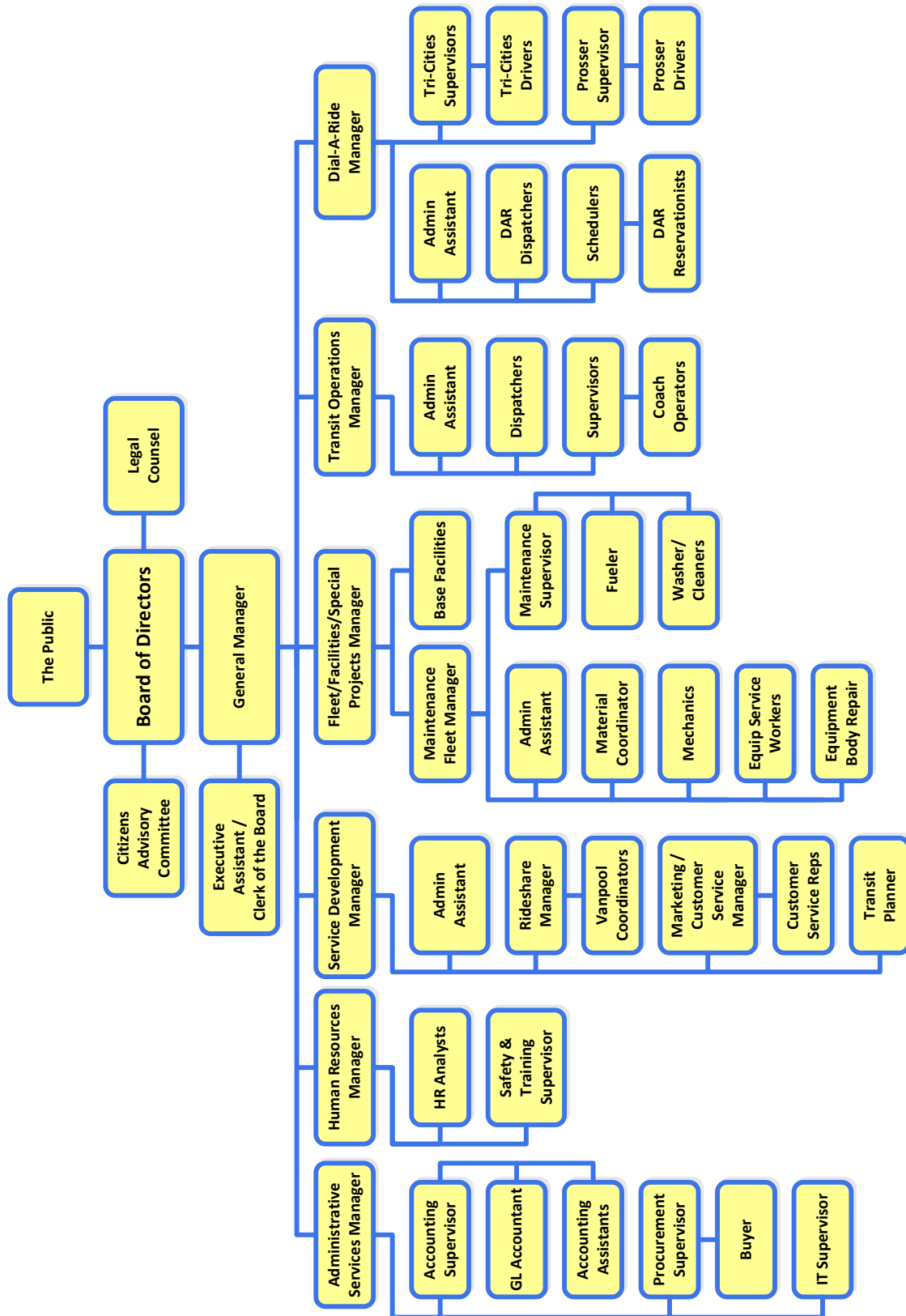
BFT Management Team

General Manager
Dennis Solensky

Department Managers
Gloria Boyce, *Administrative Services*
Jerry Otto, *Fleet / Facilities / Special Projects*
Barb Hays, *Transit Operations*
Debra Hughes, *Human Resources*
Kathy McMullen, *Service Development*
Katherine Ostrom, *Dial-A-Ride*

Ben Franklin Transit Organization Chart

BFT Organizational Chart





Financial Section



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Washington State Auditor

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

June 3, 2015

Board of Directors
Ben Franklin Transit
Richland, Washington

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the Ben Franklin Transit, Benton County, Washington, as of and for the years ended December 31, 2014 and 2013, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes

evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ben Franklin Transit, Benton County, Washington, as of December 31, 2014 and 2013, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 19 through 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

The information identified in the table of contents as the Introductory and Statistical Sections is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Authority. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we will also issue our report dated May 22, 2015, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the Authority's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial

reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink, reading "Jan M. Jutte". The signature is fluid and cursive, with the first name "Jan" and last name "Jutte" clearly legible, and "M." as a middle initial.

JAN M. JUTTE, CPA, CGFM
ACTING STATE AUDITOR
OLYMPIA, WA

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Management's Discussion and Analysis

The Management's Discussion and Analysis of BFT's Comprehensive Annual Financial Report provides a narrative overview and analysis of BFT's financial performance for the fiscal year ended December 31, 2014 and 2013. To obtain a complete understanding of BFT's financial condition, this document should be read in conjunction with the financial statements and accompanying notes.

Financial Highlights

- The assets of BFT exceeded its liabilities (net position) at December 31, 2014 by \$56,429,230 compared to \$49,326,408 in 2013 and \$42,837,896 in 2012. Of this amount, \$26,879,796, \$22,778,512, and \$23,517,995 was invested in capital assets and \$29,549,434, \$26,547,896 and \$19,319,901 in unrestricted net position in 2014, 2013, and 2012 respectively. Unrestricted net position will be used to support ongoing operations and capital investments per BFT's six-year Transit Development Plan (TDP).
- BFT's total net position increased for the year ended December 31, 2014 by 14.4 percent or \$7,102,822 compared to the year ended December 31, 2013 due in part to increased sales tax. BFT's total net position increased for the year ended December 31, 2013 by 15.1 percent or \$6,488,512 compared to the year ended December 31, 2012 primarily as a result of increased sales tax, fare revenues, and operating grants.
- BFT's total liabilities increased for the year ended December 31, 2014 by 5.4 percent or \$145,526 compared to the year ended December 31, 2013. BFT's total liabilities increased for the year ended December 31, 2013 by 20.4 percent or \$454,087 compared to the year ended December 31, 2012.
- BFT saw an increase of \$398,518 in fare revenue to \$4,220,235 or 10.4 percent in 2014 over 2013 due primarily to increased fixed route ridership and stability in vanpool ridership. Fare revenues in 2013 and 2012 were \$3,821,717 and \$4,105,017 respectively. Fare revenues decreased in 2013 over 2012 by 6.9 percent or \$283,300 as a result of decreased demand of vanpool services.
- BFT experienced an increase of \$1,214,015 in sales tax revenue to \$27,864,444 or 4.6 percent over 2013 due to increased recovery of the economy and increase in large construction projects for hospitals and schools. Sales tax revenue increased in 2013 over 2012 by \$747,957 or 2.9 percent due to slow recovery of the economy.
- Operating expenses for 2014, excluding depreciation, totaled \$32,083,895, an increase of \$1,615,255 or 5.3 percent over 2013. Operating expenses increased by \$951,502 or 3.2 percent from 2012 to 2013.
- Federal and State Operating Grants decreased by \$2,830,530 from 2013 to 2014 as compared to an increase of \$5,341,155 from 2012 to 2013. These fluctuations are due to the timing of grant availability and the years in which they are budgeted.
- Federal, State and Local Capital Contributions increased by \$3,138,683 from 2013 to 2014 and increased by \$155,194 from 2012 to 2013. Fluctuations are budget and project based.

Overview of the Financial Statements

The financial statements provide information about BFT's uses of accounting methods similar to those used by private sector companies. Under this method, revenues are recorded when earned and expenses are recorded as soon as they result in liabilities for benefits received.

The Statement of Net Position presents information on all of BFT's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of BFT is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Net Position present information showing how BFT's net position changed during the current and prior years. All changes to net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., sales tax collected by merchants but not yet remitted to BFT and earned, and unused vacation leave).

The Statement of Cash Flows presents information on BFT's cash receipts, cash payments, and net changes in cash and cash equivalents for the most recent two years. Generally accepted accounting principles require that cash flows be classified into one of four categories:

- Cash flows from operating activities
- Cash flows from non-capital financing activities
- Cash flows from capital and related financing activities
- Cash flows from investing activities

The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided within the financial statements.

Financial Statement Analysis

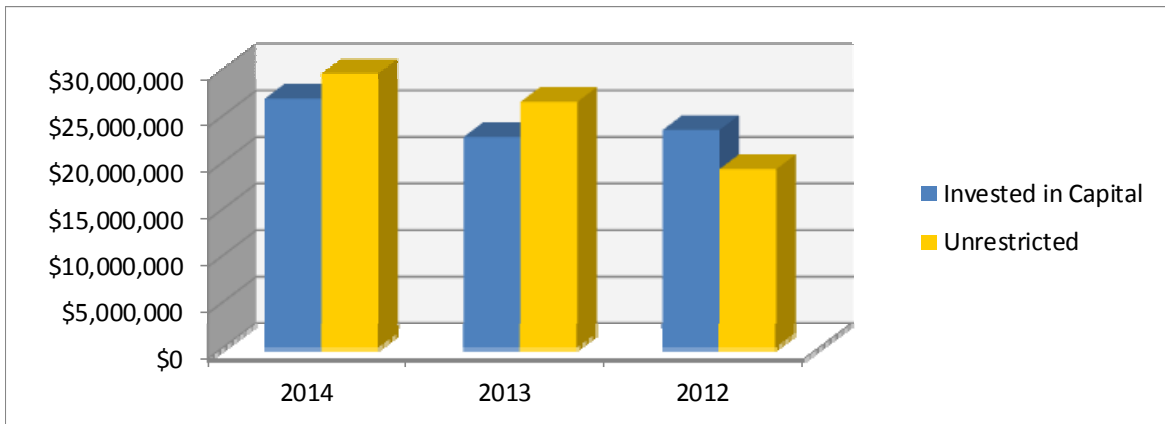
Net Position

A large majority, \$26,879,796, of BFT's total net position reflects its investment in capital assets such as revenue vehicles, passenger facilities, and shop equipment. BFT uses these capital assets to provide transportation service to the community. Therefore, this portion of the net position balance is not available for future spending. The remaining portion of total net position, \$29,549,434 is unrestricted and available to support future obligations for transportation operations.

