



**BOARD OF DIRECTORS
REGULAR MEETING
Thursday, August 12, 2021, at 7 p.m.**

Virtual Meeting via Zoom

Phone: 253-215-8782 / Toll Free: 877-853-5247

Meeting ID: 989 6217 8731 / Password: 833979

To limit the spread of COVID-19, Ben Franklin Transit Board of Directors meetings are taking place virtually. The agenda is available on the website at BFT.org.

Written public comment to the Board will be accepted by email at Execoffice@bft.org. In the subject line, write "Public Comment." Comments must be received 24 hours prior to the meeting to ensure distribution to the Board. An opportunity for public comment during the meeting will be provided as indicated in the agenda below. Instructions for making public comment will be provided at the beginning of the meeting.

AGENDA

- | | |
|--|------------------------------|
| 1. Convene Board Meeting | Chair Bloom |
| 2. Roll Call | Janet Brett |
| 3. Pledge of Allegiance | Chair Bloom |
| 4. Public Comment | Chair Bloom |
| 5. Approval of Agenda | Chair Bloom |
| 6. Recognitions | |
| 7. Citizens Advisory Network (CAN) Report – No report is available. | |
| 8. Board Committee Reports | |
| A. Operations & Maintenance Committee | Ruben Alvarado, Chair |
| B. Planning & Marketing Committee | Jim Millbauer, Interim Chair |
| C. Administration & Finance Committee | Steve Becken, Chair |

9. Consent Agenda

- A. July 8, 2021, Regular Board Meeting Minutes
- B. July Voucher Summary
- C. Resolution 42-2021: Authorization to Release TDP for Public Comment
- D. Memorandum to Accept the Washington State Auditor’s Office (WASAO) 2020 Financial Statement and Federal Single Audit Reports
- E. Resolution 43-2021: Authorization to Award the Comprehensive Fare Study
- F. Resolution 44-2021: Adopt the Revised Equal Employment Opportunity Policy

10. Action Items

- A. Memorandum to Accept the Washington State Transit Insurance Pool (WSTIP) 2020 Annual Report & BFT Risk Profile Jeff Lubeck
- B. Resolution 45-2021: A Resolution Declining to Place a Referendum on the November 2, 2021, Ballot Reducing the Amount of Local Transit Sales Tax Revenue from 0.6 Percent to 0.5 Percent Gloria Boyce

11. Discussion & Informational Items

- A. Q2 Performance Report Lisa Larson
Keith Hall

12. Staff Reports & Comments

- A. Legal Report Jeremy Bishop
- B. Financial Report Jeff Lubeck
- C. General Manager’s Report Gloria Boyce

13. Board Member Comments

14. Executive Session

Per RCW 42.30.110 (1) (b)

15. Other

16. Next Meeting

Regular Board Meeting - Thursday, September 9, 2021, at 7 p.m.

17. Adjournment



**OPERATIONS & MAINTENANCE COMMITTEE
REGULAR MEETING**

Wednesday, August 4, 2021 - 12:30 p.m.

Virtual Meeting via Video and Telephone Conference

To limit the spread of COVID-19, Ben Franklin Transit Board of Directors committee meetings are taking place virtually.

MINUTES

Committee Members Present: Ruben Alvarado, Chair; Clint Didier; Phillip Lemley

BFT Staff: Gloria Boyce, Janet Brett, Carina Cassel, Keith Hall, Jeff Lubeck, Byron Olson, Rob Orvis, Mike Roberts

1. Convene

Chair Alvarado convened the meeting at 12:35 p.m.

General Manager Gloria Boyce introduced Byron Olson, who will be serving as Interim Marketing and Communications Director until a permanent replacement is named.

New Items

2. Informational: Overview of Procurement Process – Rob Orvis, Procurement Manager

Mr. Orvis provided committee members with a presentation on Ben Franklin Transit's procurement process and highlighted the differences between Invitation for Bid (IFB), Request for Proposal (RFP), and Request for Qualification (RFQ) types of solicitations.

Standing Items

3. Notification of Upcoming Bids and Requests for Proposals – Rob Orvis, Procurement Manager

Mr. Orvis presented the 90-Day Procurement Outlook to committee members.

- In Progress

- The Comprehensive Fare Study RFP has been released, and the estimated award date is August 16.
- The Federal Lobbying Consulting Services RFP has been released, and its estimated award date is September 15.
- August
 - Authorization to Award – Comprehensive Fare Study
- September
 - Authorization to Release – Bids for Bus Stop Concrete Pad Construction
 - Authorization to Award – Contract to Gillig, LLC for 8 Fixed Route Buses
 - Authorization to Award – Federal Lobbying Consulting Services
- October
 - Authorization to Release – Proposals for Long-Range Planning Consultant Services
- Contracts & Operating Expenses Over \$25,000 Approved by General Manager in July
 - Dell – Laptop computers (WA State Contract) \$26,273
 - KPFF A & E Services – Site selection and acquisition services for West Pasco Transit Facility \$98,882

4. **Other**

Ms. Boyce reminded committee members she would like one or two Board members to participate in the grading of the Federal Lobbying Consulting Services proposals; please email her if you are interested in serving.

5. **Next Meeting**

The next BFT Operations & Maintenance Committee meeting will be held September 1, 2021, at 12:30 p.m.

6. **Adjourn**

Chair Alvarado adjourned the meeting at 1:28 p.m.



**PLANNING & MARKETING COMMITTEE
REGULAR MEETING
Wednesday, August 4, 2021 - 4 p.m.**

Virtual Meeting via Video and Telephone Conference

To limit the spread of COVID-19, Ben Franklin Transit Board of Directors committee meetings are taking place virtually.

MINUTES

Committee Members Present: Jim Millbauer, Chair; Shon Small; Chuck Torelli

BFT Staff: Gloria Boyce, Janet Brett, Carina Cassel, Keith Hall, Lisa Larson, Jeff Lubeck, Byron Olson, Rob Orvis, Mike Roberts

1. Convene

Chair Millbauer convened the meeting at 4:07 p.m.

General Manager Gloria Boyce introduced Byron Olson, who will be serving as Interim Marketing and Communications Director until a permanent replacement is named.

New Items

2. Resolution XX-2021: Authorization to Release TDP for Public Comment – Keith Hall, Director of Planning & Service Development

Mr. Hall presented Ben Franklin Transit's Transit Development Plan (TDP), a compliance document required by statute. He recommended this item be placed on the Consent Agenda at the Board of Directors meeting. Committee members decided it should go forward to the board meeting and be placed on the Consent Agenda to authorize its release for public comment.

Standing Items

3. Notification of Upcoming Bids and Requests for Proposals – Rob Orvis, Procurement Manager

Mr. Orvis presented the 90-Day Procurement Outlook to committee members.

- In Progress
 - The Comprehensive Fare Study RFP has been released, and the estimated award date is August 16.
 - The Federal Lobbying Consulting Services RFP has been released, and its estimated award date is September 15.
- August
 - Authorization to Award – Comprehensive Fare Study
- September
 - Authorization to Release – Bids for Bus Stop Concrete Pad Construction
 - Authorization to Award – Contract to Gillig, LLC for 8 Fixed Route Buses
 - Authorization to Award – Federal Lobbying Consulting Services
- October
 - Authorization to Release – Proposals for Long-Range Planning Consultant Services
- Contracts & Operating Expenses Over \$25,000 Approved by General Manager in July
 - Dell – Laptop computers (WA State Contract) \$26,273
 - KPFF A & E Services – Site selection and acquisition services for West Pasco Transit Facility \$98,882

4. Other

Ms. Boyce reminded committee members she would like one or two Board members to participate in the grading of the Federal Lobbying Consulting Services proposals; please email her if you are interested in serving.

5. Next Meeting

The next BFT Planning & Marketing Committee meeting will be held September 1, 2021, at 4 p.m.

6. Adjourn

Chair Millbauer adjourned the meeting at 4:21 p.m.



**ADMINISTRATION & FINANCE COMMITTEE
REGULAR MEETING**

Thursday, August 5, 2021 – 4 p.m.

Virtual Meeting via Video and Telephone Conference

To limit the spread of COVID-19, Ben Franklin Transit Board of Directors committee meetings are taking place virtually.

MINUTES

Committee Members Present: Steve Becken, Chair; Richard Bloom; Lisa Stade

Legal Counsel: Brian Roach

BFT Staff: Gloria Boyce, Janet Brett, Carina Cassel, Keith Hall, Jeff Lubeck, Byron Olson, Rob Orvis, Mike Roberts, Wendi Warner

1. Convene

Director Bloom, substituting for Chair Becken, convened the meeting at 4:02 p.m.

General Manager Gloria Boyce introduced Byron Olson, who will be serving as Interim Marketing and Communications Director until a permanent replacement is named.

New Items

2. Memorandum to Accept the Washington State Auditor's Office (WASAO) 2020 Financial Statement and Federal Single Audit Reports – Jeff Lubeck, Administrative Services Director

Mr. Lubeck presented a memorandum recommending the Board accept the WASAO 2020 Financial Statement and Federal Single Audit Reports. After discussion by committee members, they asked this be moved to the Consent Agenda of the Board of Directors meeting.

3. Memorandum to Accept the Washington State Transit Insurance Pool (WSTIP) 2020 Annual Report & BFT Risk Profile – Jeff Lubeck, Administrative Services Director

Mr. Lubeck shared the WSTIP Annual 2020 Annual Report and BFT Risk Profile, highlighting the overall loss rates for each major vehicle class. Committee members asked this be moved forward as an Action Item on the Board agenda.

4. Resolution XX-2021, Authorization to Award the Comprehensive Fare Study – Jeff Lubeck, Administrative Services Director

Mr. Lubeck provided a memorandum to committee members recommending Four Nines Technologies be awarded the Comprehensive Fare Study Contract. After discussion amongst committee members, it was decided to move this forward to the Consent Agenda of the Board meeting.

5. Equal Employment Opportunity Policy – Wendi Warner, Director of Human Resources

Ms. Warner provided committee members with an updated Equal Employment Opportunity Policy, which now includes a clause on diversity, inclusion, and equity. An EEO complaint form has been added for those who choose to use it. Committee members moved this item to the Consent Agenda of the Board meeting.

Standing Items

6. Notification of Upcoming Bids and Request for Proposals – Rob Orvis, Procurement Manager

Mr. Orvis presented the 90-Day Procurement Outlook to committee members.

- In Progress
 - The Comprehensive Fare Study RFP has been released, and the estimated award date is August 16.
 - The Federal Lobbying Consulting Services RFP has been released, and its estimated award date is September 15.
- August
 - Authorization to Award – Comprehensive Fare Study
- September
 - Authorization to Release – Bids for Bus Stop Concrete Pad Construction
 - Authorization to Award – Contract to Gillig, LLC for 8 Fixed Route Buses
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- October
 - Authorization to Release – Proposals for Long-Range Planning Consultant Services
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 - Dell – Laptop computers (WA State Contract) \$26,273
 - KPFF A & E Services – Site selection and acquisition services for West Pasco Transit Facility \$98,882

7. Sales Tax Report – Jeff Lubeck, Administrative Services Director

Mr. Lubeck presented the BFT Sales Tax Comparison report for 2018 to May 2021. Sales tax revenue YTD has increased 29.9 percent over 2020 due, in part, to COVID-19.

8. Other

Ms. Boyce shared a draft memorandum and resolution regarding the requests from Benton and Franklin Counties to place a referendum on the November ballot reducing sales tax revenue from 0.6 percent to 0.5 percent. Discussion centered on if it was necessary to place a resolution on the agenda. Ms. Boyce explained that doing so would be helpful for recordkeeping purposes and to solidify Board action to the counties. This item was moved to the Board agenda as an Action Item.

Director Stade shared information about an upcoming APTA Transit Board Meeting to be held via Zoom on August 11. She will send the link to Ms. Boyce for dissemination to the rest of the Board members.

9. Next Meeting

The next BFT Administration & Finance Committee meeting will be held September 2, 2021, at 4 p.m.

10. Adjourn

Director Bloom adjourned the meeting at 4:55 p.m.



**BOARD OF DIRECTORS
REGULAR MEETING
Thursday, July 8, 2021, at 7 p.m.
1000 Columbia Park Trail
Richland, Washington**

MINUTES

1. CONVENE BOARD MEETING

Chair Richard Bloom called the meeting to order at 7 p.m.

2. ROLL CALL

Representing	Attendee Name	Title	Status
City of Pasco	Ruben Alvarado	Director	Present
City of Kennewick	Chuck Torelli	Director	Present
City of Richland	Phillip Lemley	Director	Present
City of West Richland	Richard Bloom	Chair	Present
Franklin County #2	Rocky Mullen	Director	Present
Franklin County #1	Clint Didier	Director	Present
Benton County	Shon Small	Director	Present
City of Prosser	Steve Becken	Director	Present
City of Benton City	Lisa Stade	Vice Chair	Present
The Union	Norma Nelson	Nonvoting Union Rep.	Present

BFT Staff: Gloria Boyce, Ayodeji Arojo, Janet Brett, Kelsey Buckner, Carina Cassel, Chad Crouch, Terry DeJuan, Bill Hale, Keith Hall, Lisa Larson, Rob Orvis, Jerry Otto, Rich Starr, Wendi Warner

Legal Counsel: Jeremy Bishop

3. PLEDGE OF ALLEGIANCE

Chair Bloom led the meeting participants in the Pledge of Allegiance.

4. PUBLIC COMMENT

Chair Bloom welcomed attendees to the first Ben Franklin Transit Board of Directors in-person meeting in 15 months. He then opened the meeting up to comments from the public.

Caleb Suttle, a BFT coach operator and citizen, spoke against reducing sales tax revenue and in favor of more financial support to allow for more supervision of and training for coach operators.

Odalys Gonzalez, a community organizer with UFCW 21, advocated for funding for mental health services, but not via revenue cuts to the Ben Franklin Transit budget.

Audrey Huff, a citizen and longtime transit customer, also spoke against cutting funding.

Dale Engles, a Dial-A-Ride driver, shared the needs of the people he picks up on his route and how their lives would be impacted by cutting funding and services.

Frank Cuta of United Blind of the Tri-Cities finds the proposed cuts to be a total denial of service. He needs transit to remain active in the community.

Mark Lampton, a coach operator, encouraged board members to tell the cities they represent to allow marijuana to be sold in their jurisdictions and collect taxes on it, then use that money to fund mental health services.

Russell Shjerven, Secretary-Treasurer of Teamsters Local Union No. 839, advocated against the proposed budget cuts, which would trigger staff layoffs.

5. **APPROVAL OF AGENDA**

Chair Bloom asked if there were any changes to the agenda. Director Alvarado said he would like to add an item 11B to the agenda for the Board to consider the request from the Benton and Franklin County Commissioners that BFT place a referendum on the November 2021 ballot reducing its sales tax collection by 0.10 percent. Director Lemley moved to amend the agenda after 11A; Director Alvarado seconded the motion. After discussion, it was decided to table a response to the county commissioners until August. This will give Board members an opportunity to meet with peers and constituents and share tonight's sales tax presentation with them. The motion to amend the agenda was withdrawn, and a motion to approve the agenda as presented was put forth.

MOTION:	LEMLEY
SECOND:	STADE
RESULT:	APPROVED (Unanimously)

6. **RECOGNITIONS**

Director of Transit Operations Ayodeji Arojo recognized four of his department members who have recently retired. The retirees were not in attendance.

Retirements:

- A. Resolution 32-2021, A Resolution Recognizing BFT Employee Maurice Brown's Years of Service. Mr. Brown served BFT as a coach operator for ten years.
- B. Resolution 33-2021, A Resolution Recognizing BFT Employee Michelle Ives-Johnson's Years of Service. Ms. Ives-Johnson served as a coach operator for 17 years.

C. Resolution 34-2021, A Resolution Recognizing BFT Employee Donna Suttle’s Years of Service. Ms. Suttle served as a coach operator for 27 years.

D. Resolution 35-2021, A Resolution Recognizing BFT Employee Filemon Alvarez’s Years of Service. Mr. Alvarez served as a Dial-A-Ride driver for 17 years.

Chair Bloom asked for a motion to approve the four resolutions as presented.

MOTION:	TORELLI
SECOND:	LEMLEY
RESULT:	APPROVED (Unanimously)

General Manager Gloria Boyce presented the 2020 Employees of the Year awards, giving each recipient a framed certificate, cash award, and BFT Employee of the Year pin.

Employees of the Year:

A. Resolution 36-2021, A Resolution Recognizing Operator of the Year Mary Gatrel

B. Resolution 37-2021, A Resolution Recognizing Support Staff of the Year Andrea Benson

C. Resolution 38-2021, A Resolution Recognizing Team of the Year Caleb Lenz, Jonathan Rider, Devin Roberts, and Richard Starr, IT Department

Chair Bloom asked for a motion to approve the three resolutions as presented.

MOTION:	TORELLI
SECOND:	ALVARADO
RESULT:	APPROVED (Unanimously)

7. CITIZENS ADVISORY NETWORK (CAN) REPORT

There was no CAN Report available.

8. BOARD COMMITTEE REPORTS

Chair Bloom stated the meeting minutes were in the Board packet.

A. **Operations & Maintenance Committee** – This month’s meeting of June 30, 2021, was canceled due to a lack of agenda items.

B. **Planning & Marketing Committee** – The June 30, 2021, meeting of this committee was also canceled due to a lack of agenda items.

C. **Administration & Finance Committee** – Chair Bloom substituted for Committee Chair Steve Becken at the July 1 meeting of the committee. He reported they discussed Resolution 40-2021: Authorization to Approve Projects & Update BFT’s Capital Improvement Plan (CIP), which is an action item on today’s agenda.

9. CONSENT AGENDA

Chair Bloom presented the consent items and invited a motion.

A. June 10, 2021, Regular Board Meeting Minutes

B. June Voucher Summary

PAYROLL

Check Register Number	Check Number	Check Number / Number	Date of Issue	In the Amount
512-21	80801	80806	6/4/2021	555,504.67 Payroll
513-21	VOID	80707-80810	6/12/2021	0.00 Payroll
514-21	80811	80814	6/18/2021	547,617.20 Payroll

Total \$ 1,103,121.87

ACCOUNTS PAYABLE

Check Register Number	Check Number	Check Number / Number	Date of Issue	In the Amount
142-31	77940	77977	6/2/2021	349,230.43 MDSE
143-21	77978	78032	6/9/2021	73,262.43 MDSE
144-21	78033	78109	6/15/2021	152,051.33 MDSE
145-21	ACH TRANS		6/15/2021	586,811.71 ACH TRANS
146-21	78110	78181	6/22/2021	486,268.05 MDSE
147-21	VOID	77251	6/29/2021	(7,693.87) VOID
148-21	78182	78265	6/29/2021	295,511.59 MDSE
149-21	ACH TRANS		6/30/2021	590,398.53 ACH TRANS

Total \$ 2,525,840.20

C. Resolution 39-2021: Recommending the Award of the Radio Maintenance Services Contract

MOTION:	SMALL
SECOND:	STADE
RESULT:	APPROVED (Unanimously)

10. ACTION ITEMS

A. Resolution 40-2021: Authorization to Approve Projects & Update BFT’s Capital Improvement Plan (CIP)

Procurement Manager Rob Orvis presented a resolution to approve the 2022 Capital Improvement Plan. It was released for public comment at last month’s board meeting, and none was received. Chair Bloom invited a motion.

MOTION:	SMALL
SECOND:	LEMLEY
RESULT:	APPROVED (Unanimously)

11. DISCUSSION & INFORMATIONAL ITEMS

A. Review and Discuss High-Level Impact of Sales Tax Revenue Reduction

Ms. Boyce gave a presentation to Board members on the Impact of Sales Tax Revenue Reduction, which included a BFT Timeline; Funding Profile; Financial Status; and Impact of Sales Tax Reduction. Three scenarios were included to show the impact of the proposed sales tax reduction on BFT operations if: 1) the reduction was taken from service; 2) the reduction was taken from capital; and 3) the reduction was taken from a blend of service and capital.

12. STAFF REPORTS & COMMENTS

A. Legal Report

Jeremy Bishop, BFT legal counsel, reported he has been busy reviewing RFPs and confirmed the executive session later in the meeting.

B. Financial Report

Mr. Orvis presented a financial report, highlighting materials contained in the Board packet.

C. General Manager’s Report

Ms. Boyce reported the campus was opened last Thursday following the governor’s proclamation. She invited Board members to utilize BFT services to get to Art in the Park on July 23 and 24 and the Water Follies on July 24.

13. BOARD MEMBER COMMENTS

Director Torelli told the group he used the app to travel to Kennewick, Pasco, and Richland to experience transit operations. He had a positive experience as a rider of choice.

14. EXECUTIVE SESSION

The Board convened in executive session under RCW 42.30.140(4)(b) for review of labor negotiations at 9:32 p.m. and returned to open session at 9:53 p.m.

Chair Bloom stated he would entertain a motion to approve Resolution 41-2021 authorizing the General Manager to adopt the Collective Bargaining Agreement between Ben Franklin Transit and Teamsters Local 839, representing administrative assistants.

MOTION:	SMALL
SECOND:	ALVARADO
RESULT:	APPROVED (Unanimously)

15. NEXT MEETING

Regular Board Meeting – Thursday, August 12, 2021, at 7 pm.

16. ADJOURNMENT

Chair Bloom adjourned the meeting at 9:54 p.m.

Janet Brett, Clerk of the Board

Date



1000 Columbia Park Trail Richland, WA 99352.4851
 509.735.4131 509.735.1800 fax www.bft.org

Friday, August 06, 2021

To: Ben Franklin Board of Directors
 From: Jeff Lubeck, Financial Services Director *Jeff Lubeck* Aug 5, 2021
 RE: Vouchers for July 2021

July 2021 vouchers totaled \$4,402,142.08. An analysis of the vouchers had the following significant vendor payment amounts:

Vendor	Description	Amount
IRS	Federal Income Tax on Wages	\$ 592,267.15
NW ADMIN TRANSFER	Insurance	\$ 376,358.00
DEPT OF RETIREMENT SYSTEMS	PERS	\$ 368,086.50
KPFF INC	Contracted Services	\$ 217,220.36
DEPT LABOR & INDUSTRIES	Payroll Taxes	\$ 213,115.90
AARON C GRIMM	Contracted Services	\$ 191,061.87
ASSOCIATED PETROLEUM PRODUCTS	Fuel & Fluids	\$ 119,129.63
STATE OF WASHINGTON	Insurance	\$ 114,169.39
GILLIG	Vehicle Parts	\$ 49,518.54
US BANKCARD	Travel/Merchandise	\$ 36,349.93
GAP HOLDING	Advertising	\$ 23,537.00
VANTAGE TRANS AGENTS-457	EE Contributions	\$ 20,264.13
EMPLOYMENT SECURITY DEPARTMENT	Payroll Taxes	\$ 20,040.62
WEX BANK	Fleet Fuel	\$ 16,533.10
ARC OF THE TRI-CITIES INC	Contracted Services	\$ 15,132.48
TEAMSTERS UNION	Union Dues	\$ 14,583.50
FGL LLC	Building Lease	\$ 14,147.27
LVCK	Contracted Services	\$ 13,826.00
CITY OF RICHLAND	Utilities	\$ 13,139.63
BRIDGESTONE AMERICAS	Tire Lease	\$ 12,052.00
US LINEN & UNIFORM	Employee Uniforms	\$ 11,713.46
CERIUM NETWORKS INC	Computer Supplies	\$ 10,428.73
WA STATE SUPPORT	Payroll Withholding	\$ 10,366.61
CUMMINS INC	Vehicle Parts	\$ 10,253.93
Total Significant Vendors		\$ 2,483,295.73
Payroll Total		\$ 1,696,327.18
Total Non-Significant Vendors		\$ 222,519.17
GRAND TOTAL		\$ 4,402,142.08

I, the undersigned **CHAIRMAN/VICE-CHAIRMAN of BEN FRANKLIN TRANSIT**
Benton County, Washington, do hereby certify that the payroll related services, herein specified have been
received and that the following checks are approved for payment for the month of July 2021.

PAYROLL

Check Register Number	Check Number / Number	Date of Issue	In the Amount
515-21	80815 80817	7/2/2021	547,664.21 Payroll
516-21	80818 80821	7/16/2021	567,856.85 Payroll
517-21	80822 80825	7/30/2021	580,806.12 Payroll

Total \$ 1,696,327.18

AUTHORITY MEMBER
8/12/2021

I, the undersigned **CHAIRMAN/VICE-CHAIRMAN of BEN FRANKLIN TRANSIT**
 Benton County, Washington, do hereby certify that the merchandise or services herein specified have
 been received and that the following checks are approved for payment for the month of July 2021.

ACCOUNTS PAYABLE

Check Register Number	Check Number / Number	Date of Issue	In the Amount
150-21	78266 78323	7/7/2021	237,306.05 MDSE
151-21	78324 78377	7/13/2021	574,350.50 MDSE
152-21	ACH TRANS	7/16/2021	582,824.24 ACH TRANS
153-21	78378 78434	7/20/2021	338,115.57 MDSE
154-21	78435 78519	7/27/2021	162,651.15 MDSE
155-21	ACH TRANS	7/31/2021	810,567.39 ACH TRANS

Total \$ 2,705,814.90

 AUTHORITY MEMBER
 8/12/2021

July 2021 vouchers audited and certified by Ben Franklin Transit's auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been emailed to the Board members August 6, 2021.

ACTION: As of this date, August 12, I, _____
 move that the following checks be approved for payment:

PAYROLL

Check Register Number	Check Number / Number	Check Number / Number	Date of Issue	In the Amount
515-21	80815	80817	7/2/2021	547,664.21 Payroll
516-21	80818	80821	7/16/2021	567,856.85 Payroll
517-21	80822	80825	7/30/2021	580,806.12 Payroll
			Total	\$ 1,696,327.18

ACCOUNTS PAYABLE

Check Register Number	Check Number / Number	Check Number / Number	Date of Issue	In the Amount
150-21	78266	78323	7/7/2021	237,306.05 MDSE
151-21	78324	78377	7/13/2021	574,350.50 MDSE
152-21	ACH TRANS		7/16/2021	582,824.24 ACH TRANS
153-21	78378	78434	7/20/2021	338,115.57 MDSE
154-21	78435	78519	7/27/2021	162,651.15 MDSE
155-21	ACH TRANS		7/31/2021	810,567.39 ACH TRANS
			Total	\$ 2,705,814.90

Check Register Nos. 515-21 to 517-21 and 150-21 to 155-21 in the total amount of: **\$ 4,402,142.08**

The motion was seconded by _____

and approved by a unanimous vote.

CHECK REGISTER CERTIFICATION

PAYROLL

CHECK REGISTER NUMBER 515-21

CHECK NUMBERS	80815-80817	\$ 4,886.29
ACH TRANSFER		\$ 542,777.92

DATE JULY 2, 2021

PURPOSE: PPE 06/26/2021 AMOUNT: \$547,664.21

“I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims.”



AUDITOR

6/30/2021

DATE

CHECK REGISTER CERTIFICATION

PAYROLL

CHECK REGISTER NUMBER 516-21

CHECK NUMBERS	80818-80821	\$ 4,715.24
ACH TRANSFER		\$ 563,141.61

DATE JULY 16, 2021

PURPOSE: PPE 07/10/2021 AMOUNT: \$567 856.85

“I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims.”

Jeff Lubeck
AUDITOR

7/14/2021

DATE

CHECK REGISTER CERTIFICATION

PAYROLL

CHECK REGISTER NUMBER 517-21

CHECK NUMBERS	80822-80825	\$ 5,773.91
ACH TRANSFER		\$ 575,032.21

DATE JULY 30, 2021

PURPOSE: PPE 07/24/2021 AMOUNT: \$580,806.12

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."

Jeff Luback
AUDITOR

7/29/2021

DATE

BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION
ACCOUNTS PAYABLE

CHECK REGISTER NUMBER 150-21

CHECK NUMBERS 78266 to 78323

DATE 07/07/2021

PURPOSE JUL 21A A/P VOUCHERS AMOUNT \$237,306.05

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."

Jeff Lubeck

Jul 9, 2021

AUDITOR

DATE

BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION
ACCOUNTS PAYABLE

CHECK REGISTER NUMBER 151-21

CHECK NUMBERS 78324 to 78377

DATE 07/13/2021

PURPOSE JUL 21B A/P VOUCHERS AMOUNT \$574,350.50

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."

Jeff Luback

AUDITOR

Jul 22, 2021

DATE

BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION

ACCOUNTS PAYABLE

CHECK REGISTER NUMBER: 152-21

ACH WIRE TRANSFERS

DATE: 07/16/2021

PURPOSE:

A W REHN & ASSOCIATES INC	\$	1,272.90
DEPT OF RETIREMENT SYSTEMS - DCP	\$	1,122.60
HRA VEBA TRUST	\$	4,860.00
INTERNAL REVENUE SERVICE	\$	191,737.09
INTERNAL REVENUE SERVICE - TPSP	\$	4,082.88
N W ADMIN TRANSFER	\$	376,358.00
WASHINGTON STATE SUPPORT	\$	3,390.77
	\$	<u>582,824.24</u>

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."