Summary Statement for Net Position
For the years ended December 31, 2014, 2013, and 2012

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|------------------------------------|----------------------|----------------------|----------------------|
| Assets: | | | |
| Current Assets | \$ 32,376,034 | \$ 29,228,970 | \$ 21,544,978 |
| Other Noncurrent Assets | - | - | 1,910 |
| Capital Assets (net) | <u>26,879,796</u> | <u>22,778,512</u> | <u>23,517,995</u> |
| Total Assets | <u>59,255,830</u> | <u>52,007,482</u> | <u>45,062,973</u> |
| Liabilities: | | | |
| Current Liabilities | 2,826,600 | 2,681,074 | 2,225,077 |
| Other Noncurrent Liabilities | - | - | - |
| Total Liabilities | <u>2,826,600</u> | <u>2,681,074</u> | <u>2,225,077</u> |
| Net Position: | | | |
| Investment in Capital Assets | 26,879,796 | 22,778,512 | 23,517,995 |
| Unrestricted Net Position | <u>29,549,434</u> | <u>26,547,896</u> | <u>19,319,901</u> |
| Total Net Position | <u>56,429,230</u> | <u>49,326,408</u> | <u>42,837,896</u> |
| Total Liabilities and Net Position | <u>\$ 59,255,830</u> | <u>\$ 52,007,482</u> | <u>\$ 45,062,973</u> |

Net Position by Type

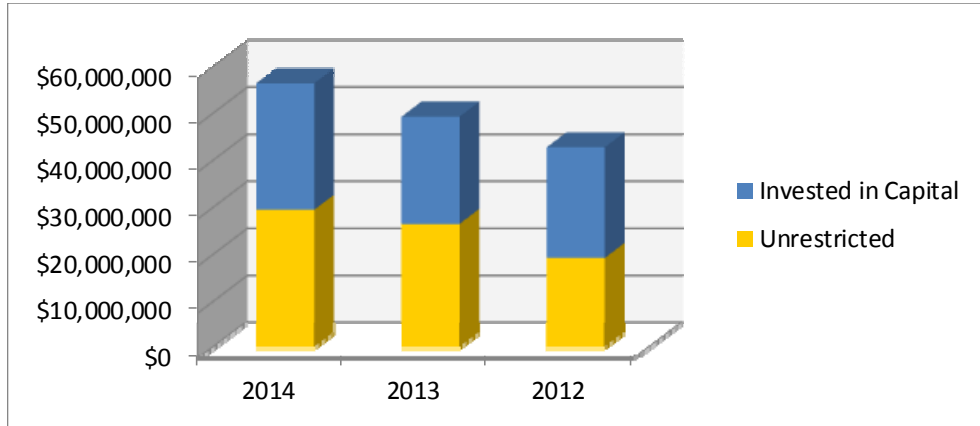


Net position may serve as a useful indicator of BFT's financial position over time. Total net position exceeds liabilities by \$53,602,630, \$46,645,334, and \$40,610,909 at December 31, 2014, 2013, and 2012 respectively. Based on the trend of Net Position as seen in the chart below, the financial condition of BFT has improved over the past three years due mainly to:

- Completion of MOA (Maintenance, Operations, and Administration) remodel and expansion projects
- Increase of Federal funding
- Efficient operations
- Significant vehicle acquisitions

Ben Franklin Transit
Management's Discussion and Analysis

2012 – 2014 Trend of Net Position



**Summary of Revenues, Expenses, and Changes in Net Position
For the years ended December 31, 2014, 2013, and 2012**

| | 2014 | 2013 | 2012 |
|--|----------------------|----------------------|----------------------|
| Operating Revenues | \$ 4,677,137 | \$ 4,177,350 | \$ 4,905,323 |
| Nonoperating Revenues | 61,511 | 32,307 | (111,971) |
| Total Revenues | 4,738,648 | 4,209,657 | 4,793,352 |
| Operating Expenses | (32,083,895) | (30,468,640) | (29,517,138) |
| Nonoperating Expenses (Depreciation) | (3,209,868) | (3,388,275) | (3,995,734) |
| Total Expenses | (35,293,763) | (33,856,915) | (33,512,872) |
| Excess (Deficiency) Before Contributions | (30,555,115) | (29,647,258) | (28,719,520) |
| Operating Subsidies | 32,357,578 | 33,974,093 | 27,884,981 |
| Capital Contributions | 5,300,359 | 2,161,676 | 2,006,482 |
| Total Contributions | 37,657,937 | 36,135,769 | 29,891,463 |
| Change in Net Position | \$ 7,102,822 | \$ 6,488,511 | \$ 1,171,943 |
| Total Net Position - Beginning | \$ 49,326,408 | \$ 42,837,897 | \$ 41,665,953 |
| Prior Period Adjustment | \$ - | \$ - | \$ - |
| Total Net Position - Ending | \$ 56,429,230 | \$ 49,326,408 | \$ 42,837,897 |

Ben Franklin Transit
Management's Discussion and Analysis

Revenues

BFT's passenger fares consist of revenues from the sale of passes and tickets as well as cash fares collected on-board revenue vehicles. Passenger fares also include fares paid by Vanpool customers. BFT customers can purchase fare media and make Vanpool payments via the BFT website. Fare media can also be purchased at many of the local sales outlet stores or in person at BFT customer service locations. Sales tax revenue is received at the end of each month and is based on the business conducted two months prior. These funds come directly from the State Treasurer and are deposited into BFT's bank account. State and Federal grants are remitted to BFT on an application basis and are also deposited directly into BFT's bank account.

Operating Revenues

| Operating Revenues | 2014 | 2013 | 2012 |
|------------------------------|--------------|--------------|--------------|
| Passenger Fares | \$ 4,220,235 | \$ 3,821,717 | \$ 4,105,017 |
| Other Operating Revenue | 456,902 | 355,633 | 800,306 |
| Total Operating Revenues | 4,677,137 | 4,177,350 | 4,905,323 |
| Nonoperating Revenues | | | |
| Operating Subsidies | | | |
| Sales Tax | 27,864,444 | 26,650,429 | 25,902,472 |
| Operating Grants | 4,493,134 | 7,323,664 | 1,982,509 |
| Other Nonoperating Revenues | | | |
| Investment Income | 18,207 | 23,279 | 21,689 |
| Miscellaneous Income | 43,304 | 9,028 | (133,660) |
| Total Nonoperating Revenues | 32,419,089 | 34,006,400 | 27,773,010 |
| Total Revenues | \$37,096,226 | \$38,183,750 | \$32,678,333 |

Expenses

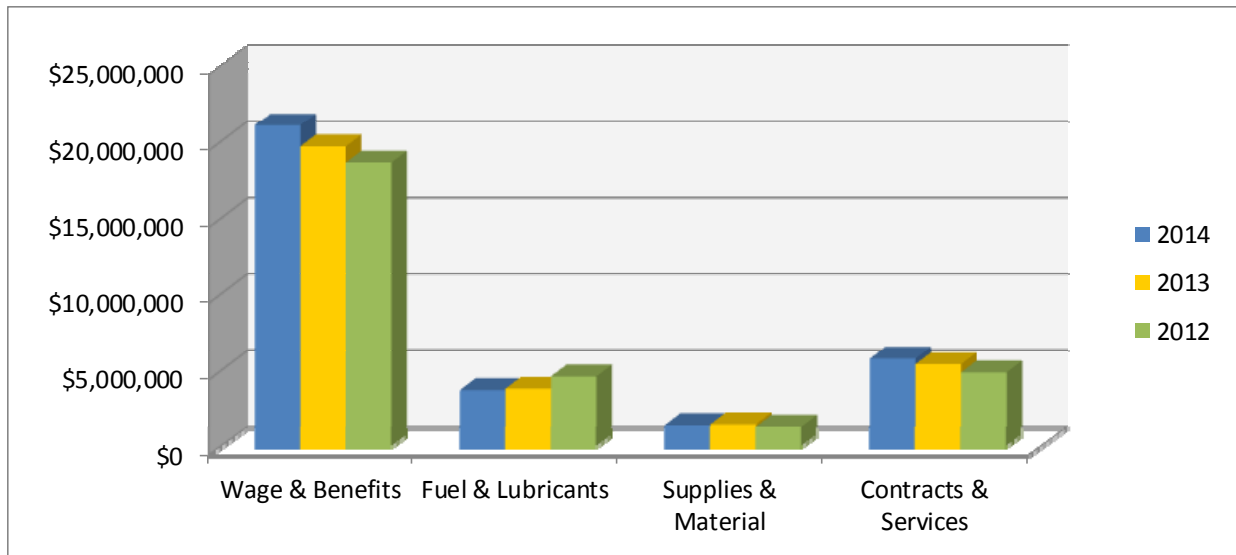
Wages and benefits for 2014 of \$21.1 million make up 60% of operating expenses and increased by 7.1% over 2013 levels. Contractual wage increases of 2.5% on January 1, 2014 accounted for the majority of the change in 2014. With a large fleet of diesel and gasoline vehicles, fuel is a significant expense for BFT. However, fuel prices continued to be favorable in 2014 and a decrease in fuel costs of \$94,694 from 2013 costs was realized. BFT has taken measures to lower the cost of providing public transportation by outsourcing some of the low ridership days and times to various contractors. These contractors are able to provide these transportation needs at a lower rate than BFT. The community continues to benefit from these services and the demand for them continues to increase from year to year, thus a slight increase in contracts and services from 2013 to 2014.

Ben Franklin Transit
Management's Discussion and Analysis

Operating Expenses

| Operating Expenses | 2014 | 2013 | 2012 |
|------------------------------|----------------------|----------------------|----------------------|
| Wage & Benefits | \$ 21,085,832 | \$ 19,686,027 | \$ 18,626,248 |
| Fuel & Lubricants | \$ 3,734,298 | \$ 3,828,992 | \$ 4,632,909 |
| Supplies & Material | \$ 1,465,878 | \$ 1,519,516 | \$ 1,360,633 |
| Contracts & Services | \$ 5,797,887 | \$ 5,434,105 | \$ 4,897,348 |
| Depreciation & Amortization | \$ 3,209,868 | \$ 3,388,275 | \$ 3,995,734 |
| Total Operating Expenses | <u>\$ 35,293,763</u> | <u>\$ 33,856,915</u> | <u>\$ 33,512,872</u> |
| Nonoperating Expenses | | | |
| Prior Period Adjustments | - | - | - |
| Total Non-Operating Expenses | - | - | - |
| Total Expenses | <u>35,293,763</u> | <u>33,856,915</u> | <u>33,512,872</u> |

Operating Expenditures by Type



Ben Franklin Transit
Management's Discussion and Analysis

Operating Grants

In 2014, BFT received Federal and State operating grants in the amount of \$4,493,134. These funds support operational expenses. BFT uses operating grants to pay for part of the wages of its fixed route coach operators. For 2015, BFT has budgeted to receive \$4,506,748 in Federal operating grant assistance.

Operating Grants

| <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--------------|--------------|--------------|
| \$ 4,493,134 | \$ 7,323,664 | \$ 1,982,509 |

Capital Grants

BFT received Federal and State capital grants to assist with the procurement of buses and other capital projects. Investment in capital assets has decreased in recent years. In 2014, BFT received just over \$5,300,000 in capital contributions as focus has shifted to replacing older fleet vehicles. Additionally, BFT is now gearing up for transit center technological updates and site improvements, the construction of a park-n-ride lot on Tulip Lane, and has budgeted for \$5,498,878 for 2015 federal capital grant contributions.

For more detailed information, please see Note 8 of the Notes to the Financial Statements (page 43).