Jeff Luback

AUDITOR

Jul 22, 2021

DATE

BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION
ACCOUNTS PAYABLE

CHECK REGISTER NUMBER 153-21

CHECK NUMBERS 78378 to 78434

DATE 07/20/2021

PURPOSE JUL 21C A/P VOUCHERS AMOUNT \$338,115.57

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."

Jeff Luback

AUDITOR

Jul 22, 2021

DATE

BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION
ACCOUNTS PAYABLE

CHECK REGISTER NUMBER 154-21

CHECK NUMBERS 78435 to 78519

DATE 07/27/2021

PURPOSE JUL 21D A/P VOUCHERS AMOUNT \$162,651.15

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."



AUDITOR

Aug 3, 2021

DATE

**BEN FRANKLIN TRANSIT
CHECK REGISTER CERTIFICATION
ACCOUNTS PAYABLE**

CHECK REGISTER NUMBER: 155-21

ACH WIRE TRANSFERS

DATE: 07/31/2021

PURPOSE:

A W REHN & ASSOCIATES INC	\$	1,272.90
DEPT OF RETIREMENT SYSTEMS	\$	368,086.50
DEPT OF RETIREMENT SYSTEMS - DCP	\$	1,182.60
INTERNAL REVENUE SERVICE	\$	198,142.03
INTERNAL REVENUE SERVICE	\$	198,305.15
STATE OF WASHINGTON	\$	252.44
US BANK CORPORATE PAYMENT SYST	\$	36,349.93
WASHINGTON STATE SUPPORT	\$	3,390.77
WASHINGTON STATE SUPPORT	\$	3,585.07
	\$	<u>810,567.39</u>

"I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the claims are just, due and unpaid obligations against Ben Franklin Transit, and that I am authorized to authenticate and certify said claims."



AUDITOR

Aug 5, 2021

DATE

Memorandum

Date: August 12, 2021

To: Gloria Boyce, General Manager

From: Keith Hall, Director of Planning and Service Development

RE: Request to Release 2021-2026 Transit Development Plan (TDP) for Public Comment

Background

An annual Transit Development Plan (TDP) is required under RCW 35.58.2795 to be prepared and submitted to each municipality within the transit service area, the regional Metropolitan Planning Organization (MPO), the Washington State Department of Transportation (WSDOT) Public Transportation Office, and The Transportation Improvement Board, by September 1st of each year.

The TDP must cover:

- An annual report of the 2020 calendar year's status of public transportation, with specific elements to be included in the plan identified in legislation,
- A current and next year (2021/2022) fully constrained budget for committed projects and services, and
- A three-to-five year (2023-2026) financial forecast required to maintain a State of Good Repair of fleet and facilities, along with the resources required to implement planned service and capital improvements over the remaining period of the six-year program.

This is a reference document for assembling the regional Transportation Improvement Program (TIP) prepared by the Benton Franklin Council of Governments (BFCG), the designated MPO, that is then submitted to WSDOT for preparation of the State Transportation Improvement Program (STIP), in October 2021.

An essential part of the TDP process is the 30-day public comment period, which requires BFT to make the draft TDP available for public review prior to its adoption by the Board of Directors. This process concludes with a formal public hearing on the TDP; staff modifications and edits based on public comment, if required; and Board approval of the final TDP document.

Required Elements

WSDOT updated the format and outline of the TDP, and these revisions included modest changes in the list of required elements for a TDP. BFT's 2021-2026 TDP follows the new format and sequence for TDPs under new guidance document released in 2020.

Funding

Budgeted: n/a

Budget Source: n/a

Funding Source: n/a

Recommendation

Authorize the General Manager to release Ben Franklin Transit's 2021-2026 Transit Development Plan for public comment.

Forwarded as presented:

Gloria Boyce, General Manager

BEN FRANKLIN TRANSIT

RESOLUTION 42-2021

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO RELEASE THE 2021-2026 TRANSIT DEVELOPMENT PLAN (TDP) FOR PUBLIC COMMENT

WHEREAS, BFT has completed the annual Transit Development Plan (TDP) Update, as required by statute; and

WHEREAS, BFT is required to make the TDP available for public review and comment for 30 days prior to its adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE BEN FRANKLIN TRANSIT BOARD OF DIRECTORS THAT:

The General Manager is authorized to release Ben Franklin Transit's 2021-2026 Transit Development Plan for public comment.

APPROVED AT A REGULAR TRANSIT BOARD OF DIRECTORS MEETING held Thursday, August 12, 2021, at 1000 Columbia Park Trail, Richland, Washington.

ATTEST:

Janet Brett, Clerk of the Board

Richard Bloom, Chairman

APPROVED AS TO FORM BY:

Jeremy Bishop, Legal Counsel



TRANSIT DEVELOPMENT PLAN

2021-2026



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The 2021-2026 Transit Development Plan

Transit agencies must prepare a transit development plan annually (RCW 35.58.2795). Each regional transit authority shall prepare a six-year transit development plan for the current calendar year and the ensuing five years. In Spring 2021, WSDOT released an updated Transit Development Plan Guidebook that details the updated requirements each transit agency must include in a Transit Development Plan. The plan must include the following required elements:

1. Plan adoption, public hearing, and distribution
2. Description of service area, operations, and facilities
3. State and agency goals, objectives, and action strategies
4. Local performance standards and measures
5. Plan consistency
6. Planned capital expenses
7. Planned operating changes
8. Multiyear financial plan
9. Projects of regional significance

Required Element 1: Plan Adoption, Public Hearing, and Distribution

PLAN ADOPTION

The Ben Franklin Transit (BFT) Board of Directors adopted the 2021-2026 Transit Development Plan (TDP) on September 9, 2021.

Prior to plan adoption, the BFT Board authorized the release of the TDP at its regular board meeting on August 12, 2021. BFT solicited public comment the formal release of the plan for public comment through the public hearing prior to plan adoption. Due to the continuing effects of the COVID-19 pandemic, BFT did not schedule regular public meetings and instead solicited only written feedback from the public by mail and email.

PUBLIC HEARING

BFT held a public hearing prior to adoption of the 2021-2026 Transit Development Plan at its regular board meeting on September 9, 2021 at 7:00 pm at the BFT Board Room at 1000 Columbia Park Trail, Richland WA 99352.

BF posted a notice of the release of the TDP for public comment and a notice of the public hearing on its website and in the Tri-City Herald, the region's local newspaper. BFT allowed the public to download a digital copy of the Draft TDP on the BFT website beginning August 12, 2021. Upon adoption, the final version of the TDP replaced the draft TDP. Due to the continuing effects of the COVID-19 pandemic, BFT did not provide a printed review copy of the TDP for in-person public viewing.

PLAN DISTRIBUTION

On September 10, 2021, BFT distributed the adopted TDP to:

- The Washington State Department of Transportation Public Transit Division (uploaded to directly to the grants management system)
- Linda Howell, WSDOT's assigned Community Liaison, at linda.howell@wsdot.wa.gov
- Vaughn Nelson Finance Manager, at vaughnn@tib.wa.gov
- Chris Workman, the Transportation Improvement Board's Engineering Manager, at chrisw@tib.wa.gov
- Erin Braich, Transportation Planning Manager at Benton-Franklin Council of Governments (BFCG), at ebraich@bfcog.us
- TBD, City of Benton City, at TBD
- TBD, City of Kennewick, at TBD
- TBD, City of Pasco, at TBD
- TBD, City of Prosser, at TBD
- TBD, City of Richland, at TBD
- TBD, City of West Richland, at TBD
- TBD, Benton County, at TBD
- TBD, Franklin County, at TBD

Required Element 2: Description of Service Area, Operations, and Facilities

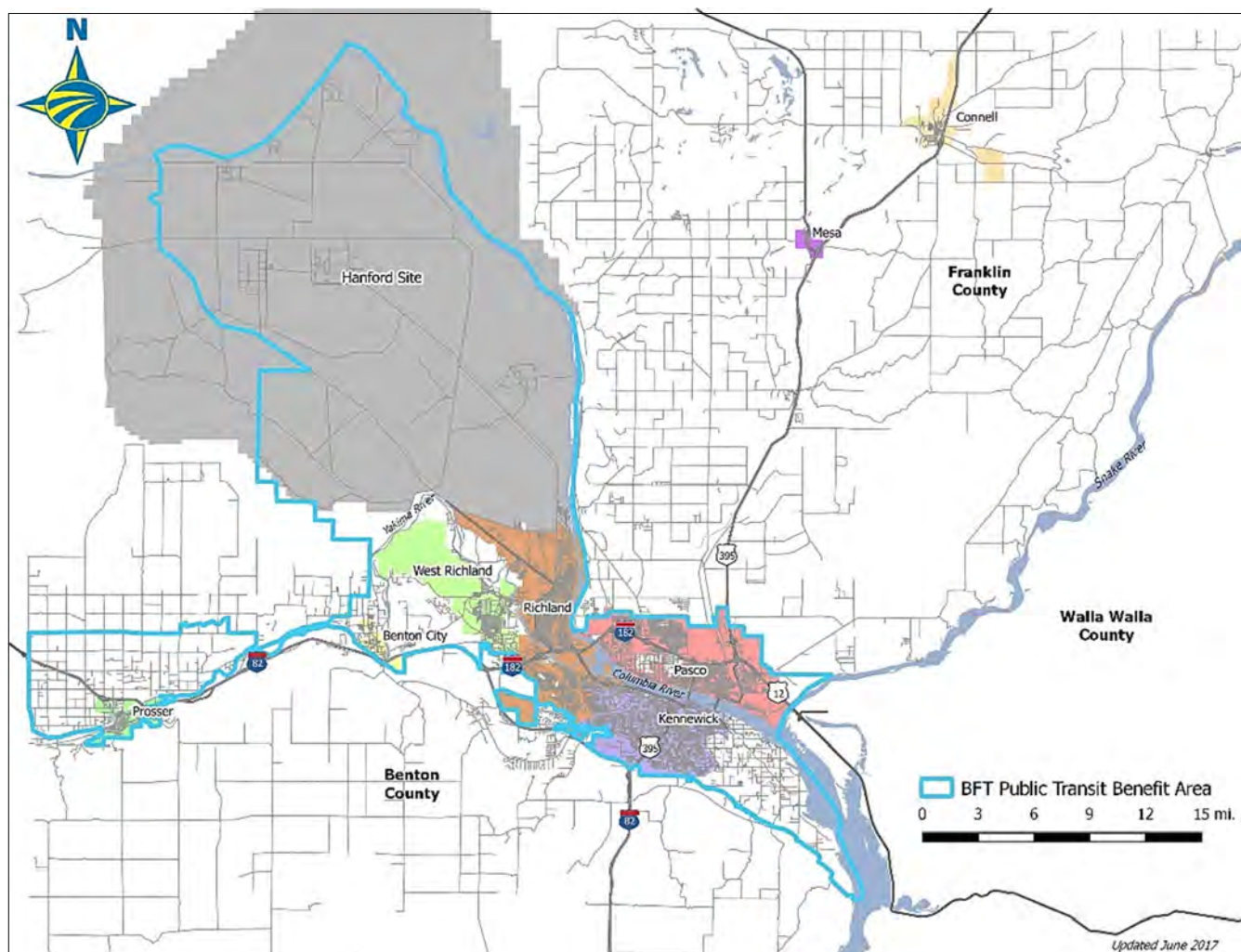
DESCRIPTION OF THE SERVICE AREA

BFT serves a 617-square mile service area that includes those municipal jurisdictions and unincorporated areas within Benton and Franklin Counties whose voters opted to join the BFT Public Transit Benefit Area, or PTBA (see Figure 1). 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 each from Benton City, Kennewick, Pasco, Prosser, Richland, and West Richland, and a non-voting labor union representative.

OPERATIONS

BFT provides fixed-route bus service, Americans with Disabilities Act complementary paratransit service, zone-based first-mile/last-mile on-demand service, and vanpool service. Service within BFT’s core area of the Tri-Cities operates from 6:00 a.m. to 10:00 p.m. weekdays and 7:00 a.m. to 10:00 p.m. on Saturdays. Effective August 29, 2021, BFT will begin Sunday service from 8:00 a.m. to 6:00 p.m. BFT serves the Hanford Site only through its vanpool program, and service in Prosser and Benton City are provided from 6:15 a.m. to 8:15 p.m. Monday through Saturday.

FIGURE 1: BOUNDARIES OF THE BFT PUBLIC BENEFIT AREA

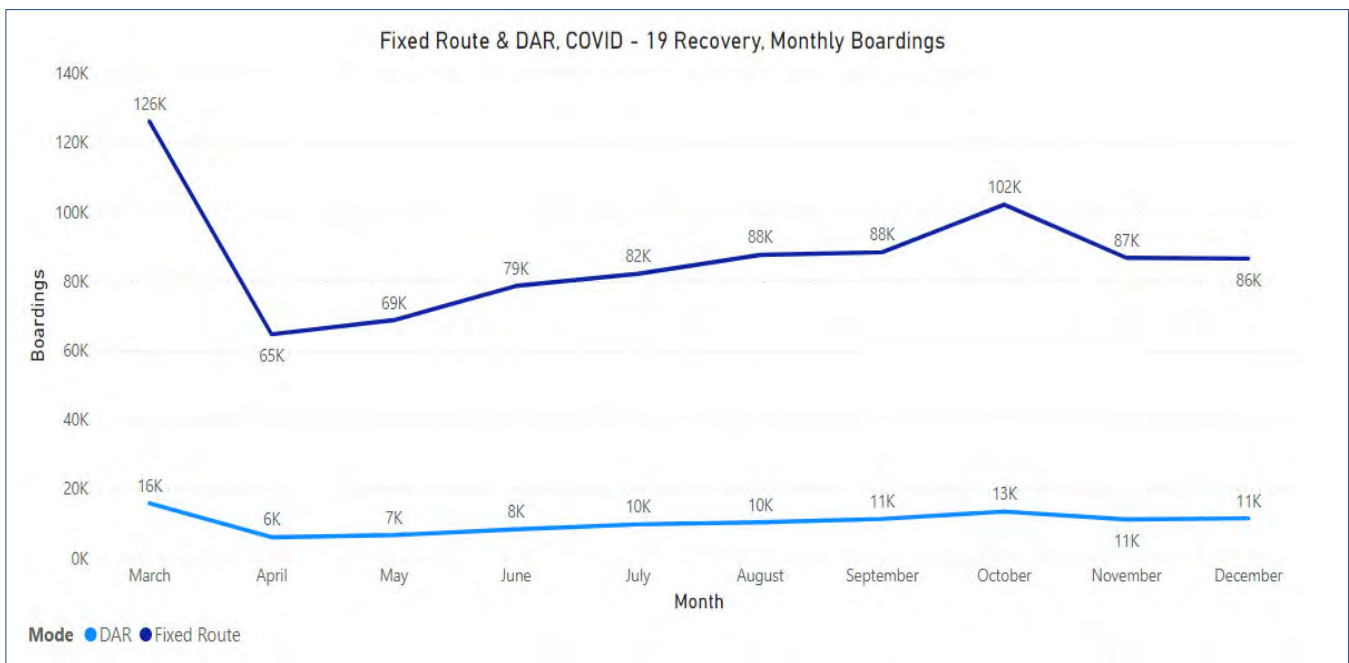


FIXED ROUTE BUS SERVICE

BFT’s fixed route bus service of 18 bus routes carried 1.2 million boardings in 2020, a 42% decrease from 2019 ridership due to the impacts of the COVID-19 pandemic (see Figure 2). BFT suspended approximately 7% of its fixed route service during the early months of the pandemic due to labor shortages, but service coverage was maintained with the launch of CONNECT, BFT’s first-mile/last-mile on-demand service. BFT also suspended fare collection and front-door boarding to reduce virus exposure risk to drivers. Numerous other adjustments were made in nearly every aspect of BFT’s operation throughout the pandemic as local, state, and federal restrictions, mandates, and advisories came into effect.

In June 2020, BFT restructured several local services to create its new “METRO” routes, services that operate every 15-minutes or better during most weekday and Saturday hours. BFT’s new METRO route 1 serves Richland, Kennewick, and Pasco, while METRO route 3 serves Pasco and Kennewick. A future METRO route 2 will connect Richland and Pasco.

FIGURE 2: BFT REDUCTION IN BOARDINGS DURING THE COVID-19 PANDEMIC



ADA COMPLEMENTARY PARATRANSIT SERVICE

BFT offers ADA complementary paratransit, known as Dial-A-Ride (DAR), throughout its service area, including those areas beyond three-quarters of a mile from fixed route service. Service operates at all times during fixed-route service hours, except that DAR service only operates during the hours of service for route 170 in Prosser and Benton City.

As with other services, DAR ridership dropped substantially during the pandemic (see Figure 2), and BFT suspended fare collection and instituted capacity limits. With rear door boarding on fixed route buses, BFT began using DAR service to accommodate mobility impaired fixed route bus users who could not board through the front door and other passengers unable to board due to reduced bus capacity limits. In addition, BFT’s DAR drivers and fleet supported local food distribution efforts.

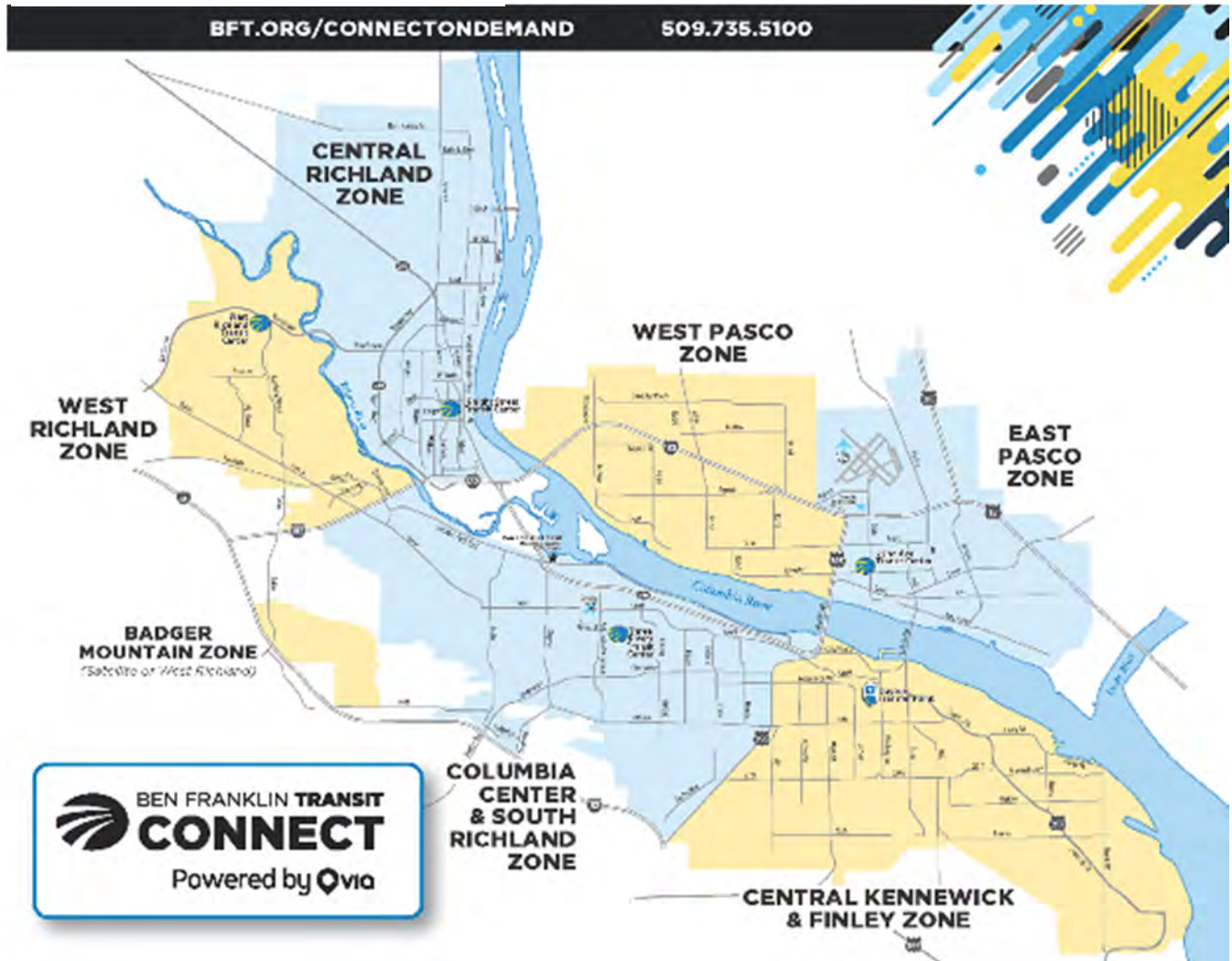
FIRST-MILE/LAST-MILE ON-DEMAND SERVICE

CONNECT is BFT’s first-mile/last-mile on-demand service that was introduced in April 2020. Service initially rolled out in two zones during limited hours to cover minor fixed route service reductions in Pasco due to

COVID-19 pandemic labor shortages. BFT expanded CONNECT service over several months to the full six-zone system during full service hours that had been planned prior to the pandemic (see Figure 3).

CONNECT allows customers to book a ride in real-time (on-demand) by mobile phone app or by telephone between designated bus stops and transit centers and any other location within that zone. Both the app and the call center offer English and Spanish options. As with other services, BFT instituted capacity limits on CONNECT service and suspended fare collection. In addition, CONNECT service was tailored to meet specific pandemic-related needs that would have difficult to meet with fixed route bus service. Changes included adding “points of interest” (often referred to as “hotspots” by riders), such as grocery stores, pharmacies, and medical centers. BFT later added walk-up testing and vaccination sites as those began operating (transit was not allowed to serve drive-through mass testing and vaccination sites). BFT began reducing pandemic-specific points of interest in the third quarter of 2021.

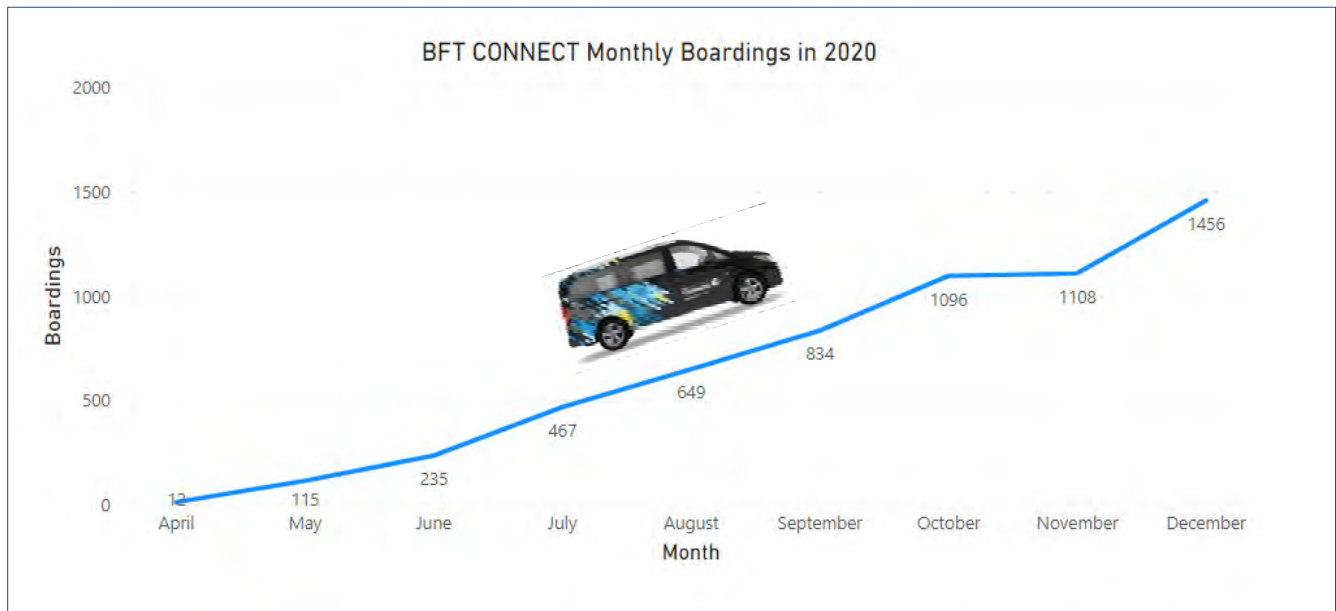
FIGURE 3: BFT CONNECT ZONE OF COVERAGE



CONNECT is operated as a contracted service with ten regular five-passenger vans and two ADA accessible vans. BFT is working with its contractor, Via, to allow passengers to book rides with a bicycle to increase utilization of wheelchair-accessible vehicles. BFT’s contract with Via provides for an increase in the ratio of accessible vehicles if demand warrants. BFT has no pre-pandemic ridership comparison for CONNECT; however, ridership has grown substantially from the 12 passengers carried during its first partial month of operation in April 2020 to

nearly 1,500 in December 2020 (see Figure 4). By the end of July 2021, CONNECT was carrying nearly 1,000 passengers each week.

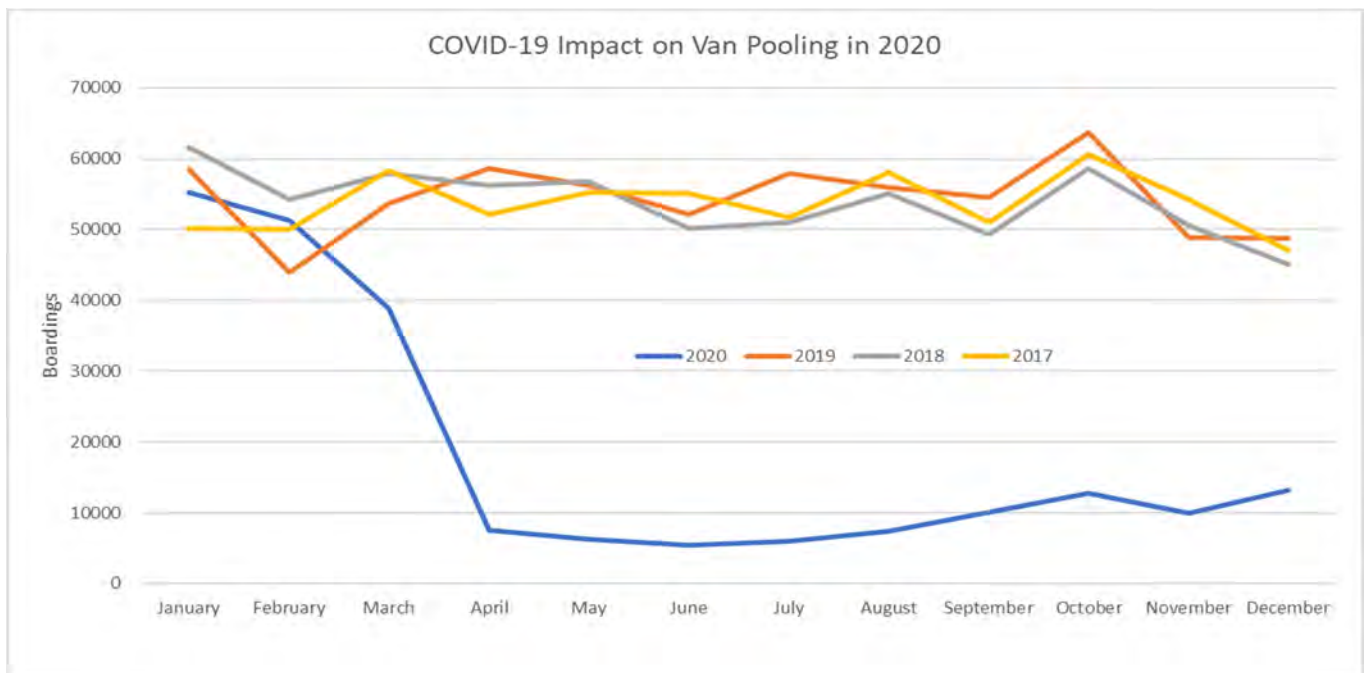
FIGURE 4: BFT CONNECT FROM SOFT ROLL-OUT TO EARLY ADOPTION



VANPOOL

In 2019, BFT had 173 Vanpool groups using SR 240 to the Hanford Site during morning and evening rush hours, delivering about 1,038 peak hour person trips. BFT Vanpool has captured as much as 14% of the Hanford Site commuting employees.

FIGURE 5: VANPOOL RIDERSHIP



Vanpool ridership was disrupted by the COVID-19 pandemic to a much greater extent than other modes due to social distancing guidelines and the increased work-from-home emphasis (see Figure 5). Recovery is expected to be much slower than ridership on other BFT services, but signs of a gradual recovery are evident.

As with other BFT services, the vanpool program was used to support pandemic-related needs. Notably, BFT offered fare-free vanpool use to out-of-town commuters who supported the mass testing and vaccination sites.