Capital Assets

BFT's capital assets consist of land, vehicles, passenger facilities, shop equipment, and projects in progress with an acquisition value of more than \$5,000 and a useful life of more than one year. BFT's investment in capital assets net of depreciation as of December 31, 2014, totaled \$26,879,796 compared to \$22,778,512 in 2013 and \$23,517,995 in 2012. Capital assets increased in 2014 by 18.0 percent or \$4,101,284. They decreased from 2012 to 2013 by \$739,483 or 3.1 percent. Major capital acquisitions in 2014 and 2013 included the following:

- 2013 major vehicle acquisitions included four new Gillig buses (\$1.7 million), one All-Electric Bus at virtually no cost to BFT (\$510,000 FMV), 12 used Gillig buses (\$1 each) from Sound Transit (\$102,000 combined FMV), and 15 new Dodge Caravans (\$330,120) from Barry Dodge
- 2014 major vehicle acquisitions included six new Gillig buses (\$2.6 million), 33 new Dial-a-Ride vehicles (\$2.7 million) from Schetky NW Sales, and 64 Vanpool vehicles (\$1.6 million) from McCurley Integrity and Dwayne Lanes.

For more detailed information, please see Note 4 of the Notes to the Financial Statements (page 36).

Financial Outlook

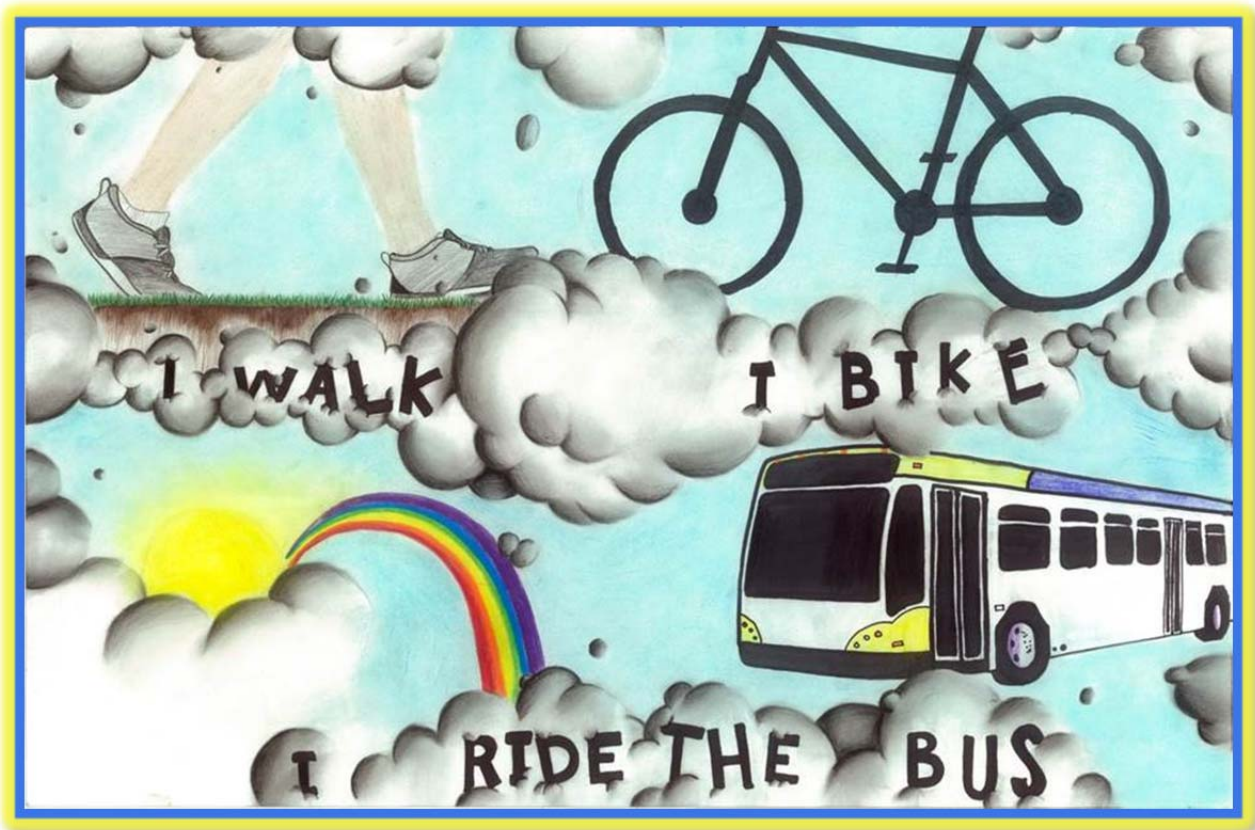
BFT recognizes that its heavy reliance on sales tax revenues makes it more susceptible to economic fluctuations than most government agencies. In response, BFT has in place reserve policies to insulate it from short-term revenue downturns and unanticipated expenditures. The operating reserve policy sets operating reserves to be equal to three months' operating expenses. This amounts to nearly \$8.6 million in 2014. BFT is currently in compliance with this policy.

Sales tax revenues for 2014 totaled \$ 27,864,444 or 9.1 percent over the budgeted amount of \$25,542,866. For 2015, BFT has projected sales tax revenue growth at 2.0 percent over 2014 estimated receipts. Trends in sales tax revenues are favorable and continue to contribute to the overall improved financial position of BFT. BFT closely monitors revenues when determining service levels and capital expansion as stated in its six-year TDP. BFT does not anticipate any service level increases or decreases in 2015. Capital investment will focus on modest vehicle replacement as funds allow and maintaining a state of good repair of existing assets for safe and reliable transit operations. With current reserves and a conservative approach in uncertain economic conditions, BFT has a positive financial outlook and is confident in its ability to weather these economic conditions.

Request for Information

This financial report is designed to provide a general overview of BFT's finances. Questions concerning any of the information presented in this report or requests for additional information should be addressed to Ben Franklin Transit, Attention: Administrative Services Manager, 1000 Columbia Park Trail, Richland, WA 99352 or by calling 509.735.4131.

Basic Financial Statements



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Ben Franklin Transit
Comparative Statement of Net Position
December 31, 2014 and 2013

| | <u>2014</u> | <u>2013</u> |
|--------------------------------------|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and Cash Equivalents | \$ 19,996,729 | \$ 23,960,631 |
| Sales Tax Receivables | 5,065,646 | 4,599,527 |
| Accounts Receivables | 6,834,493 | 165,445 |
| Inventories | 432,312 | 494,463 |
| Prepayments | 46,854 | 8,904 |
| Total Current Assets | <u>32,376,034</u> | <u>29,228,970</u> |
| Noncurrent Assets | | |
| Capital Assets Not Being Depreciated | | |
| Land | 2,343,718 | 2,343,718 |
| Works in Progress | 96,731 | 4,500 |
| Capital Assets Being Depreciated | | |
| Site & Structure Improvements | 23,416,536 | 23,392,122 |
| Vehicles & Equipment | 35,910,818 | 29,634,949 |
| Less: Accumulated Depreciation | <u>(34,888,007)</u> | <u>(32,596,777)</u> |
| Total Capital Assets (Net) | <u>26,879,796</u> | <u>22,778,512</u> |
| Total Noncurrent Assets | <u>26,879,796</u> | <u>22,778,512</u> |
| Total Assets | <u>\$ 59,255,830</u> | <u>\$ 52,007,482</u> |
| Liabilities | | |
| Current Liabilities | | |
| Accounts Payable | \$ 1,186,077 | \$ 1,023,696 |
| Accrued Expenses | 769,984 | 889,860 |
| Contracts Payable | - | - |
| Compensated Absences | 870,539 | 767,518 |
| Total Current Liabilities | <u>2,826,600</u> | <u>2,681,074</u> |
| Noncurrent Liabilities | | |
| Total Noncurrent Liabilities | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>\$ 2,826,600</u> | <u>\$ 2,681,074</u> |
| Net Position | | |
| Investment in Capital Assets | 26,879,796 | 22,778,512 |
| Unrestricted | 29,549,434 | 26,547,896 |
| Total Net Position | <u>\$ 56,429,230</u> | <u>\$ 49,326,408</u> |

The notes to the financial statements are an integral part of this statement.

Ben Franklin Transit
Comparative Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2014 and 2013

| | 2014 | 2013 |
|--|----------------------|----------------------|
| Operating Revenues | | |
| Passenger Fares | \$ 4,220,235 | \$ 3,821,717 |
| Other Operating Revenue | 456,902 | 355,633 |
| Total Operating Revenues | <u>4,677,137</u> | <u>4,177,350</u> |
| Operating Expenses | | |
| Operations | 19,985,195 | 18,353,725 |
| Maintenance | 7,199,220 | 7,415,593 |
| Administrative Expenses | 4,899,480 | 4,699,322 |
| Depreciation/Amortization/Depletion | 3,209,868 | 3,388,275 |
| Total Operating Expenses | <u>35,293,763</u> | <u>33,856,915</u> |
| Operating Income (Loss) | <u>(30,616,626)</u> | <u>(29,679,565)</u> |
| Nonoperating Revenues (Expense) | | |
| Sales Tax | 27,864,444 | 26,650,429 |
| Interest Income | 18,207 | 23,279 |
| Operating Grants | 4,493,134 | 7,323,664 |
| Gain (Loss) of Sale of Assets | 43,304 | 9,028 |
| Total Nonoperating Revenues (Expenses) | <u>32,419,089</u> | <u>34,006,400</u> |
| Income (Loss) Before Contributions | 1,802,463 | 4,326,835 |
| Capital Contributions | <u>5,300,359</u> | <u>2,161,676</u> |
| Increase (Decrease) in Net Position | 7,102,822 | 6,488,511 |
| Net Position - Beginning of Period | 49,326,408 | 42,837,897 |
| Prior Period Adjustment | - | - |
| Net Position - End of Period | <u>\$ 56,429,230</u> | <u>\$ 49,326,408</u> |

The notes to the financial statements are an integral part of this statement.

Ben Franklin Transit
Comparative Statement of Cash Flows
For the Years Ended December 31, 2014 and 2013

| | 2014 | 2013 |
|---|------------------------------|------------------------------|
| Cash Flows from Operating Activities: | | |
| Receipts From Customers | \$ 4,281,288 | \$ 4,013,862 |
| Other Receipts | 456,902 | 355,634 |
| Payments to Employees | (9,692,395) | (14,180,510) |
| Payments to Suppliers | (22,221,774) | (15,896,170) |
| Net Cash Provided (Used) by Operating Activities | <u>(27,175,979)</u> | <u>(25,707,184)</u> |
| Cash Flows from Noncapital Financing Activities | | |
| Sales Tax Received | 27,398,325 | 26,610,668 |
| Operating Grants Received | 1,161,836 | 7,638,231 |
| Net Cash Provided (Used) by Noncapital Financing Activities | <u>28,560,161</u> | <u>34,248,899</u> |
| Cash Flows from Capital and Related Financing Activities | | |
| Capital Contributions | 1,901,557 | 1,456,176 |
| Proceeds of the Disposition of Capital Assets | 43,304 | 18,028 |
| Purchases of Capital Assets | (7,311,152) | (1,952,291) |
| Net Cash Provided (Used) by Capital and Related Financing Activities | <u>(5,366,291)</u> | <u>(478,087)</u> |
| Cash Flows from Investing Activities | | |
| Proceeds from Investment Securities | - | - |
| Interest on Investments | 18,207 | 23,279 |
| Net Cash Provided by Investing Activities | <u>18,207</u> | <u>23,279</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (3,963,902) | 8,086,907 |
| Balances - Beginning of the Year | 23,960,631 | 15,873,724 |
| Balances - End of the Year | <u>\$ 19,996,729</u> | <u>\$ 23,960,631</u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | |
| Operating income (loss) | (30,616,626) | (29,679,566) |
| Adjustments to reconcile operating income to net cash provided (used) by operating activities: | | |
| Depreciation Expense | 3,209,868 | 3,388,275 |
| Impairment | - | - |
| Noncash Adjustments | - | - |
| Change in Assets and Liabilities: | | |
| Receivables, Net | 61,052 | 192,146 |
| Inventories | 62,151 | (63,137) |
| Prepaid Expense | (37,950) | (899) |
| Payables | 42,505 | 445,244 |
| Vacation Accrual | 103,021 | 10,753 |
| Net Cash Used by Operating Activities | <u><u>\$(27,175,979)</u></u> | <u><u>\$(25,707,184)</u></u> |

The accompanying notes are an integral part of this financial statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Ben Franklin Transit (BFT) was authorized May 11, 1981, as a municipal corporation formed under the authority of Chapter 36.57A of the Revised Code of Washington State. The financial statements of BFT have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governments.

- A. Reporting Entity** – The transit is a special purpose government and provides Fixed Route, Para-transit, Vanpool, Taxi Feeder, General Demand, and Night Service to the general public in portions of Benton and Franklin Counties and is supported primarily through user charges and locally generated sales tax.

BFT is governed by a nine member Board of Directors comprised of two Franklin County Commissioners, one Benton County Commissioner and one City Council member from Benton City, City of Kennewick, City of Pasco, City of Prosser, City of Richland, and the City of West Richland. In 2010, a non-voting board member was added to represent the labor unions of BFT. As required by generally accepted accounting principles, management has considered all potential component units in defining the reporting entity. The transit has no component units.

BFT is a separate entity and is fiscally independent of other state and local government entities. Per criteria of Government Accounting Standards Board (GASB) 14, BFT is a primary government for reporting and there are no additional entities or funds for which BFT has reporting responsibilities.

- B. Basis of Accounting and Reporting** – BFT's accounting records are maintained in accordance with methods prescribed by the Federal Transit Administration (FTA) per Section 15 of the Federal Transit Act of 1992, as amended and the Washington State Auditor under the authority of 43.09 Revised Code of Washington. The transit uses the Budgeting, Accounting and Reporting System for Transit Districts in the State of Washington.

Funds are accounted for on a cost of services or an economic resources measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their statements of net position. Their reported fund net position is segregated into net investment in capital assets, restricted and unrestricted components of net position. Operating statements present increases (revenues and gains) and decreases (expenses and losses) in net position. The transit discloses changes in cash flows by a separate statement that presents their operating, noncapital financing, capital and related financing and investing activities.

BFT uses the full-accrual basis of accounting where revenues are recognized when earned and expenses are recognized when incurred. Capital asset purchases are capitalized and long-term liabilities are accounted for in the appropriate fund.

The transit distinguishes between operating revenues and expenses from nonoperating ones. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a transit's principal ongoing operations. The principal operating revenues of the transit are charges to customers for passenger fares. Operating

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

expenses for transit operations include all costs related to providing transit service. These costs include labor, fringe benefits, materials, supplies, services, utilities, rentals, leases, and depreciation on capital assets. All other revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

C. Assets, Liabilities, and Net Position

1. Cash and Cash Equivalents – It is BFT's policy to invest all temporary cash surpluses. At December 31, 2014, the treasurer was holding \$19,996,729 in short-term residual investments of surplus cash. This amount is classified on the statement of net position as cash and cash equivalents.

For purposes of the statement of cash flows, the transit considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

State statutes permit BFT to invest in obligations of the United States, certificates of deposits issued by banks that are designated as public depositories by the Washington Public Deposit Protection Commission (PDPC) and the Local Government Investment Pool (LGIP). Investments are reported at fair market value measured by quoted market price. The reported value of the LGIP is the same as the fair value of the pool shares.

2. Receivables – Taxes receivable consists of uncollected sales tax revenue from the state and related interest and penalties.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered.

3. Inventory – Inventory consists of fuel, tires, repair parts, and supplies. Purchases are recorded as increases to inventory and valued by the FIFO (First In, First Out) method.
4. Restricted Assets – Restricted assets are temporary restricted cash and cash equivalents resulting from the sale of property in which the FTA restricts the use of proceeds to the investment of approved capital assets.
5. Capital Assets and Depreciation – Capital assets, which include property, facilities, and equipment, are stated at historical cost or at fair market value as of the date contributed. The costs of asset replacements that improve or extend the asset's life are capitalized. The cost of normal maintenance and repairs is charged to operations as incurred. It is BFT's policy to capitalize all capital assets with an individual cost of more than \$5,000, and a useful life in excess of one year. No

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

depreciation is provided on works in progress until work is completed and the asset is placed in service.

BFT has acquired certain assets with funding provided by federal financial assistance programs. Depending on the terms of the agreements involved, the federal government could retain an equity interest in these assets. However, BFT has sufficient legal interest to accomplish the purposes for which the assets were acquired, and has included such assets within the applicable account.

Depreciation is computed using the straight-line method over estimated useful lives as follows:

| Asset | Years |
|---------------------------|--------------|
| Vehicles | 5 - 12 |
| Buildings and Structures | 10 - 40 |
| Equipment and Furnishings | 5 - 20 |
| Land Improvements | 5 - 40 |

(Also, see Note 4 – Capital Assets)

6. Compensated Absences – Compensated absences are absences for which employees will be paid, such as general leave. BFT records compensated absences as expenses and as liabilities when incurred.

Per BFT policy, employees may accumulate up to 480 hours. Compensated absences are payable upon request, termination, resignation, retirement, and death. As the possibility exists for the full amount to be paid within one year, BFT records compensated absences as a current liability. The balance at January 1, 2014 was \$767,518 with increases of \$6,077,271 and decreases of \$5,974,250 and an ending balance at December 31, 2014 of \$870,539.

7. Federal, State, and Local Grant Funds – Grants are accounted for in accordance with the purpose for which the funds are intended. Approved grants for the acquisition of land, building, and equipment are recorded as capital contributions as the related grant conditions are met. Approved grants for operating assistance are recorded as revenues in the year in which the related grant conditions are met. Advances on grants are recorded as a liability until related grant conditions are met.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 2 – DEPOSITS AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as of December 31, 2014 and 2013 respectfully as follows:

Composition of Cash and Cash Equivalents

| | 2014 | 2013 |
|--|----------------------|----------------------|
| Demand Deposits | \$ 19,996,729 | \$ 23,960,631 |
| Investments having original maturities of less than 3 months | - | - |
| Total Cash and Cash Equivalents | <u>\$ 19,996,729</u> | <u>\$ 23,960,631</u> |

All bank deposits are entirely insured by the Federal Depository Insurance Corporation (FDIC) and by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). Currently BFT does not have a policy for custodial credit risk as that risk does not currently exist.

NOTE 3 – RECEIVABLE AND PAYABLE BALANCES

Receivables and Payables as of December 31, 2014 and 2013 consist of the following:

| | 2014 | 2013 |
|----------------------|----------------------|---------------------|
| Accounts Receivable | \$ 6,834,493 | \$ 165,445 |
| Sales Tax Receivable | 5,065,646 | 4,599,527 |
| Total Receivables | <u>\$ 11,900,139</u> | <u>\$ 4,764,972</u> |
| Accounts Payable | \$ 1,186,077 | \$ 1,023,696 |
| Contracts Payable | \$ - | \$ - |
| Total Payables | <u>\$ 1,186,077</u> | <u>\$ 1,023,696</u> |

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 4 – CAPITAL ASSETS

Activity for the year ended December 31, 2014 was as follows:

| Description | Balance Jan 1, 2014 | Increases | Decreases | Balance Dec 31, 2014 |
|--|------------------------|--------------|-----------|-------------------------|
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 2,343,718 | \$ - | \$ - | \$ 2,343,718 |
| Work in Progress | \$ 4,501 | 96,731 | 4,501 | 96,731 |
| Total Capital Assets, Not Being Depreciated | 2,348,219 | 96,731 | 4,501 | 2,440,449 |
| Capital Assets, Being Depreciated: | | | | |
| Vehicles | \$ 28,877,196 | 6,951,926 | 918,639 | 34,910,483 |
| Building and Structures | \$ 23,392,122 | 24,415 | - | 23,416,537 |
| Equipment and Furnishing | \$ 757,752 | 242,583 | - | 1,000,335 |
| Intangible Property | \$ - | - | - | - |
| Total Capital Assets, Being Depreciated | 53,027,070 | 7,218,923 | 918,639 | 59,327,355 |
| Less Accumulated Depreciation For: | | | | |
| Vehicles | \$ 20,143,988 | 2,421,756 | 918,638 | 21,647,106 |
| Building and Structures | \$ 11,713,133 | 718,616 | - | 12,431,749 |
| Equipment and Furnishing | \$ 739,656 | 69,496 | - | 809,152 |
| Intangible Property | \$ - | - | - | - |
| Total Accumulated Depreciation | 32,596,777 | 3,209,868 | 918,638 | 34,888,007 |
| Total Capital Assets, Being Depreciated, Net | \$ 22,778,512 | \$ 4,105,786 | \$ 4,502 | \$26,879,796 |

Activity for the year ended December 31, 2013 was as follows:

| Description | Balance Jan 1, 2013 | Increases | Decreases | Balance Dec 31, 2013 |
|--|------------------------|--------------|-----------|-------------------------|
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 2,343,718 | \$ - | \$ - | \$ 2,343,718 |
| Work in Progress | \$ 21,027 | 4,500 | 21,026 | 4,501 |
| Total Capital Assets, Not Being Depreciated | 2,364,745 | 4,500 | 21,026 | 2,348,219 |
| Capital Assets, Being Depreciated: | | | | |
| Vehicles | \$ 28,457,616 | 2,696,178 | 2,276,598 | 28,877,196 |
| Building and Structures | \$ 23,382,137 | 12,630 | 2,646 | 23,392,122 |
| Equipment and Furnishing | \$ 757,752 | - | - | 757,752 |
| Intangible Property | \$ - | - | - | - |
| Total Capital Assets, Being Depreciated | 52,597,506 | 2,708,808 | 2,279,244 | 53,027,070 |
| Less Accumulated Depreciation For: | | | | |
| Vehicles | \$ 19,803,265 | 2,573,830 | 2,233,108 | 20,143,988 |
| Building and Structures | \$ 11,054,762 | 661,017 | 2,646 | 11,713,133 |
| Equipment and Furnishing | \$ 586,228 | 153,428 | - | 739,656 |
| Intangible Property | \$ - | - | - | - |
| Total Accumulated Depreciation | 31,444,256 | 3,388,275 | 2,235,754 | 32,596,777 |
| Total Capital Assets, Being Depreciated, Net | \$ 23,517,995 | \$ (674,967) | \$ 64,516 | \$22,778,512 |

Construction Commitments

At December 31, 2014 and 2013, BFT had no outstanding construction commitments.

NOTE 5 – PENSION PLANS

Substantially all (city/county/district) full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing multiple-employer public employee defined benefit retirement plans. The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to: Department of Retirement Systems, Communications Unit, P.O. Box 48380, Olympia, WA 98504-8380; or it may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS) Plans 1, 2, and 3

Plan Description

The Legislature established PERS in 1947. Membership in the system includes: elected officials; state employees; employees of the Supreme, Appeals, and Superior courts; employees of legislative committees; employees of district and municipal courts; and employees of local governments. Membership also includes higher education employees not participating in higher education retirement programs. Approximately 49 percent of PERS salaries are accounted for by state employment. PERS retirement benefit provisions are established in Chapters 41.34 and 41.40 RCW and may be amended only by the State Legislature.