PARK AND RIDE

BFT manages eleven Park and Ride (P&R) lots totaling about 1,750 spaces. In addition, BFT has negotiated a range of overnight parking for vanpool vehicles in public parking lots, retail centers, grocery stores, and at the homes of vanpool drivers. Many of these vans stop at the P&R to pick up their commuter group members. P&R utilization dropped during the COVID-19 pandemic and the reduction in vanpool commuters (see Figure 6).

TABLE 1: COVID-19 STAY AT HOME IMPACTS ON BFT MANAGED PARK AND RIDE LOT (2020)

<i>Park & Ride</i>	<i>Capacity</i>	<i>Average Weekday Count</i>	<i>Utilization %</i>
WSDOT "Y"	249	41	17%
Port of Benton	350	32	9%
GESA	150	21	14%
Flat Top	154	18	12%
Huntington	135	14	10%
SR 240/vanG	89	14	16%
22nd Ave.	50	12	24%
Tulip Ln.	139	11	8%
9th & Dale	37	9	23%
Stacy St.	28	3	12%
Knight St. TC	33	0	1%

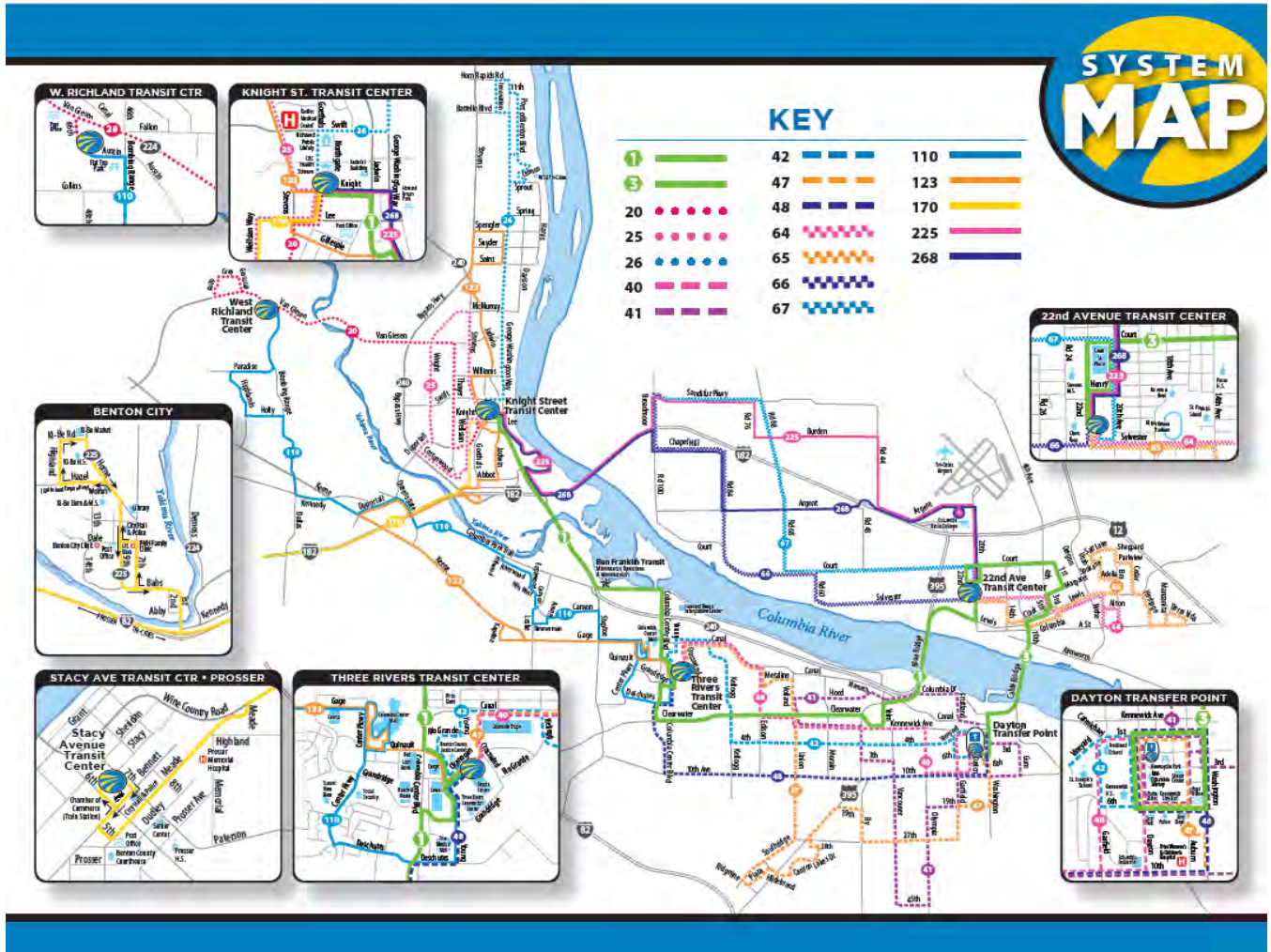
TRANSIT CENTERS AND ADMINISTRATIVE FACILITIES

BFT owns and operates three transit centers, two of which are identified as park-and-ride lots. Knight Street Transit Center in Richland and 22nd Avenue Transit Center in Pasco serve as transit hubs and offer commuter parking, while the Three Rivers Transit Center provides a transit hub and the BFT Customer Service Center. BFT also operates two minor transit hubs, one in West Richland and one in Kennewick (Dayton).

BFT is planning three additional transit hubs – all with WSDOT funding support – in West Pasco (with parking), East Pasco (without parking), and the Queensgate area of southwest Richland (adjacent to the existing Tulip Lane commuter parking lot).

In addition to its transit centers, Ben Franklin Transit’s Central Campus is located at 1000 Columbia Park Trail, Richland Washington, 99352. This facility accommodates the agency’s Maintenance, Operations and Administration (MOA) functions. BFT’s major facilities are identified on the system map (see Figure 7).

FIGURE 7: BFT TRANSIT NETWORK AND MAJOR FACILITIES, AS OF JUNE 21, 2021



Required Element 3: State and Agency Goals, Objectives, and Action Strategies

ALIGNMENT OF STATE AND LOCAL GOALS, OBJECTIVES, AND ACTION STRATEGIES

Table 2 links BFT’s goals with WSDOT goals, objectives, and action strategies.

TABLE 2: ALIGNING WITH THE WASHINGTON STATE PUBLIC TRANSPORTATION GOALS, OBJECTIVES, AND STRATEGIES.

<p>Economic Vitality - stimulate, support, and enhance movements of people and goods to advance economic prosperity.</p> <p>Preservation - maintain, preserve, and extend the life and utility of prior transport investments.</p> <p>Environment - enhance quality of life with transport investments that conserve energy, promote healthy communities, and protect the environment.</p> <p>Safety - improve the safety and security of transportation workers, operators, customers, and the public.</p> <p>Stewardship - continuously monitor and improve the quality, effectiveness, and efficiency of the transportation system.</p> <p>Mobility - improve the predictable movement of goods and people throughout WA State.</p>	State goal areas					
	<i>Economic vitality</i>	<i>Preservation</i>	<i>Safety</i>	<i>Mobility</i>	<i>Environment</i>	<i>Stewardship</i>
SAFETY FIRST						
<i>Transit Operations Accident Prevention - Vanpool</i>						
<i>Major Preventable Accidents at less than .75 per 100,000 miles</i>			X			
<i>Update Public Transportation Agency Safety Plan (PTASP)</i>						
<i>Maintain a Safe Work Environment - Facilities/Maintenance</i>						
RIDERSHIP RESTORATION/GROWTH						
<i>Restore Fixed Route Ridership</i>						
<i>Performance Monitoring and Reporting</i>						
<i>Community Outreach to Key Demographics</i>						
<i>Implement and Refine group Travel Training Curriculum</i>				X		X
<i>Frequent Service Corridor Implementation</i>						
<i>Contracted Services</i>						
<i>Develop a Program Recovery Plan for Post-Pandemic Vanpool Operation</i>						

<p>Economic Vitality - stimulate, support, and enhance movements of people and goods to advance economic prosperity.</p> <p>Preservation - maintain, preserve, and extend the life and utility of prior transport investments.</p> <p>Environment - enhance quality of life with transport investments that conserve energy, promote healthy communities, and protect the environment.</p> <p>Safety - improve the safety and security of transportation workers, operators, customers, and the public.</p> <p>Stewardship - continuously monitor and improve the quality, effectiveness, and efficiency of the transportation system.</p> <p>Mobility - improve the predictable movement of goods and people throughout WA State.</p>	State goal areas					
	<i>Economic vitality</i>	<i>Preservation</i>	<i>Safety</i>	<i>Mobility</i>	<i>Environment</i>	<i>Stewardship</i>
STRATEGIC PLANNING						
<i>Develop 2021-2026 Transit Development Plan</i>						
<i>Long-Range Service Plan and Vision</i>						
<i>Prosser/Benton City Service Analysis</i>						
<i>Conduct Comprehensive Fare Policy Study</i>				X		X
<i>Organizational Infrastructure</i>						
<i>Implement Management Employee Orientation Program</i>						
<i>Succession Planning</i>						
IMPLEMENTATION OF OPERATIONAL TECHNOLOGY						
<i>Fixed Route Operations Software</i>						
<i>Implement Asset Management Module per TAM</i>						
<i>Performance Monitoring and Reporting</i>						
<i>Identify operational & financial metrics and indicators</i>						X
<i>Implementation of Document Control System</i>						
<i>IT Infrastructure Improvements</i>						
<i>Evaluate & Upgrade HRIS System</i>						

<p>Economic Vitality - stimulate, support, and enhance movements of people and goods to advance economic prosperity.</p> <p>Preservation - maintain, preserve, and extend the life and utility of prior transport investments.</p> <p>Environment - enhance quality of life with transport investments that conserve energy, promote healthy communities, and protect the environment.</p> <p>Safety - improve the safety and security of transportation workers, operators, customers, and the public.</p> <p>Stewardship - continuously monitor and improve the quality, effectiveness, and efficiency of the transportation system.</p> <p>Mobility - improve the predictable movement of goods and people throughout WA State.</p>	State goal areas						
	<i>Economic vitality</i>	<i>Preservation</i>	<i>Safety</i>	<i>Mobility</i>	<i>Environment</i>	<i>Stewardship</i>	
	AGENCY MODERNIZATION						
	<i>Agency Brand Enhancement</i>						
	<i>Facilities Upgrades</i>	X	X				
	<i>New Transit Facilities</i>						
<i>System Amenities</i>							
ALTERNATIVE FUELS							
<i>Complete Alternative Fuels Plan</i>					X		
LABOR RELATIONS							
<i>Fixed Route Operators</i>						X	
<i>DAR Drivers/Reservationists</i>							
<i>Administrative Assistants</i>							
<i>Transit Supervisors</i>							

Required Element 4: Local Performance Measures and Targets

PERFORMANCE MEASURES AND TARGETS

WSDOT recommends performance targets be set within the TDP, so that year-by-year progress can be tracked systematically (see Table 3).

BFT has not adopted an **On-Time Performance of Transit Vehicles** target, but BFT informally seeks to achieve a 90% on-time performance (1 minute early to 5 minutes late) for the fixed-route system and a 95% on-time performance (within the 30-minute pickup window) for DAR. BFT generally seeks to achieve a maximum 15-minute wait time for its CONNECT on-demand service, but a range of performance measures for that service is being evaluated.

BFT’s **Provision of Amenities** campaign began in earnest in 2019 with furniture modernization at 23 existing stops followed by a Bus Stop Design Manual in 2020 and ADA complaint amenities pad construction of 24 sites in 2021. The BFT Board of Director’s approved amenities budget and three years of ground truthing confirmed **Connectivity** deficiencies at existing stops can be accelerated to up to 50 sites per year, however establishing a full level of transit connectivity partly depends on the annual rate of jurisdictional ADA Transition Plan fulfillment, which is outside BFTs’ control. BFT notes that approximately 13% of bus stop sampled in a survey are ADA-compliant, with the deficit resulting primarily from inadequately designed pedestrian infrastructure on city streets and state highways. BFT hopes to reduce increase its accessible bus stop inventory to 30% once the bus stop amenity program is completed.

TABLE 3: WSDOT 2020 RECOMMENDATIONS FOR PERFORMANCE MEASUREMENTS AND TARGETS

Performance measure	Target
On-time performance of transit vehicles	Fixed route: percent on time. Paratransit: percent of all trips arrive within 30-minute pick-up window.
Amenities	Set a target for warranted amenities at the most active stops by 2026.
Connectivity	Resolve a portion of the non-motorized access deficiencies at existing bus stops and transit centers.
Collisions	Maintain a standard for target rate of collisions.
Alternative fuels	Convert a portion of the existing vehicle fleet to green, environmentallyfriendly propulsion technologies by 2025.
Transit Productivity	Establish threshold targets for passengers/revenue hour my mode.
Vehicle State of Good Repair	Maintain rolling stock within a high rate of ‘state of good repair’.
Equipment State of Good Repair	Maintain non-revenue equipment vehicles and other equipment (greater than \$50,000) at a high rate of ‘state of good repair’.
Facility State of Good Repair	Maintain a minimum overall high rate of ‘state of good repair’.
Span of Service	Site targets for expanded service hours / days of week.
Coverage	Specific monitoring of dependent riders in service area, with targets for accommodating: low-income, youth, older adults, persons with disability.

BFT’s goal for **Collisions** is Major Preventable Accidents less than .75 per 100,000 miles.

BFT’s continues to evaluate **Alternative Fuels** for implementation in its fleet. The current Capital Improvement Program (CIP) provides purchase of up to 25 electric buses by 2026.

BFT's **Transit Productivity** had been improving at the end of 2019, but the COVID-19 pandemic has had severe impacts on ridership. BFT hopes to achieve a substantial recovery in ridership once in-person classes fully resume.

Over the last five years, BFT has devoted the resources needed to establish a **Fleet in Good Repair**. This has resulted in a revenue vehicle average rate condition of 3.8, with just a few older DAR vehicles keeping that rating from attaining the desired 4.0 rating.

BFT has few non-revenue equipment vehicles and major equipment valued at more than \$50,000. Non-facilities **Equipment State of Good Repair** is generally maintained. Certain facilities-related equipment (notably heating, ventilation, and air conditioning systems) are out of compliance but are currently being addressed. Many of BFT's existing facilities deficiencies will be rectified with completion of the new Expansion Building, which has received NEPA clearance and FTA funding support and will result in an improvement in the **Facilities State of Good Repair** rating.