PERS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component.

PERS members who joined the system by September 30, 1977 are Plan 1 members. Those who joined on or after October 1, 1977 and by either, February 28, 2002 for state and higher education employees, or August 31, 2002 for local government employees, are Plan 2 members unless they exercised an option to transfer their membership to Plan 3. PERS members joining the system on or after March 1, 2002 for state and higher education employees, or September 1, 2002 for local government employees have the irrevocable option of choosing membership in either PERS Plan 2 or Plan 3. The option must be exercised within 90 days of employment. Employees who fail to choose within 90 days default to Plan 3.

PERS is comprised of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members, and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

NOTE 5 – PENSION PLANS (continued)

PERS Plan 1 and Plan 2 retirement benefits are financed from a combination of investment earnings and employer and employee contributions. Employee contributions to the PERS Plan 1 and Plan 2 defined benefit plans accrue interest at a rate specified by the Director of DRS. During DRS' Fiscal Year 2013, the rate was five and one-half percent compounded quarterly. Members in PERS Plan 1 and Plan 2 can elect to withdraw total employee contributions and interest thereon, in lieu of any retirement benefit, upon separation from PERS-covered employment.

PERS Plan 1 members are vested after the completion of five years of eligible service.

PERS Plan 1 members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with 25 years of service, or at age 60 with at least 5 years of service. Plan 1 members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits.

The monthly benefit is 2 percent of the average final compensation (AFC) per year of service, but the benefit may not exceed 60 percent of the AFC. The AFC is the monthly average of the 24 consecutive highest-paid service credit months.

PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

Plan 1 members may elect to receive an optional COLA that provides an automatic annual adjustment based on the Consumer Price Index. The adjustment is capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 1 provides duty and non-duty disability benefits. Duty disability retirement benefits for disablement prior to the age of 60 consist of a temporary life annuity. The benefit amount is \$350 a month, or two-thirds of the monthly AFC, whichever is less. The benefit is reduced by any workers' compensation benefit and is payable as long as the member remains disabled or until the member attains the age of 60, at which time the benefit is converted to the member's service retirement amount.

A member with five years of covered employment is eligible for non-duty disability retirement. Prior to the age of 55, the benefit amount is 2 percent of the AFC for each year of service reduced by 2 percent for each year that the member's age is less than 55. The total benefit is limited to 60 percent of the AFC and is actuarially reduced to reflect the choice of a survivor option. Plan 1 members may elect to receive an optional COLA amount (based on the Consumer Price Index), capped at 3 percent annually. To offset the cost of this annual adjustment, the benefit is reduced.

PERS Plan 2 members are vested after the completion of five years of eligible service. Plan 2 members are eligible for normal retirement at the age of 65 with five years of service. The monthly benefit is 2 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit; and a cost-of-living allowance is granted (based on the Consumer Price Index), capped at 3 percent annually.

NOTE 5 – PENSION PLANS (continued)

PERS Plan 2 members who have at least 20 years of service credit, and are 55 years of age or older, are eligible for early retirement with a reduced benefit. The benefit is reduced by an early retirement factor (ERF) that varies according to age, for each year before age 65.

PERS Plan 2 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions, if hired prior to May 1, 2013:

- With a benefit that is reduced by 3 percent for each year before age 65; or
- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of 5 percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service.

PERS Plan 2 retirement benefits are actuarially reduced to reflect the choice, if made, of a survivor option.

PERS Plan 3 has a dual benefit structure. Employer contributions finance a defined benefit component and member contributions finance a defined contribution component. As established by Chapter 41.34 RCW, employee contribution rates to the defined contribution component range from 5 percent to 15 percent of salaries, based on member choice. Members who do not choose a contribution rate default to a 5 percent rate. There are currently no requirements for employer contributions to the defined contribution component of PERS Plan 3.

PERS Plan 3 defined contribution retirement benefits are dependent upon the results of investment activities. Members may elect to self-direct the investment of their contributions. Any expenses incurred in conjunction with self-directed investments are paid by members. Absent a member's self-direction, PERS Plan 3 contributions are invested in the Retirement Strategy Fund that assumes the member will retire at age 65.

For DRS' Fiscal Year 2013, PERS Plan 3 employee contributions were \$99.0 million, and plan refunds paid out were \$69.4 million.

The defined benefit portion of PERS Plan 3 provides members a monthly benefit that is 1 percent of the AFC per year of service. The AFC is the monthly average of the 60 consecutive highest-paid service months. There is no cap on years of service credit, and Plan 3 provides the same cost-of-living allowance as Plan 2.

Effective June 7, 2006, PERS Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service, if twelve months of that service are earned after age 44; or after five service credit years earned in PERS Plan 2 by June 1, 2003. Plan 3 members are immediately vested in the defined contribution portion of their plan.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 5 – PENSION PLANS (continued)

Vested Plan 3 members are eligible for normal retirement at age 65, or they may retire early with the following conditions and benefits:

- If they have at least ten service credit years and are 55 years old, the benefit is reduced by an ERF that varies with age, for each year before age 65.
- If they have 30 service credit years and are at least 55 years old, and were hired before May 1, 2013, they have the choice of a benefit that is reduced by 3 percent for each year before age 65; or a benefit with a smaller (or no) reduction factor (depending on age) that imposes stricter return-to-work rules.
- If they have 30 service credit years, are at least 55 years old, and were hired after May 1, 2013, they have the option to retire early by accepting a reduction of 5 percent for each year before age 65.

PERS Plan 3 benefits are actuarially reduced to reflect the choice, if made, of a survivor option. PERS Plan 2 and Plan 3 provide disability benefits. There is no minimum amount of service credit required for eligibility. The Plan 2 monthly benefit amount is 2 percent of the AFC per year of service. For Plan 3, the monthly benefit amount is 1 percent of the AFC per year of service. These disability benefit amounts are actuarially reduced for each year that the member's age is less than 65, and to reflect the choice of a survivor option. There is no cap on years of service credit, and a cost-of-living allowance is granted (based on the Consumer Price Index) capped at 3 percent annually.

PERS members meeting specific eligibility requirements have options available to enhance their retirement benefits. Some of these options are available to their survivors.

A one-time duty-related death benefit is provided to the beneficiary or the estate of a PERS member who dies as a result of injuries sustained in the course of employment, or if the death resulted from an occupational disease or infection that arose naturally and proximately out of the member's covered employment, if found eligible by the Department of Labor and Industries.

There are 1,176 participating employers in PERS. Membership in PERS consisted of the following as of the latest actuarial valuation date for the plans of June 30, 2013:

| | |
|--|----------------|
| Retirees and Beneficiaries Receiving Benefits | 85,328 |
| Terminated Plan Members Entitled to But Not Yet Receiving Benefits | 31,047 |
| Active Plan Members Vested | 150,706 |
| Terminated Plan Members Nonvested | 101,191 |
| Total | 368,272 |

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 5 – PENSION PLANS (continued)

Funding Policy

Each biennium, the state Pension Funding Council adopts PERS Plan 1 employer contribution rates, PERS Plan 2 employer and employee contribution rates, and PERS Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute at 6 percent for state agencies and local government unit employees, and at 7.5 percent for state government elected officials. The employer and employee contribution rates for Plan 2 and the employer contribution rate for Plan 3 are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. Under PERS Plan 3, employer contributions finance the defined benefit portion of the plan and member contributions finance the defined contribution portion. The Plan 3 employee contribution rates range from 5 percent to 15 percent.

As a result of the implementation of the Judicial Benefit Multiplier Program in January 2007, a second tier of employer and employee rates was developed to fund, along with investment earnings, the increased retirement benefits of those justices and judges that participate in the program

The methods used to determine the contribution requirements are established under state statute in accordance with Chapters 41.40 and 41.45 RCW.

The required contribution rates expressed as a percentage of current-year covered payroll, as of December 31, 2014, are as follows:

Members Not Participating in JBM:

| | PERS Plan 1 | PERS Plan 2 | PERS Plan 3 |
|-----------|--------------------|--------------------|--------------------|
| Employer* | 9.21% | 9.21% | 9.21%** |
| Employee | 6.00% | 4.92% | *** |

* The employer rates include the employer administrative expense fee currently set at 0.18%.

** Plan 3 defined benefit portion only.

*** Variable from 5.0% minimum to 15.0% maximum based on rate selected by the PERS 3 member.

Both BFT and the employees made the required contributions. BFT required contributions for the years ended December 31, 2014, 2013 and 2012 were as follows:

| | PERS Plan 1 (\$) | PERS Plan 2 (\$) | PERS Plan 3 (\$) |
|------|-------------------------|-------------------------|-------------------------|
| 2014 | 25,403 | 1,667,067 | 295,765 |
| 2013 | 23,859 | 1,526,663 | 251,443 |
| 2012 | 21,738 | 1,322,139 | 195,089 |

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2014 and 2013

NOTE 6 – RISK MANAGEMENT

Ben Franklin Transit is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To address these risks BFT retains membership in the Washington State Transit Insurance Pool (WSTIP).

Chapter 48.62 RCW authorizes the governing body of any one or more governmental entities to form together into or join a pool or organization for the joint purchasing of insurance, and/or joint self-insuring, and/or joint hiring or contracting for risk management services to the same extent that they may individually purchase insurance, self-insure, or hire or contract for risk management services. An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.94 RCW, the Inter-local Cooperation Act. The Pool was formed on January 1, 1989 when eight transits in the state of Washington joined together by signing an Inter-local Government Agreement to pool their self-insured losses and jointly purchase insurance and administrative services. Sixteen (16) other transits have joined the Pool since then. The Pool allows members programs of joint self-insurance; joint purchasing of insurance and joint contracting for hiring of personnel to provide risk management, claims handling and administrative services. The coverage provided by the pool are property and liability insurance protecting the member systems assets and personal property and from claims arising from the negligent or other tortuous conduct of the member Transit System, their officers, employees, or agents.

For the years ended December 31, 2014, 2013 and 2012 BFT claim settlements did not exceed insurance coverage.

Coverage as of December 31, 2014:

| RISK | COVERAGE |
|--|--|
| Auto Liability | \$12,000,000 per occurrence with a \$0 deductible |
| General Liability | \$12,000,000 per occurrence with a \$0 deductible |
| Property | \$1,000,000,000 per occurrence with a \$5,000 deductible |
| Flood | \$10,000,000 per occ/agg \$5,000 deductible \$ 1,000,000 per occ/agg Flood Zone A |
| Earthquake | \$10,000,000 per occ/agg \$5,000 deductible |
| In-Transit | \$100,000 per occurrence \$5,000 deductible |
| Boiler & Machinery | \$100,000,000 per occurrence with a \$5,000 deductible |
| Public Officials | \$12,000,000 per claim/aggregate with a \$5,000 deductible |
| Public Honesty Bond / Faithful Performance | \$1,000,000 per claim with a \$10,000 deductible |
| Monies & Securities | \$1,000,000 per claim with a \$10,000 deductible |
| Depositors Forgery | \$1,000,000 per claim with a \$10,000 deductible |
| Auto Physical Damage | \$1,000,000,000 per occurrence with a \$5,000 deductible (fair market value) |

NOTE 7 – CONTINGENCIES & LITIGATIONS

BFT has recorded in its financial statements all material liabilities, including an estimate for situations, which are not yet resolved, but where, based on available information, management believes it is probable that the transit will have to make payment. In the opinion of management, the transit's insurance policies are adequate to pay all known or pending claims.