BFT has improved its **Span of Service** several times since the Comprehensive Service Plan began implementation in September 2017, extending service from 6:00 p.m. to 8:00 p.m. in 2017 and finally to 10:00 p.m. in 2019. The next extension of service will add Sunday Service at the end of August 2021.

BFT provides 100% **Coverage** of the PTBA's service area on either its CONNECT or General Demand services for the general public and on DAR for ADA-eligible passengers. The fixed-route network is focused in the core urban area and is designed to link the various CONNECT and General Demand zones of service. BFT plans to consolidate low-performing and infrequent routes to improve service frequency on higher ridership routes in coming years.

Required Element 5: Plan Consistency

ENSURING CONSISTENCY OF TDP WITH LOCAL COMPREHENSIVE PLANS

BFT routinely reviews local comprehensive plans and works collaboratively with municipal jurisdictions on overall zoning initiatives and site-specific development proposals to increase development density and provide for greater mixed-use development opportunities.

URBAN DENSITY

In general, the combined density of population and employment should be at least 10 per acre (6,400 per square mile) within one quarter mile of a “basic bus” corridor (a bus route with peak-only service or all day headways of 30 minutes). Most routes in the BFT system could be considered “basic bus” service. The combined density of population and employment should be at least 20 per acre (12,800 per square mile) within one quarter mile of a “frequent bus” corridor (a bus route with all day headways of 15 minutes). BFT’s METRO services (routes 1 and 3) are “frequent bus” routes. The combined density of an express or commuter bus route should be at least 40 per acre (25,600 per square mile) with land uses characteristic of an urban employment center.

MIXED LAND USES

Transit-supportive uses tend to be mixed-use developments. Residential land uses are trip origins, and those trips tend to be clustered during the peak commute times. Office and academic uses are trip destinations and, like residential land use, tend to be clustered around traditional or modified peak times. Retail and restaurants, however, tend to have all-day traffic patterns and generate far more trips than residential, office, and school uses. Incorporating a mix of land uses along a transit corridor increases the number of transit trips throughout the day and in both directions of travel.

PARKING REQUIREMENTS

A key component of land use is parking. Higher minimum parking requirements in a development reduces the amount of land available for the development itself. Moreover, parking is typically designed along road frontages with the development set back from the streets on which transit operates. The outcome is simply that the transit user must walk farther than the maximum distance required of a motorist to reach an activity, adding to the overall travel time for transit users. Free parking further disincentivizes transit use, as compared to paid parking, but paid parking is normally a market-based economic response to a constrained parking supply. In contrast, an oversupply of parking is most commonly the result of government intervention (zoning-based minimum parking requirements).

DEVELOPMENT SCALE

For transit to work well, density, land use mix, and parking requirements for the overall transit corridor should be considered. Occasional pockets of density, or a “dense centers” approach works less well than a “dense corridors” approach. Among western cities, Los Angeles offers the best example of a dense corridors development approach, resulting in bus routes that are among the highest in ridership among American cities. For commuter oriented services, the scale of the employment destination is also a major driver of overall transit use. Seattle, Toronto, and Chicago all have low density suburbs but very large downtown employment centers, helping those cities reach extremely high levels of transit ridership (Toronto also has the added advantage of high density mixed-use corridors extending outward from its downtown, further increasing transit use). In contrast, Atlanta, Dallas, and Miami have smaller downtowns relative to their regional scale which tends to reduce overall transit ridership.

AGE OF DEVELOPMENT

Prior to World War II, most households did not have cars. From the late 19th century to the 1940s, cities were largely designed around streetcars. Urban block patterns from New York to Los Angeles can clearly be tied to surface and later underground rail lines. Every major American city has legacy streetcar neighborhoods that remain relatively dense residential land use with commercial land uses a short walk away. Even in cities like Houston, these neighborhoods tend to be popular, high-priced neighborhoods that still have high transit ridership. For the most part, these neighborhoods were built before zoning mandated single-family large lot homes, set minimum levels of parking, and made streets wider and less well-connected. The ratio of population living in developments built before World War II to the total population is among the strongest indicators that walk, bike, and use transit a commute mode. Though they tend to be high income and high value neighborhoods, they are also close to downtown employment centers, have high quality pedestrian and cycling infrastructure, and enjoy a high level of transit service. Urban areas built after World War II tend to be lower density, have wider and less well-connected streets, have little or no transit service, and are located much further from employment destinations.

SOCIO-ECONOMIC FACTORS

Other factors that influence ridership include:

- Total student population: The presence of large universities (over 20,000 in enrollment) in cities that are otherwise comparable to the Tri-Cities tend to have much higher transit ridership. Lubbock, Texas (Texas Tech University) is an example.
- Household income: The Tri-Cities has a relatively high median household income, and cities that are otherwise comparable in population and land use but have much lower household incomes tend to have better transit productivity even with a lower level of service. Shreveport, Louisiana (median income approximately one-third of that of the Tri-Cities) is an example.
- Constraints in physical and political geography: Some cities have geographic constraints that encourage transit use. Seattle, for example, is wedged between water and mountains. Wellington, New Zealand's capital city of under a half a million people, benefits from its status as the center of the national government (large downtown employment center) and a series of mountain ranges that left the legacy network of electric commuter rail lines intact and well-used to this day. New York, Pittsburgh, and San Francisco all have geographic constraints that benefit transit because those constraints reduce capacity and increase costs (in the form of tolls) for motorists. In contrast, BFT serves a region with geographic constraints that tend to be a disadvantage to transit. Rivers separate our region, but freeway bridges join the parts. This means transit buses travel long distances without picking up passengers, but the freeways offer relatively unconstrained travel capacity for motorists.

SUMMARY OF PLAN CONSISTENCY

BFT serves a region that is largely planned and zoned for density at levels below those needed to support effective transit services. BFT serves a region that has plenty of free parking and lacks a downtown of sufficient scale to serve as a commuter destination, and mixed-use development is extremely scarce. The region has a strong agricultural tradition, giving the Tri-Cities its diverse population, but that is somewhat overshadowed by the region's relationship to modern history. World War II marks an important milestone at the beginning of the region's urban development and gave it a high-income population base. The region's physical geography also presents an obstacle to offering effective transit service.

BFT has traditionally spread out its fixed route bus service to maximize coverage, but BFT's new CONNECT on-demand service offers an opportunity to be more consistent with the region's land use low density land use planning approach. In the coming years, BFT will reduce coverage in the fixed route network and rely on its

CONNECT service to bring people to a smaller fixed-route network offering more frequent service. Key strategies to ensure local plan consistency include:

- Eliminating bus routes operating every 60 minutes, except where high student ridership warrants maintaining peak-only service
- Evaluating low productivity bus routes operating every 30 minutes for potential elimination or reduction to peak (school and employment) oriented service
- Evaluating service increases during peak periods to increase transit use to major employment destinations while eliminating or reducing midday services that are unlikely to be used at these locations
- Improving service frequency and extending route alignments on METRO frequent routes or longer-distance EXPRESS routes by transferring resources (vehicles, operators, and service hours) from routes that are eliminated or reduced
- Work collaboratively but in a more focused way with cities to increase densities on METRO corridors to build ridership

OTHER INTERAGENCY ACTIVITIES

BFT provides a voting member on the Transportation Advisory Committee (TAC) of the Benton Franklin Council of Government (BFCG), the region's Metropolitan Planning Organization (MPO). In this capacity, BFT participates in policy and programming decisions for transportation projects and services. Within and outside the BFCG structure, Ben Franklin Transit coordinates with other member agencies and local school districts on transportation needs and plans. BFT also actively engages in the development and support of the transportation goal and policies of the local jurisdictions:

- BFT provided extensive comments on local comprehensive plan updates and proposed amendments.
- BFT actively encourages trip reduction using transit and vanpools as alternatives to the single-occupant vehicle. In 2020, BFT worked with the Department of Ecology on a pilot commute reduction and incentive program that encouraged walking and cycling that achieved successful and measurable outcomes.
- BFT actively engages with partner jurisdictions on street and trail designs to encourage active transportation connections to the transit network and provide bus stop amenities. Where justified, BFT contributes to active transportation amenities, including bike parking rings and bike repair stations at transit centers and transit stops near trails.
- BFT collaborates with jurisdictions and private partners on the placement of bus stop amenities throughout the Tri-Cities.

Required Element 6: Planned Capital Expenses

MAINTAINING A STATE OF GOOD REPAIR AND EXPANDING THE PROGRAM

BFT is undertaking a fleet renewal program, planning facility upgrades and renewals, and expanding its facilities. BFT’s fleet achieves a high State of Good Repair rating but has several vehicles across all modes of service that have reached or exceeded their lifespan.

EXISTING FLEET CONDITION

The existing Revenue Fleet consists of 453 vehicles. Over the last five years, BFT has focused on making the necessary investments to achieve a State of Good Repair. The average condition of all the vehicles is 3.8. Six (6) fixed route buses were acquired from Sound Transit primarily to use in operator training but have also served to support BFT’s revenue services. Three (3) DAR vehicles and 66 vanpool vehicles are also beyond their useful lives. The DAR vehicles are planned for disposal, and BFT has been gradually culling its older vanpool vehicles from the fleet due to the pandemic-related drop in ridership. A key challenge with the vanpool fleet is the current lack of WSDOT grant funding to support fleet replacement and expansion coupled with the uncertainty as to whether and when the vanpool program might make a full recovery. Disposing of all but the oldest vehicles now would leave BFT unable to serve a return of riders to the program (see Table 4).

TABLE 4: MAINTAINING THE BFT REVENUE FLEET IN A STATE OF GOOD REPAIR (SOURCE - MASTER FILE AS OF 3/11/21)

Vehicle Group	Vehicle Type & Size	Units	Fuel	Lift	Configure	Seats Available	Vehicle Condition	Average Age
Buses	GILLIG Low Floor 40'	6	Diesel	Yes	38-Seater	228	3.0	14.2
Buses	GILLIG Low Floor 40'	38	Diesel	Yes	37-Seater	1,406	3.6	9.0
Buses	GILLIG Low Floor 35'	16	Diesel	Yes	30-Seater	480	4.8	2.9
Buses	GILLIG Low Floor 35'	11	Diesel	Yes	23-Seater	253	4.1	7.5
DAR	AEROTECH 240-6/4	6	Gas	Yes	6x4wc	50	4.5	4.5
DAR	AEROTECH 220-6/3	24	Gas	Yes	6x3wc	216	4.0	6.5
DAR	AEROTECH 240-11/3	56	Gas	Yes	11x3wc	784	4.6	3.5
DAR	ChevyExpress-12	1	Gas	No	12-Seater	12	2.0	12.5
DAR	AEROTECH 240	20	Gas	Yes	11-Seater	220	5.0	0.5
DAR	FREESTAR – 7	2	Gas	No	7-Seater	14	2.0	14.0
DAR	AEROTECH 220	10	Gas	Yes	6-Seater	60	5.0	0.7
Vanpool	Chevy G3500 -15	122	Gas	No	15-Seater	1,830	3.8	7.3
Vanpool	ChevyExpress-12	66	Gas	No	12-Seater	792	2.7	10.5
Vanpool	CARAVAN-7 PAX	75	Gas	No	7-Seater	525	3.7	6.7
	Revenue Vehicles =	453			Total =	6,870	3.8	6.8

BFT also has non-revenue vehicles and equipment. The largest group of low-rated non-revenue vehicles are typically those retired from the vanpool fleet that are used to support BFT’s operations (support vans). These are used by BFT staff, such as road supervisors and administrative travel to external meetings and between BFT

office locations. Vehicles in this fleet are disposed of once they are no longer cost-effective to service. (See Table 5)

TABLE 5: SUPPORT VEHICLES AND EQUIPMENT

Capital Revenue	Units	Average Age	Average Condition	Unit Price
Pickup - gasoline	13	~1.5 yrs.	4.8	\$39,368
Pickup - diesel	3	~14.5 yrs.	3.0	\$43,422
Support van - gasoline	39	~14.0 yrs.	2.1	\$20,130
Fork-Lift, Tractor, Gator	5	~14.0 yrs.	4.8	\$34,571
Total	60	~11 yrs.	2.9	\$26,666

FLEET REPLACEMENT PLAN

To maintain a state of good repair, BFT is planning the acquisition of new vehicles across all modes. BFT typically uses Federal Transit Administration (FTA) grant funding to acquire fixed route and paratransit vehicles; WSDOT funding is typically used to acquire vanpool vehicles. Historically about half of the BFT capital investment program has been directed toward vehicle replacement. At present, there is no available state funding to support the vanpool fleet renewal program, but the pandemic-related loss in ridership has made vanpool fleet replacement less of a priority (see Table 6).

TABLE 6: EXISTING FLEET WITH FUNDING SUMMARY

Mode	Vehicle size and type	Fed Share	Fed	State Share	WSDOT	Local Share	Local
Fixed Route	GILLIG Low Floor 40'	\$1,281,945	80%	\$555,000	0%	\$320,486	20%
Fixed Route	GILLIG Low Floor 40'	\$10,307,332	80%	\$0	0%	\$2,659,075	20%
Fixed Route	GILLIG Low Floor 35'	\$6,397,397	80%	\$0	0%	\$1,599,349	20%
Fixed Route	GILLIG Low Floor 35'	\$3,518,381	79%	\$0	0%	\$915,818	21%
DAR	AEROTECH 240-6/4	\$206,309	40%	\$277,039	50%	\$51,577	10%
DAR	AEROTECH 220-6/3	\$65,024	80%	\$0	0%	\$16,256	20%
DAR	AEROTECH 11/3	\$2,912,844	59%	\$1,370,892	27%	\$724,244	15%
DAR	ChevyExpress-12	\$17,559	80%	\$0	0%	\$4,390	20%
DAR	AEROTECH 240	\$711,691	36%	\$1,041,197	55%	\$183,502	9%
DAR	FREESTAR – 7	\$13,529	80%	\$0	0%	\$3,382	20%
DAR	AEROTECH 220	\$716,381	80%	\$0	0%	\$180,211	20%
Vanpool	Chevy G3500 -15	\$1,199,851	41%	\$1,972,570	48%	\$327,890	11%
Vanpool	ChevyExpress-12	\$320,926	18%	\$971,790	77%	\$80,232	5%
Vanpool	CARAVAN-7 PAX	\$0	0%	\$1,616,258	90%	\$166,507	10%
	Revenue vehicle total =	\$29,164,721		\$7,804,744		\$7,606,807	
	Column share =	65%		18%		17%	

As previously noted, replacement of the vanpool fleet has been deferred due to the COVID-19 pandemic and its impact on vanpool ridership, as well as the lack of state funding available to support fleet renewal. Replacement of aging vehicles in the fixed route fleet was put on hold due to a “gap” in the state bus contract. The new state contract for transit vehicles was recently awarded, and BFT plans to acquire both diesel and electric vehicles under the new contract (see Table 6).