BFT participates in a number of federal- and state-assisted programs. These grants are subject to audit by the grantors or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grants. BFT management believes that such disallowances, if any, will be immaterial.

NOTE 8 – CAPITAL CONTRIBUTIONS

| | <u>2014</u> | <u>2013</u> | <u>2012</u> |
|--------------|----------------------------|----------------------------|----------------------------|
| Federal | \$ 4,707,430 | \$ 1,945,500 | \$ 1,951,249 |
| State | 592,929 | 216,176 | 55,233 |
| Total | <u>\$ 5,300,359</u> | <u>\$ 2,161,676</u> | <u>\$ 2,006,482</u> |

NOTE 9 – LEASE OBLIGATIONS

BFT currently has eight operating lease agreements, primarily for Park-N-Ride lots and one for office space. While these are long-term leases, the combined annual commitments are less than \$10,000.

NOTE 10 – OTHER DISCLOSURES

Amounts reported on the Statement of Cash Flows as Payments to Suppliers and Payments to Employees have been reclassified for fiscal years 2014 and 2013 to more accurately report those amounts.

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Statistical Section



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Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

This part of BFT's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about BFT's overall financial health.

CONTENTS

PAGE

Financial Trends: These schedules contain trend information to help the reader understand how BFT's financial performance and well-being have changed over time.

- Net Position..... 49
- Changes in Net Position..... 50

Revenue Capacity: These schedules contain information to help the reader assess BFT's most significant local revenue source, the sales tax.

- Taxable Sales by Category..... 51
- Direct and Overlapping Sales Tax Rates..... 52

Demographic and Economic Information: These schedules offer demographic and economic indicators to help the reader understand the environment within which BFT's financial activities take place.

- Demographic and Economic Statistics..... 53
- Principal Employers..... 54

Operating Information: This schedule contains service and infrastructure data to help the reader understand how the information in BFT's financial report relates to the services BFT provides and the activities it performs.

- Selected Operating Information..... 55

Source: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.*

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Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Net Position | | | | | | | | | | |
| Invested in capital assets | \$26,879,796 | \$22,778,512 | \$23,517,995 | \$26,423,460 | \$28,197,257 | \$24,861,623 | \$23,561,317 | \$22,147,012 | \$22,580,847 | \$21,585,191 |
| Unrestricted | 29,549,434 | 26,547,896 | 19,319,901 | 15,242,491 | 7,100,823 | 7,048,090 | 7,147,662 | 9,575,336 | 9,927,233 | 11,422,784 |
| TOTAL Net Position | <u>\$56,429,230</u> | <u>\$49,326,408</u> | <u>\$42,837,896</u> | <u>\$41,665,951</u> | <u>\$35,298,080</u> | <u>\$31,909,713</u> | <u>\$30,708,979</u> | <u>\$31,722,348</u> | <u>\$32,508,080</u> | <u>\$33,007,975</u> |

Source: Comprehensive Annual Financial Report

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Operating Revenues | | | | | | | | | | |
| Passenger Fares | \$ 4,220,235 | \$ 3,821,717 | \$ 4,105,017 | \$ 4,246,184 | \$ 3,935,943 | \$ 3,968,962 | \$ 3,523,056 | \$ 2,865,336 | \$ 2,162,424 | \$ 2,084,556 |
| Other Operating Revenue | 456,902 | 355,633 | 800,306 | 159,017 | 172,280 | 1,206,605 | 112,665 | 150,093 | 130,938 | 106,252 |
| Total Operating Revenues | \$ 4,677,137 | \$ 4,177,350 | \$ 4,905,323 | \$ 4,405,201 | \$ 4,108,223 | \$ 5,175,567 | \$ 3,635,721 | \$ 3,015,429 | \$ 2,293,362 | \$ 2,190,808 |
| Operating Expenses | | | | | | | | | | |
| Operations | \$ 19,985,195 | \$ 18,353,725 | \$ 17,552,235 | \$ 17,515,588 | \$ 16,875,777 | \$ 18,120,044 | \$ 18,708,584 | \$ 17,007,204 | \$ 15,652,177 | \$ 14,383,098 |
| Maintenance | 7,199,220 | 7,415,593 | 7,930,019 | 7,105,350 | 6,599,674 | 6,880,505 | 7,477,613 | 6,235,244 | 5,616,279 | 4,572,440 |
| Administrative Expenses | 4,899,480 | 4,699,322 | 4,034,884 | 3,706,592 | 3,227,329 | 3,360,359 | 3,549,597 | 3,122,439 | 3,319,643 | 3,313,336 |
| Depreciation & Amortization | 3,209,868 | 3,388,275 | 3,995,734 | 3,082,137 | 3,163,320 | 3,443,315 | 3,113,690 | 2,966,544 | 3,088,414 | 2,311,272 |
| Other Operating Expenses | - | - | - | - | - | 804,805 | - | - | - | - |
| Total Operating Expenses | 35,293,763 | 33,856,915 | 33,512,872 | 31,409,667 | 29,866,100 | 32,609,028 | 32,849,484 | 29,331,431 | 27,676,513 | 24,580,146 |
| Operating Income (Loss) | \$ (30,616,626) | \$ (29,679,565) | \$ (28,607,549) | \$ (27,004,466) | \$ (25,757,877) | \$ (27,433,461) | \$ (29,213,763) | \$ (26,316,002) | \$ (25,383,151) | \$ (22,389,338) |
| Nonoperating Revenues (Expense) | | | | | | | | | | |
| Sales Tax | \$ 27,864,444 | \$ 26,650,429 | \$ 25,902,472 | \$ 25,732,901 | \$ 23,897,059 | \$ 22,773,709 | \$ 23,386,739 | \$ 22,975,166 | \$ 20,566,210 | \$ 20,633,101 |
| Interest Income | 18,207 | 23,279 | 21,689 | 25,228 | 45,722 | 109,970 | 352,849 | 423,030 | 381,141 | 348,599 |
| Operating Grants | 4,493,134 | 7,323,664 | 1,982,509 | 4,800,003 | 1,040,723 | 1,089,671 | 1,003,811 | - | 1,133,373 | - |
| Gain (Loss) of Sale of Assets | 43,304 | 9,028 | (133,660) | 12,881 | 1,129 | 66,684 | - | - | - | 28,584 |
| Total Nonoperating Revenues (Expense) | \$ 32,419,089 | \$ 34,006,400 | \$ 27,773,010 | \$ 30,571,013 | \$ 24,984,633 | \$ 24,040,034 | \$ 24,743,399 | \$ 23,398,196 | \$ 22,080,724 | \$ 21,010,284 |
| Net Income (Loss) Before Contributions | \$ 1,802,463 | \$ 4,326,835 | \$ (834,539) | \$ 3,566,547 | \$ (773,244) | \$ (3,393,427) | \$ (4,470,364) | \$ (2,917,806) | \$ (3,302,427) | \$ (1,379,054) |
| Capital Contributions | 5,300,359 | 2,161,676 | 2,006,482 | 893,219 | 4,187,695 | 4,594,161 | 3,456,995 | 2,132,074 | 2,802,532 | 3,588,487 |
| Net Income (Loss) After Contributions | \$ 7,102,822 | \$ 6,488,511 | \$ 1,171,943 | \$ 4,459,766 | \$ 3,414,451 | \$ 1,200,734 | \$ (1,013,369) | \$ (785,732) | \$ (499,895) | \$ 2,209,433 |
| Changes in Net Position | \$ 7,102,822 | \$ 6,488,511 | \$ 1,171,943 | \$ 4,459,766 | \$ 3,388,367 | \$ 1,200,734 | \$ (1,013,369) | \$ (785,732) | \$ (499,895) | \$ 2,209,433 |

Source: Comprehensive Annual Financial Report

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

TAXABLE SALES BY CATEGORY
Benton County PTBA and Franklin County PTBA (combined)
2013-2001
(in thousands of dollars)

| CATEGORY (NAICS version)* | Fiscal Year | | | | | | | | | |
|---|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|---------------------|
| | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 |
| Retail Trade | \$ 25,257,152 | \$23,425,357 | \$ 21,047,366 | \$17,989,638 | \$ 2,923,946 | \$12,389,867 | \$ 8,625,856 | \$ 8,022,230 | \$ 5,580,966 | \$ 5,092,625 |
| Agriculture, Forestry, Fishing | \$ 347,349 | 5,503,141 | 1,135,244 | 458,275 | 11,611 | 1,541,752 | 120,422 | 85,525 | 1,132,902 | - |
| Mining | \$ 12,474 | ** D | 36,456 | D | - | - | - | - | - | - |
| Utilities | D | D | D | D | - | 595,581 | - | - | - | - |
| Construction | \$ 42,642,680 | 21,156,484 | 36,023,552 | 22,130,807 | 8,744,222 | 25,797,288 | 43,728,128 | 13,147,738 | 26,887,357 | 21,222,374 |
| Manufacturing | \$ 4,249,159 | 2,578,969 | 6,264,291 | 4,805,586 | 1,026,327 | 6,016,468 | 2,995,520 | 2,307,554 | 17,447,822 | 2,622,024 |
| Wholesale Trade | \$ 10,307,106 | 11,095,132 | 11,943,181 | 11,221,582 | 2,009,370 | 7,602,270 | 8,488,102 | 9,908,239 | 9,768,160 | 3,546,185 |
| Transportation & Warehousing | \$ 394,274 | 419,773 | 437,808 | 339,217 | 21,864 | 385,081 | - | - | - | 235,872 |
| Information | \$ 12,678,560 | 11,459,346 | 7,814,799 | 6,341,997 | 3,677,611 | 15,979,583 | 14,860,839 | 14,377,148 | 12,250,533 | 12,981,546 |
| Finance, Insurance | \$ 263,649 | 252,325 | 175,018 | 136,743 | 15,702 | 99,854 | 327,903 | 412,072 | 718,636 | 688,408 |
| Real Estate, Rental/Leasing | \$ 5,772,828 | 5,676,918 | 5,039,648 | 4,333,198 | 2,552,082 | 2,820,608 | 1,916,461 | 1,525,455 | 1,282,312 | 1,715,331 |
| Professional, Scientific & Technical Srvs | \$ 11,372,470 | 10,987,017 | 6,460,247 | 2,530,303 | 387,286 | 3,034,012 | 17,701,664 | 1,152,179 | 629,943 | 700,000 |
| Management, Education & Health Svcs | \$ 2,864,026 | 2,435,784 | 30,648,876 | 2,089,690 | 182,926 | 1,125,724 | 994,123 | 913,499 | 1,088,970 | 969,363 |
| Arts, Entertainment & Recreation | \$ 392,720 | 361,648 | 330,322 | 64,885 | - | 84,010 | 79,347 | - | 70,082 | - |
| Accommodations & Food Services | \$ 536,868 | 651,359 | 740,848 | 693,138 | 227,004 | 690,227 | 444,712 | 500,809 | 351,032 | 2,620,244 |
| Other Services | \$ 2,409,311 | 2,692,778 | 2,371,187 | 3,033,713 | 615,133 | 2,944,216 | 1,595,334 | 1,080,948 | 1,058,188 | 1,021,178 |
| Public Administration, Other | \$ 494 | 18,585 | D | D | 758 | 276 | 1,348 | 17,347 | 2,034,427 | - |
| TOTAL TAXABLE SALES | \$119,501,120 | \$98,714,616 | \$130,468,843 | \$76,168,772 | \$22,395,842 | \$81,106,817 | \$101,879,759 | \$53,450,743 | \$80,301,330 | \$53,415,150 |

| CATEGORY (SIC version)* | Fiscal Year | | |
|--------------------------------|----------------------|---------------------|----------------------|
| | 2003 | 2002 | 2001 |
| Retail Trade | \$ 8,929,266 | \$ 7,751,575 | \$ 7,733,509 |
| Services | 3,505,508 | 4,922,865 | 6,645,826 |
| Contracting | 17,131,754 | 6,728,646 | 6,987,267 |
| Manufacturing | 16,167,616 | 1,159,619 | 313,648 |
| Transportation/comm /utilities | 28,311,933 | 17,745,918 | 19,299,327 |
| Wholesaling | 4,219,770 | 2,590,363 | 3,143,735 |
| Finance/insurance/real Estate | 698,454 | 736,448 | 1,212,686 |
| Other Business | 2,122,501 | 1,558,203 | 1,496,805 |
| TOTAL TAXABLE SALES | \$ 81,086,802 | \$43,193,637 | \$ 46,832,803 |

Notes:

* QBR data switched from SIC codes to NAICS codes in 2004.

"D" = Did not report for confidentiality reasons.

Data for 2014 was not yet available to be included

Source: Quarterly Business Review (QBR), Washington Department of Revenue

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

DIRECT AND OVERLAPPING SALES TAX RATES
Last Ten Fiscal Years

| Fiscal Year | Direct PTBA Sales Tax Rate | | Local Sales Tax Rate | | State Sales Tax Rate | | Total Sales Tax Rate | |
|--------------------|---------------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------------------|---|
| 2014 Benton | 0.6 | % | 1.8 | % | 6.5 | % | 8.3 | % |
| 2014 Franklin | 0.6 | | 2.1 | | 6.5 | | 8.6 | |
| 2013 Benton | 0.6 | % | 1.8 | % | 6.5 | % | 8.3 | % |
| 2013 Franklin | 0.6 | | 2.1 | | 6.5 | | 8.6 | |
| 2012 Benton | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2012 Franklin | 0.6 | | 2.1 | | 6.5 | | 8.6 | |
| 2011 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2010 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2009 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2008 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2007 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2006 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |
| 2005 | 0.6 | | 1.8 | | 6.5 | | 8.3 | |

Note:
Franklin County Local Sales Tax Rate is 2.1% (effective 4/1/2012).

Source: Washington Department of Revenue

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

| Year | Population | | | Personal Income (In Thousands) | | | Per Capita | | Unemployment Rate Seasonally Adjusted |
|------|------------------|--------------------|-------------------|-----------------------------------|------------------------|-------------------|------------------|--------------------|--|
| | Benton County | Franklin County | Combined Total | Benton County | Franklin County | Combined Total | Benton County | Franklin County | Kennewick-Pasco-Richland (Benton & Franklin Counties) |
| 2014 | 186,486 | 87,809 | 274,295 | \$ - | DATA NOT YET PUBLISHED | | \$ - | | 9.3% |
| 2013 | 183,400 | 84,800 | 268,200 | \$7,701,503 | \$2,645,389 | \$10,346,892 | \$41,746 | \$30,534 | 10.3% |
| 2012 | 182,398 | 85,845 | 268,243 | \$7,364,269 | \$2,589,898 | \$9,954,167 | \$40,375 | \$30,169 | 8.9% |
| 2011 | 177,900 | 80,500 | 258,400 | \$7,172,962 | \$2,479,492 | \$9,652,454 | \$39,700 | \$29,711 | 8.0% |
| 2010 | 176,472 | 79,215 | 255,687 | 6,883,488 | 2,210,241 | 9,093,729 | 39,006 | 27,902 | 7.8% |
| 2009 | 171,122 | 74,478 | 245,600 | 6,443,140 | 2,049,097 | 8,492,237 | 37,652 | 27,513 | 7.5% |
| 2008 | 166,573 | 70,775 | 237,348 | 6,340,552 | 1,941,340 | 8,281,892 | 38,065 | 27,430 | 5.5% |
| 2007 | 161,669 | 67,586 | 229,255 | 5,749,548 | 1,720,283 | 7,469,831 | 35,564 | 25,453 | 5.3% |
| 2006 | 159,564 | 64,585 | 224,149 | 5,228,549 | 1,498,253 | 6,726,802 | 32,768 | 23,198 | 6.0% |
| 2005 | 157,726 | 61,360 | 219,086 | 5,035,609 | 1,388,552 | 6,424,161 | 31,926 | 22,630 | 6.1% |

Note:

2014 estimates of Personal Income (In Thousands) and Per Capita are scheduled to be released on Nov 20, 2015

Sources:

Population data - Washington State Office of Financial Management, Forecasting Division
2014 PTBA Population are estimates from the TRIDEC fact sheet

Personal Income and Per Capita Personal Income data - US Department of Commerce, Bureau of Economic Analysis
Last updated April 1, 2015 - new estimates for 2013; revised.
All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Unemployment Rates - Washington State Employment Security Department

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

| Principal Employers: | 2014 | | | 2006 | | |
|---------------------------------------|---------------------|------|-----------------------|---------------------|------|-----------------------|
| | Number of Employees | Rank | Percent of Employment | Number of Employees | Rank | Percent of Employment |
| Battelle/PNNL | 4,723 | 1 | 6.97% | 4,198 | 1 | 18.63% |
| CH2M Hill | 3,081 | 2 | 4.55% | 1,371 | 4 | 6.08% |
| ConAgra (Lamb Weston) | 2,735 | 3 | 4.04% | 442 | 11 | 1.96% |
| Bechtel National | 2,300 | 4 | 3.39% | 3,503 | 2 | 15.54% |
| Pasco School District | 2,065 | 5 | 3.05% | - | - | - |
| KADLEC Medical Center | 2,016 | 6 | 2.98% | 1,300 | 5 | 5.77% |
| Washington River Protection Solutions | 1,482 | 7 | 2.19% | - | - | - |
| Kennewick School District | 1,473 | 8 | 2.17% | - | - | - |
| Richland School District | 1,400 | 9 | | 1,202 | 6 | 5.33% |
| Washington Closure Hanford | 1,370 | 10 | | | | |
| Other | 45,102 | | 66.57% | 10,519 | | 46.68% |
| Total Number of Employees | 67,747 | | 100% | 22,535 | | 100% |

Note:
Resident civilian labor force and employment in Kennewick/Richland/Pasco (Benton & Franklin Counties)

Sources:
2014 employer information – Tri-City Industrial Development Council (TRIDEC)
2005 data was unavailable, used 2006 employer information – City of Richland Comprehensive Land Use Plan page 18 (Original source Department of Energy, City of Richland)
Employee workforce – WA Employment Security Department, historical resident labor force and employment (not seasonally adjusted) annual averages

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

SELECTED OPERATING INFORMATION
2014 - 2005

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| UNLINKED PASSENGER TRIPS | | | | | | | | | | |
| A. Fixed Route | 2,824,121 | 2,789,196 | 3,009,253 | 3,079,844 | 3,299,955 | 3,663,535 | 3,084,422 | 3,286,960 | 3,146,208 | 3,066,920 |
| B. Demand Response | 495,848 | 466,614 | 468,310 | 468,735 | 513,722 | 656,510 | 668,991 | 631,686 | 580,528 | 576,415 |
| C. Vanpool | 828,189 | 861,716 | 1,201,093 | 1,293,163 | 1,261,296 | 1,177,060 | 1,140,777 | 859,028 | 695,500 | 733,445 |
| Total | 4,148,158 | 4,117,526 | 4,678,656 | 4,841,742 | 5,074,973 | 5,497,105 | 4,894,190 | 4,777,674 | 4,422,236 | 4,376,780 |
| PASSENGER MILES | | | | | | | | | | |
| A. Fixed Route | 11,648,045 | 20,980,821 | 22,745,984 | 23,257,631 | 23,891,664 | 22,385,076 | 22,346,202 | 22,103,980 | 22,155,316 | 20,587,397 |
| B. Demand Response | 3,775,572 | 2,819,941 | 2,784,626 | 2,367,096 | 2,551,407 | 3,153,319 | 3,206,715 | 3,022,802 | 2,951,548 | 3,612,782 |
| C. Vanpool | 27,035,557 | 27,594,822 | 38,779,992 | 50,633,045 | 49,379,784 | 46,078,044 | 44,654,753 | 33,587,944 | 27,194,180 | 28,677,376 |
| Total | 42,459,174 | 51,395,584 | 64,310,602 | 76,257,772 | 75,822,855 | 71,616,439 | 70,207,670 | 58,714,726 | 52,301,044 | 52,877,555 |
| TOTAL ACTUAL MILES | | | | | | | | | | |
| A. Fixed Route | 2,132,884 | 2,307,999 | 2,309,961 | 2,444,026 | 2,609,619 | 2,733,903 | 2,684,716 | 2,609,794 | 2,655,692 | 2,553,515 |
| B. Demand Response | 3,055,461 | 2,831,881 | 2,831,650 | 2,759,459 | 2,797,595 | 3,456,467 | 3,582,773 | 3,215,524 | 3,098,628 | 2,919,440 |
| C. Vanpool | 4,078,837 | 4,046,851 | 4,663,331 | 5,031,817 | 4,962,648 | 4,548,900 | 4,408,525 | 3,277,870 | 2,739,100 | 2,822,018 |
| Total | 9,267,182 | 9,186,731 | 9,804,942 | 10,235,302 | 10,369,862 | 10,739,270 | 10,676,014 | 9,103,188 | 8,493,420 | 8,294,973 |
| TOTAL ACTUAL HOURS | | | | | | | | | | |
| A. Fixed Route | 138,651 | 139,617 | 140,966 | 142,086 | 139,995 | 154,572 | 154,981 | 152,792 | 155,376 | 150,947 |
| B. Demand Response | 170,389 | 162,587 | 175,945 | 168,493 | 162,098 | 219,849 | 222,785 | 200,870 | 190,528 | 159,838 |
| C. Vanpool | 84,230 | 88,208 | 113,963 | 116,561 | 109,896 | 107,940 | 104,489 | 74,168 | 61,360 | 64,290 |
| Total | 393,270 | 390,412 | 430,874 | 427,140 | 411,989 | 482,361 | 482,255 | 427,830 | 407,264 | 375,075 |

Notes:

- 1) 2014 data source - BFT
- 2) Data for unlinked passenger trips and passenger miles reflect the National Transit Database (NTD) data for 2013 and years prior and are computed on a statistically sampled basis and subject to statistical variations from year to year.
- 2) Data for total actual miles and hours match the NTD reported data for 2013 and years prior.