In addition to the fleet renewal program, BFT has a significant future investment (and a minor backlog) of capital projects (see Table 7). BFT is currently in the planning, design, and land acquisition phase of three new transit hubs funded primarily through WSDOT’s Regional Mobility Grant Program. Due to the challenges associated with I-976, those projects were put on hold and reprogrammed with a new schedule at the request of the state. Those projects are now approved and in progress.

BFT also intended to acquire a large park-and-ride lot that it currently leases from the Port of Benton for its vanpool program, but the project has utility and infrastructure issues that the Port of Benton must resolve before it is allowed to sell the property. The purchase of this property has been put on hold indefinitely. BFT also intends to acquire small parking lots near vanpool origins and, where possible, near bus stops, to support commuter parking, and these have been deferred pending recovery of vanpool ridership and due to the timing of other large-scale capital projects.

TABLE 7: FLEET REPLACEMENT SCHEDULE (DOLLARS IN MILLIONS)

Capital Improvement Program Fleet 2021-2026	Units	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Fixed Route (Ongoing)	8	\$4.83									
Vanpool (Deferred)	22		\$0.79								
Vanpool (Deferred)	40		\$1.43								
Fixed Route – Electric (Ongoing)	3			\$2.84							
Vanpool (Deferred)	40			\$1.46							
Vanpool (Deferred)	40				\$1.49						
Non - Revenue Service Truck	2				\$0.25						
DAR - 5310 Funds	5				\$0.42						
Fixed Route	3					\$1.66					
Fixed Route - Electric	5					\$4.96					
DAR	12					\$1.20					
Vanpool	40					\$1.52					
Non - Revenue Service Truck	1					\$0.07					
DAR	12						\$1.21				
Vanpool	40						\$1.55				
Non - Revenue Service Truck	1						\$0.07				
Fixed Route	4							\$2.30			
Fixed Route - Electric	4							\$4.17			
DAR	12							\$1.22			
VAN	40							\$1.58			
Non - Revenue Service Truck	1							\$0.07			
DAR	8								\$0.82		
Non - Revenue Service pick-up	1								\$0.07		
BUS - Electric (2025 - 2026)	13								\$8.20	\$6.10	
DAR	35									\$3.50	
Non - Revenue Vehicle	1									\$0.08	
Non - Revenue Vehicle	1										\$0.08
TOTAL	394	\$4.83	\$2.22	\$4.30	\$2.16	\$9.41	\$2.83	\$9.34	\$9.09	\$9.68	\$0.08

One of BFT’s most significant projects is its new Expansion Building, a project that will replace the existing 8,000 Operations Building, a functionally obsolete building that continues to have leak-related problems, with a new three-story building that will provide adequate space for both Operations and Administration and better integrate with the existing Administration Building. This project is one year ahead of schedule in the current program, and the scale of this project, coupled with the simultaneous efforts on three transit hubs, requires that

delay lower priority capital projects due to staffing constraints. The total value of the non-fleet capital program is \$89.14 million, noting that a large portion of this investment is through state (WSDOT) and federal (FTA) funds.

TABLE 8: NON-FLEET CAPITAL IMPROVEMENT PROGRAM (DOLLARS IN MILLIONS)

Capital Improvement Program	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Transit Center - Knight Street Renovation	\$1.20	\$1.20								
Passenger Amenities Equipment/Construction	\$3.59	\$3.00	\$1.50	\$0.75						
Transit Hub - /Duportail Queensgate				\$1.00	\$2.00					
Transit Hub - West Pasco					\$0.50	\$2.50				
Transit Hub - Downtown/East Pasco				\$0.50	\$1.50					
Neighborhood Vanpool Park-and-Ride Facilities (Deferred)					\$0.56	\$0.59	\$0.59	\$0.59		
Land Acquisition (Port of Benton Property)			\$1.00							
West Pasco - Fleet Maintenance Base					\$0.50	\$2.20	\$0.40	\$1.20	\$1.20	\$0.50
22nd Avenue Transit Center Renovation				\$0.30	\$2.20					
Benton City Transit Facility							\$0.40	\$0.95	\$1.32	\$0.83
Prosser Transit Facility							\$0.40	\$0.95	\$1.32	\$0.83
Southridge Transit facility							\$0.40	\$0.95	\$1.32	\$0.83
Expansion Building - Operations	\$1.36	\$1.50				\$4.04	\$3.10			
Facility Maintenance Building		\$1.17		\$1.08						
Capital Project Studies	\$0.63	\$0.13	\$0.53	\$0.65	\$2.45	\$2.20	\$2.32	\$1.50		
Fleet-Related Equipment and Technology	\$3.02	\$0.21	\$1.70	\$0.88	\$0.25					
Information Technology	\$0.13	\$2.53	\$2.20	\$1.61	\$2.27	\$0.35	\$0.31	\$1.00	\$0.25	\$0.20
Facility Upgrades and Improvements	\$1.15	\$0.79	\$1.01	\$2.75	\$0.43	\$0.45	\$0.48	\$0.54	\$0.20	\$0.20
Program Totals by Year	\$11.08	\$10.53	\$7.94	\$9.52	\$12.66	\$12.33	\$8.40	\$7.68	\$5.61	\$3.39

TABLE 9: VEHICLE USEFUL LIFE USED IN THE BFT TRANSIT ASSET MANAGEMENT PROGRAM (TAM)

CONDITION CRITERIA					RATING SCALE		
Useful Life Benchmark	Mileage (ULB)	Condition	Performance	Level of Maintenance	Rating	Rating Description	Rating Range
<i>Age Remaining</i>	<i>Mileage Remaining</i>	<i>Anticipated Maintenance</i>	<i>Reliability, Safety, Standards</i>	<i>Pattern of extensive Maintenance</i>			
new or nearly new 75% - 100%	new or nearly new 75% - 100%	new or like new	meets or exceeds all industry standards	requires routine and scheduled maintenance cycles.	5	Excellent	4.8 to 5.0
at mid-point of ULB 50%-75%	nearing or at its mid-point of ULB 50%-75%	shows minimal signs of wear and deterioration	generally, meets performance and reliability	needs minor repairs between maintenance cycles	4	Good	4.0 to 4.7
beyond mid-point of ULB 25%-50%	passed its mid-point of ULB 25%-50%	signs of defective or deteriorated components	reliability interruption for non-schedule maintenance	needs more frequent minor repairs on subcomponents.	3	Adequate	3.0 to 3.9
approaching end ULB life 0%-25%	nearing or at end of its ULB 0%-25%	needs parts rebuilt or replace	Substantial failures, but no safety risk	significant cost of repairs between maintenance cycles	2	Marginal	2.5 to 2.9 2.0 to 2.4
passed its ULB	passed its ULB	no longer serviceable	poses safety hazard if put in service	Major component failures	1	Poor	1.0 to 1.9
Asset non-operable or unsafe. Spare parts					0		0

The details of fleet condition analysis and inventory of vehicles are maintained in a TAM TERM LITE compatible database. This database also contains a recent 2019 assessment of all BFT’s major assets per the FTA TAM requirements. Routine and Capital maintenance budgets were modified accordingly.

Required Element 7: Planned Operating Changes

SERVICE IMPROVEMENTS

BFT has developed an aggressive service plan to meet the rapid growth occurring in the Tri-Cities (see Table 8 for BFT's service plan forecast). BFT's key service initiatives include:

- Implement a new first-mile/last-mile on-demand service (replaces the former taxi feeder service). BFT's CONNECT began operating in April of 2020 in a phased implementation of zones and hours but now operates full service. BFT has modified the service significantly from its original purpose to provide pandemic-related support, but BFT expects that this will begin operating as originally intended, with some modifications that arose from lessons learned during the pandemic.
- Implement two of three short-term planned frequent service corridors with 15-minute all-day service during most weekday and Saturday hours. BFT METRO began operating routes 1 and 3 in June of 2021. METRO route 2 will begin operation once BFT's West Pasco Transit Hub becomes operational.
- Undertake an evaluation and service restructuring of BFT's Prosser and Benton City service to make it more responsive to community needs. Options may include an enhanced express service and implementing CONNECT zones in the two cities.
- Maintain the Dial-A-Ride (DAR) service approach but expanding to meet a growing and aging community. BFT's General Demand service, currently a very small part of DAR ridership, is being transitioned to BFT's CONNECT service.
- Initiate Sunday service.

EVALUATING BFT'S FARE STRUCTURE

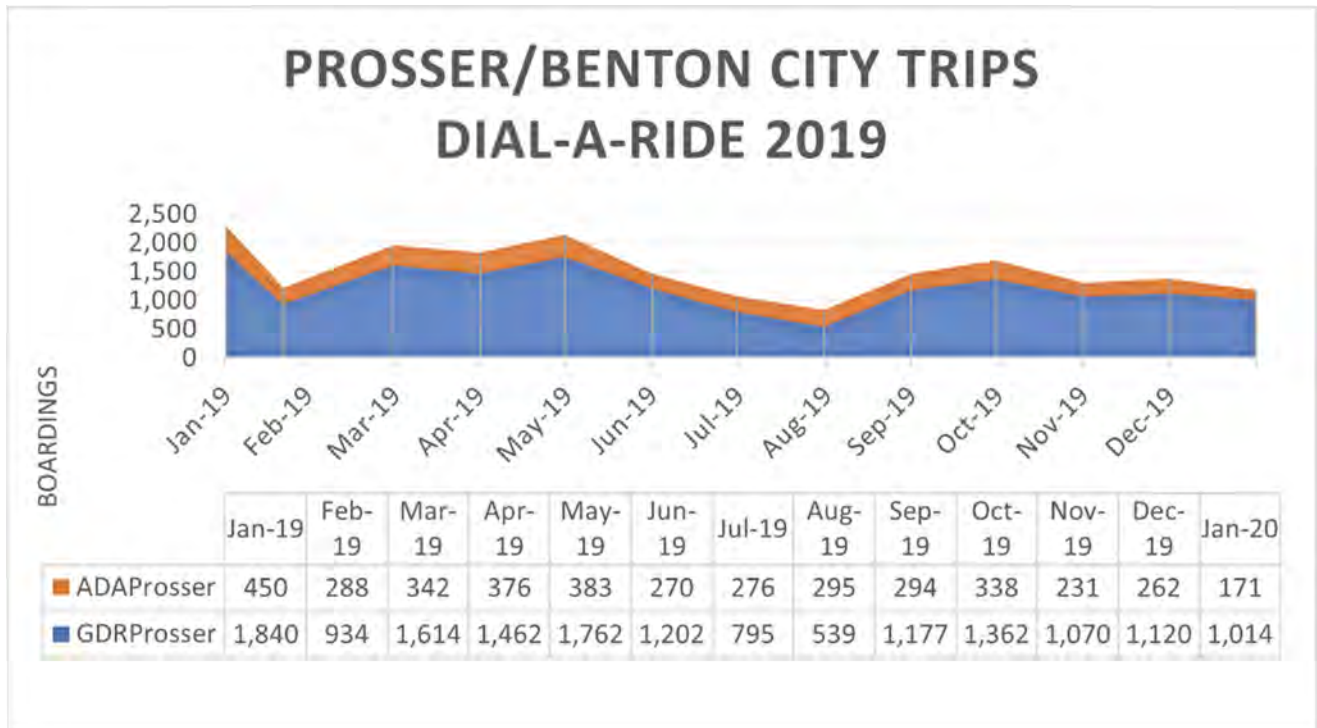
BFT's fares were suspended on April 1, 2020. BFT tentatively anticipates returning to normal fare collection in October 2021, and BFT will initiate a comprehensive fare study in the third quarter of 2021.

IMPROVING TRANSIT IN PROSSER AND BENTON CITY

A key focus in late 2021 and 2022 will include an evaluation of the existing services in Prosser and Benton City. Ridership on Route 170 was about 100 riders on weekdays and 50 on Saturdays prior to the pandemic (see Figure 8). Prosser DAR operates ADA complementary paratransit service in Prosser and Benton City with trips throughout BFT's service area, and a general public paratransit service operated by DAR serves local trips – including fixed-route connections - within each city as BFT's "General Demand" service.

BFT was awarded a WSDOT Consolidated Grant Award for Community Engagement, and those funds will be used to work with those communities to identify and evaluate transit options that may include enhanced express service, replacing General Demand with CONNECT, and other options identified through the community engagement process.

FIGURE 8: PROSSER/BENTON CITY - PARATRANSIT VS GENERAL DEMAND



INTERMODAL CONNECTIONS

BFT serves the region’s airport and intercity bus and train terminal. BFT’s new METRO route 3 provides service every 15 minutes to the Pasco Multi-Modal Station. The Pasco Tri-Cities International Airport has service every 15 minutes on the combination of routes 225 and 268 between Pasco and Richland.

The Pasco Multi-Modal Station serves AMTRAK rail passenger connections to Spokane and Portland and is also a bus station for the Greyhound network, Fronteras-Del-Norte (with connections to Tijuana, Mexico via Los Angeles three times a week), and Grape Line serving Walla Walla.

Pasco Tr-Cities International Airport. BFT is currently exploring options for improved service to the terminal. However, passengers can currently walk approximately 5 minutes from the terminal to bus stops on Argent Road. The Port of Pasco, (owner/operator of the airport), has partially improved the pedestrian walkway between the terminal to the existing and proposed bus stops.

The Grape Line is one of WSDOT’s Travel Washington inter-city bus routes, providing service between Walla Walla and Pasco since November 2007. The Grape Line connects passengers with Greyhound, Amtrak, Valley Transit and utilizes BFT’s 22nd Avenue Transit Center as a primary transfer point to BFT local and regional services.

People for People transit connects with BFT from three directions.

- The Adams County Community Connector utilizes Three Rivers Transit Center as a primary transfer point to BFT local and regional services.
- Route 102 serves; Othello, Connell, Mesa, and has several stops in Tri-Cities.
- The Yakima County Community Connector serves: Wapato, Toppenish, Zillah, Granger, Sunnyside and Grandview Monday – Friday. This bus line transfers passengers to BFT at the Prosser City Terminus of BFT route 170.

ANNUAL SERVICE PLAN

In 2021, BFT moved to an Annual Service Plan (ASP) process to define all service changes to take place throughout the calendar year. The ASP development process is closely aligned to BFT's budget cycle within a short-term multiyear forecast (see Table 9). Since BFT defines its service strategies annually, most service changes are defined in the year prior to implementation to respond to changes in operations that occur in real time. BFT does maintain an "inventory" of service strategies (see list below) and route-level initiatives to review in the short-term (see Table 10).