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

SELECTED OPERATING INFORMATION (continued)
2014 - 2005

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|--------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| VEHICLE REVENUE MILES | | | | | | | | | | |
| A. Fixed Route | 2,132,884 | 2,117,991 | 2,089,388 | 2,246,232 | 2,453,253 | 2,534,794 | 2,537,360 | 2,468,650 | 2,485,080 | 2,374,660 |
| B. Demand Response | 2,709,033 | 2,455,788 | 2,479,744 | 2,503,154 | 2,537,750 | 3,063,058 | 3,346,119 | 2,984,254 | 2,851,940 | 2,689,253 |
| C. Vanpool | 4,033,627 | 4,046,851 | 4,663,331 | 5,031,817 | 4,962,648 | 4,548,900 | 4,408,525 | 3,277,870 | 2,739,100 | 2,778,031 |
| Total | 8,875,544 | 8,620,630 | 9,232,463 | 9,781,203 | 9,953,651 | 10,146,752 | 10,292,004 | 8,730,774 | 8,076,120 | 7,841,944 |
| VEHICLE REVENUE HOURS | | | | | | | | | | |
| A. Fixed Route | 131,093 | 131,050 | 132,925 | 132,872 | 132,549 | 146,776 | 147,017 | 145,170 | 145,912 | 142,241 |
| B. Demand Response | 147,508 | 138,148 | 151,496 | 158,064 | 147,512 | 168,651 | 213,549 | 191,244 | 180,752 | 151,141 |
| C. Vanpool | 84,230 | 88,208 | 113,963 | 116,561 | 109,896 | 107,940 | 104,489 | 74,168 | 61,360 | 62,417 |
| Total | 362,831 | 357,406 | 398,384 | 407,497 | 389,957 | 423,367 | 465,055 | 410,582 | 388,024 | 355,799 |
| TOTAL OPERATING EXPENSES | | | | | | | | | | |
| A. Fixed Route | 13,430,405 | 13,751,055 | 12,372,816 | 11,731,345 | 12,371,140 | 12,764,250 | 13,512,037 | 12,152,958 | 11,759,384 | 11,199,386 |
| B. Demand Response | 14,491,287 | 13,723,884 | 12,997,681 | 12,275,387 | 12,609,742 | 13,641,590 | 14,943,173 | 12,918,721 | 11,959,800 | 10,186,800 |
| C. Vanpool | 2,948,380 | 2,885,367 | 3,152,496 | 3,171,746 | 2,959,089 | 2,664,299 | 2,651,248 | 2,045,021 | 1,793,184 | 1,661,543 |
| Total | 30,870,072 | 30,360,306 | 28,522,993 | 27,178,478 | 27,939,971 | 29,070,139 | 31,106,458 | 27,116,700 | 25,512,368 | 23,047,729 |
| FARE REVENUE | | | | | | | | | | |
| A. Fixed Route | 1,461,664 | 1,277,604 | 1,376,351 | 1,372,001 | 1,303,603 | 1,201,828 | 1,139,811 | 1,024,262 | 715,998 | 672,656 |
| B. Demand Response | 472,219 | 392,373 | 413,174 | 380,027 | 378,353 | 399,401 | 377,415 | 301,885 | 273,461 | 200,376 |
| C. Vanpool | 2,286,352 | 2,156,253 | 2,317,843 | 2,492,568 | 2,253,987 | 2,367,733 | 2,005,830 | 1,538,866 | 1,172,849 | 1,204,748 |
| Total | 4,220,235 | 3,826,230 | 4,107,368 | 4,244,596 | 3,935,943 | 3,968,962 | 3,523,056 | 2,865,013 | 2,162,308 | 2,077,780 |

Notes:

- 1) 2014 data source - BFT
- 2) Data for revenue miles and hours match the NTD reported data for 2013 and years prior.
- 3) Fare revenue includes passenger revenue, the sale of maps, revenue from contracts to provide additional service, advertising revenue and miscellaneous revenue.

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

SELECTED OPERATING INFORMATION (continued)
2014 - 2005

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| COST PER PASSENGER MILE | | | | | | | | | | |
| A. Fixed Route | \$ 1.15 | \$ 0.66 | \$ 0.56 | \$ 0.50 | \$ 0.52 | \$ 0.57 | \$ 0.60 | \$ 0.55 | \$ 0.56 | \$ 0.54 |
| B. Demand Response | | | | | | | | | | |
| Directly Operated | 4.66 | 6.01 | 5.66 | 6.90 | 6.53 | 5.71 | 5.99 | 5.48 | 5.12 | 3.85 |
| Purchased Transportation | 1.48 | 2.27 | 2.20 | 2.05 | 1.68 | 2.34 | 2.82 | 2.57 | 2.53 | 1.50 |
| Taxi / Purchased Transportation | 2.89 | 3.00 | 3.01 | 2.72 | 2.91 | N/A | N/A | N/A | N/A | N/A |
| Total | 9.03 | 11.28 | 10.87 | 11.67 | 11.12 | 8.05 | 8.81 | 8.05 | 7.65 | 5.35 |
| C. Vanpool | 0.11 | 0.10 | 0.08 | 0.06 | 0.06 | 0.06 | 0.06 | 0.06 | 0.07 | 0.06 |
| COST PER TOTAL ACTUAL MILE | | | | | | | | | | |
| A. Fixed Route | \$ 6.30 | \$ 5.96 | \$ 5.51 | \$ 4.80 | \$ 4.74 | \$ 4.67 | \$ 5.03 | \$ 4.66 | \$ 4.43 | \$ 4.39 |
| B. Demand Response | | | | | | | | | | |
| Directly Operated | 5.53 | 5.47 | 5.03 | 4.74 | 4.88 | 4.59 | 4.68 | 4.30 | 4.11 | 3.93 |
| Purchased Transportation | 3.27 | 3.41 | 3.52 | 3.38 | 2.42 | 2.65 | 3.16 | 3.35 | 3.29 | 2.54 |
| Taxi / Purchased Transportation | 2.91 | 3.19 | 3.27 | 3.54 | 4.03 | N/A | N/A | N/A | N/A | N/A |
| Total | 11.71 | 12.07 | 11.82 | 11.66 | 11.33 | 7.24 | 7.84 | 7.65 | 7.40 | 6.47 |
| C. Vanpool | 0.72 | 0.71 | 0.68 | 0.63 | 0.60 | 0.59 | 0.60 | 0.62 | 0.65 | 0.59 |
| COST PER UNLINKED PASSENGER TRIP | | | | | | | | | | |
| A. Fixed Route | \$ 4.76 | \$ 4.93 | \$ 4.23 | \$ 3.81 | \$ 3.75 | \$ 3.48 | \$ 4.38 | \$ 3.70 | \$ 3.74 | \$ 3.65 |
| B. Demand Response | | | | | | | | | | |
| Directly Operated | 37.21 | 36.02 | 32.43 | 30.07 | 28.04 | 24.51 | 25.64 | 22.72 | 21.24 | 20.88 |
| Purchased Transportation | 12.92 | 13.34 | 12.97 | 12.07 | 9.93 | 13.58 | 16.22 | 15.70 | 18.95 | 11.73 |
| Taxi / Purchased Transportation | 17.23 | 19.07 | 20.83 | 20.97 | 21.00 | N/A | N/A | N/A | N/A | N/A |
| Total | 67.36 | 68.43 | 66.23 | 63.11 | 58.97 | 38.09 | 41.86 | 38.42 | 40.19 | 32.61 |
| C. Vanpool | 3.56 | 3.35 | 2.62 | 2.45 | 2.35 | 2.26 | 2.32 | 2.38 | 2.58 | 2.27 |
| COST PER TOTAL ACTUAL HOUR | | | | | | | | | | |
| A. Fixed Route | \$ 96.86 | \$ 98.49 | \$ 90.33 | \$ 82.57 | \$ 88.37 | \$ 82.58 | \$ 87.19 | \$ 79.54 | \$ 75.68 | \$ 74.19 |
| B. Demand Response | | | | | | | | | | |
| Directly Operated | 93.71 | 91.32 | 76.62 | 76.23 | 81.29 | 67.02 | 70.27 | 67.69 | 63.98 | 70.62 |
| Purchased Transportation | 56.65 | 55.39 | 53.58 | 50.48 | 38.54 | 49.31 | 59.21 | 55.88 | 59.50 | 48.21 |
| Taxi / Purchased Transportation | 64.55 | 69.83 | 71.53 | 68.68 | 90.49 | N/A | N/A | N/A | N/A | N/A |
| Total | 214.91 | 216.54 | 201.73 | 195.39 | 210.32 | 116.33 | 129.48 | 123.57 | 123.48 | 118.83 |
| C. Vanpool | 35.00 | 32.71 | 27.66 | 27.21 | 26.93 | 24.68 | 25.37 | 27.57 | 29.22 | 25.84 |
| FARE REVENUE PER PASSENGER | | | | | | | | | | |
| All modes combined | \$ 1.02 | \$ 0.93 | \$ 0.88 | \$ 0.88 | \$ 0.78 | \$ 0.72 | \$ 0.72 | \$ 0.60 | \$ 0.49 | \$ 0.47 |

Notes:

- 1) 2014 data source - BFT
- 2) Data for unlinked passenger trips and passenger miles reflect the National Transit Database (NTD) data for 2013 and years prior and are computed on a statistically sampled basis and subject to statistical variations from year to year.
- 2) Data for total actual and revenue miles and hours match the NTD reported data for 2013 and years prior.
- 3) Fare revenue includes passenger revenue, the sale of maps, and revenue from contracts to provide additional service, advertising revenue and miscellaneous revenue.

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2014 and 2013

SELECTED OPERATING INFORMATION (continued)
2014 - 2005

| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|---------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FULL-TIME EQUIVALENT EMPLOYEES | | | | | | | | | | |
| A. Fixed Route | 120.00 | 120.10 | 128.70 | 119.87 | 128.75 | 133.51 | 141.23 | 127.43 | 131.33 | 124.05 |
| B. Demand Response | 105.00 | 105.90 | 119.40 | 106.69 | 121.28 | 113.99 | 115.93 | 124.31 | 105.20 | 84.34 |
| C. Vanpool | 10.00 | 10.00 | 12.00 | 9.80 | 7.70 | 9.40 | 11.20 | 10.10 | 9.00 | 9.00 |
| Total | 235 | 236 | 260 | 236 | 258 | 257 | 268 | 262 | 246 | 217 |
| CAPITAL ASSETS - FLEET VEHICLES | | | | | | | | | | |
| A. Fixed Route | 68 | 69 | 63 | 94 | 75 | 75 | 65 | 67 | 62 | 63 |
| B. Demand Response | 100 | 97 | 108 | 88 | 96 | 96 | 87 | 87 | 92 | 78 |
| C. Vanpool | 349 | 337 | 364 | 353 | 360 | 383 | 320 | 259 | 225 | 223 |

Notes:

1) 2014 data source – BFT

2) 2013 and years prior data source - NTD

3) Full-Time Equivalent Employees excludes Purchased Transportation.

Ben Franklin Transit's Mission

The mission of Ben Franklin Transit is to provide exceptional and cost effective transportation services that consistently exceed customer expectations while promoting the principles and practices of livable communities and sustainable development.



Ben Franklin Transit Core Values

CUSTOMER SATISFACTION

The result of an ability to constantly and consistently exceed the expectations of external and internal customers

COLLABORATION

The process of bringing together knowledge, experience, ideas, and skills to achieve a common goal

DIVERSITY

The appreciation and respect for different characteristics of individuals and groups that make them unique and able to offer different perspectives, skills, and talents

FISCAL ACCOUNTABILITY

The commitment and practice of being exemplary stewards of public resources

INNOVATION

The use of progressive and creative approaches to problem solving and goal accomplishment

SUSTAINABILITY

The ability to successfully serve the future needs of the people who live, work and play within the community with available resources

SAFETY

The state of being free from the occurrence or risk of injury, danger, or loss; a condition of having removed or reduced the potential for harm, injury, danger, or loss