2021 Modified Annual Service Plan (ASP) Focus

- Implement new frequent service corridors: **METRO** routes 1 and 3
- Implement Sunday service on **METRO** and selected **LOCAL** routes, **CONNECT**, and **Dial-A-Ride**

2022 Annual Service Plan (ASP) Focus

- Evaluate **METRO** route 3 for extension to Southridge (future transit hub location) and eliminating overlapping **LOCAL** route segments
- **LOCAL** route productivity evaluation (see Table 10)
- **LOCAL** route layover/dwell time analysis
- Complete transition of General Demand from **Dial-A-Ride** to **CONNECT** in the Tri-Cities
- Finalize revised **CONNECT** service plan (transition from pandemic to "normal" mode)
- Initiate **VANPOOL** program recovery strategies
- Develop an employer-based transit, vanpool, and active commute alternatives strategy

2023 Annual Service Plan (ASP) Focus

- Identify Prosser/Benton City **EXPRESS** route structure based on completed recommendations (certain elements may be ready to implement in 2022 with a service plan amendment)
- Modify **LOCAL** routes in Richland to serve the new Duportail/Queensgate Transit Hub (early 2023)
- Modify **LOCAL** routes in Pasco to serve the new East and West Pasco Transit Hubs (late 2023)
- Continue **LOCAL** route layover/dwell time analysis
- Continue **VANPOOL** program recovery strategies
- Implement outreach for employer-based transit, vanpool, and active commute alternatives options

2024-2026 Annual Service Plan (ASP) Focus

- Evaluate service frequency on **METRO** routes
- Evaluate the viability of **LOCAL** route extensions to serve growing areas
- Conduct route productivity evaluations

Based on funding availability for future capital projects, BFT will focus on modifying service to incorporate those facilities in the 2024-2028 time frame. BFT has developed a concept vision for its future passenger facilities and the EXPRESS and METRO route networks (see Figure 9).

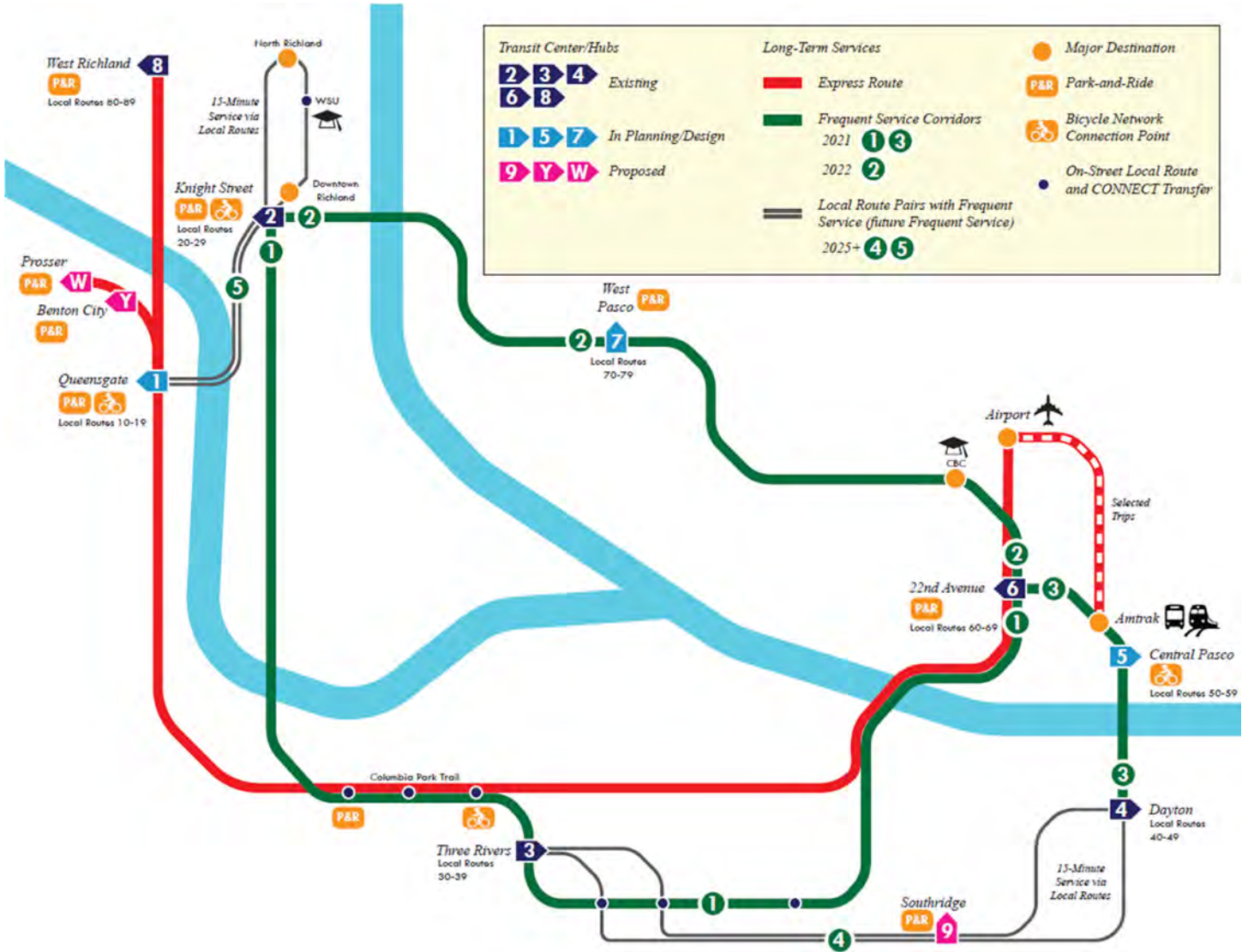
TABLE 9: SERVICE PLAN FORECAST

Mode	Performance Measure	2018 Actual	2019 Actual	2020 Actual	2021 Budget	2021 Est'd	2022 Forecast	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast
Fixed-Route (MBDO)	VRH	163,831	179,227	176,010	206,000	194,000	214,000	219,000	224,000	230,000	236,000
	VRM	2.56 m	2.82 m	2.77 m	3.24 m	3.05 m	3.37 m	3.35 m	3.42 m	3.52 m	3.61 m
	ULPT	2.03 m	2.10 m	1.22 m	1.83 m	1.52 m	2.11 m	2.19 m	2.24 m	2.29 m	2.32 m
	\$/VRM	\$109.21	\$109.74	\$92.87	\$84.93	\$90.18	\$113.05	\$116.44	\$119.93	\$123.53	\$127.23
	\$/ULPT	\$8.80	\$9.38	\$13.42	\$9.56	\$11.48	\$11.45	\$11.66	\$11.98	\$12.42	\$12.94
Dial-A-Ride (DRDO)	VRH	120,129	123,218	73,874	119,000	98,000	124,000	126,000	128,000	130,000	132,000
	VRM	1.82 m	1.90 m	1.16 m	1.83 m	1.60 m	1.99 m	2.02 m	2.05 m	2.08 m	2.11 m
	ULPT	289,563	280,766	148,200	270,000	209,000	276,000	280,000	284,000	288,000	292,000
	\$/VRM	\$125.64	\$128.95	\$140.54	\$97.37	\$118.23	\$134.80	\$138.84	\$143.01	\$147.30	\$151.72
	\$/ULPT	\$38.52	\$42.11	\$70.06	\$42.91	\$55.44	\$60.56	\$62.48	\$64.45	\$66.49	\$68.58
General Demand (DRDO) - Prosser	VRH	6,725	4,099	1,884	4,000	4,500	6,800	6,900	7,000	7,100	7,200
	VRM	145,062	93,904	55,851	96,000	104,000	146,000	148,000	150,000	153,000	155,000
	ULPT	26,529	18,682	5,530	21,000	12,000	26,000	26,000	26,000	26,000	26,000
	\$/VRM	\$125.64	\$128.95	\$235.56	\$118.01	\$104.90	\$134.80	\$138.84	\$143.01	\$147.30	\$151.72
	\$/ULPT	\$31.85	\$28.29	\$80.25	\$22.48	\$39.34	\$35.26	\$36.85	\$38.50	\$40.22	\$42.01
The Arc (DRPT)	VRH	13,365	13,904	3,854	15,000	4,600	14,000	9,000	-	-	-
	VRM	224,079	222,983	43,663	240,000	74,000	223,000	147,000	-	-	-
	ULPT	75,755	77,866	13,674	73,000	26,000	78,000	51,000	-	-	-
	\$/VRM	\$106.40	\$92.49	\$79.85	\$94.89	\$154.72	\$95.26	\$98.12	-	-	-
	\$/ULPT	\$18.77	\$16.52	\$22.51	\$19.50	\$27.37	\$17.10	\$17.32	-	-	-
Taxi Feeder (DRPT-Taxi)	VRH	10,653	-	-	-	-	-	-	-	-	-
	VRM	305,473	-	-	-	-	-	-	-	-	-
	ULPT	50,149	-	-	-	-	-	-	-	-	-
	\$/VRM	\$105.81	-	-	-	-	-	-	-	-	-
	\$/ULPT	\$22.48	-	-	-	-	-	-	-	-	-
CONNECT (DRPT)	VRH	-	-	8,244	46,000	26,000	36,000	40,000	45,000	50,000	55,000
	VRM	-	-	86,138	750,000	272,000	376,000	418,000	470,000	522,000	575,000
	ULPT	-	-	5,972	145,000	24,000	31,000	38,000	47,000	58,000	69,000
	\$/VRM	-	-	\$45.80	\$45.65	\$45.65	\$44.81	\$46.15	\$47.53	\$46.48	\$47.88
	\$/ULPT	-	-	\$63.23	\$14.48	\$49.46	\$52.03	\$48.58	\$43.21	\$40.07	\$38.16
Vanpool (VPDO)	VRH	72,292	80,007	29,782	75,000	26,000	67,000	70,000	73,000	75,000	77,000
	VRM	3.47 m	3.50 m	1.35 m	3.10 m	1.19 m	2.93 m	3.06 m	3.20 m	3.28 m	3.37 m
	ULPT	646,186	652,803	221,933	595,000	162,000	599,000	626,000	653,000	670,000	688,000
	\$/VRM	\$34.11	\$32.51	\$48.08	\$22.66	\$65.38	\$34.10	\$35.12	\$36.17	\$37.26	\$38.37
	\$/ULPT	\$3.82	\$3.98	\$6.45	\$22.66	\$10.49	\$3.81	\$3.93	\$4.04	\$4.17	\$4.29

TABLE 10: PLANNED SERVICE ADJUSTMENTS

Year	Service	Route/Area	Description
2022 Q3	METRO	3	Evaluate replacing LOCAL route service between Dayton Transit Hub and the Southridge Area with an extension of METRO Route 3.
	LOCAL	41 and 47	Evaluate route restructure to eliminate low productivity areas of service and reduce overlap, including where services may overlap a potential extension of METRO Route 3.
	LOCAL	66	Evaluate service span and service levels due to low performance. Consider options to consolidate with other routes, reduce to peak-only service, or eliminate service (retain coverage with CONNECT).
	LOCAL	67	Evaluate service span and service levels due to low performance. Consider options to consolidate with other routes, reduce to peak-only service, or eliminate service (retain coverage with CONNECT).
2022 Q4	EXPRESS	Rt 170	Reconfigure route alignment and schedule to improve connectivity between Prosser and Benton City to multiple Tri-Cities destinations.
	CONNECT	Prosser	Extend CONNECT to Prosser Zone.
	CONNECT	Benton City	Extend CONNECT to Benton City Zone.
2023 Q3	LOCAL	Rt 110 (renamed 10)	Evaluate service span and service levels due to low performance. Consider truncating service (eliminate connection to Three Rivers Transit Center) to serve only West Richland to Queensgate Transit Hub or reduce to peak-only service (retain coverage with CONNECT). Service modification to coincide with opening of Queensgate Transit Hub.
	LOCAL	Rt 20 and 26	Extend services to Queensgate Transit Hub with facility opening. Create a staggered service schedule to operate 15-minute service between Queensgate and Knight Street.
	LOCAL	Rt 123	Connect service via Queensgate Transit Hub with facility opening.
2023 Q4	METRO	Rt 2	Consolidate routes 225 and 268 into a new METRO route 2. This will coincide with the completion of the West Pasco Transit Hub.
	LOCAL	Rt 68	Create a peak-only service between 22nd Ave, CBC, Chiawanna HS, and the new West Pasco Transit Hub.
2024 Q3	LOCAL	Rt 20	Evaluate extension to Benton City via Van Giesen/SR 224 to serve expanding development and provide local service within Benton City. Note: Subject to continued growth in West Richland/Benton City.

FIGURE 9: TRANSIT HUBS AND THE PLANNED EXPRESS AND METRO NETWORK



Required Element 8: Multiyear Financial Plan

FINANCIAL PLAN

BFT's budgets are prepared annually for the upcoming calendar year. Both the Operating and Capital budgets are reviewed and approved by the Board of Directors (Board) prior to the start of the calendar year. Future year Operating Forecasts are periodically reviewed with the Board as well. Actual current year financial performance is compared to the current year budget and is reviewed with the Board monthly, allowing the Board and management to be aware of financial matters so that adjustments can be made in a timely manner if necessary.

CAPITAL IMPROVEMENT PROGRAM

BFT's Capital Improvement Plan (CIP) has been approved by BFT's Board of Directors. BFT's operates the CIP on a "pay-as-you-go" (cash) basis. BFT does not issue bonds and, therefore, must fund capital projects from local funds as well as from federal (FTA) and state grants (typically WSDOT). Local funds is comes primarily from the operating surplus from local sales tax collected within the BFT PTBA.

Major Assumptions

When developing the CIP, future values are estimated based on existing contract values when available. For projects/purchases not under contract, future values are based on recent prior purchases for similar items escalated at 2% - 3% per year. Construction projects are forecast based on engineering estimates, escalated at 2% - 3% per year. Project values for future years are periodically reviewed and updated as newer information becomes available. Inflation is generally assumed at a rate of 2% - 3% per year for all future years.

The BFT Board adopted Capital Improvement Plan at its regular July 2021 meeting (see Table 11 for a detailed project list by funding source).

TABLE 11: PLANNED CAPITAL IMPROVEMENTS

	Project No.	Description	Project Values						Funding Breakdown							
			2021	2022	2023	2024	2025	2026	Totals	Local	%	State	%	Federal	%	Total
Fleet	FLT0015	BUS	4,787,843						4,787,843	718,176	15%	0	0%	4,069,667	85%	4,787,843
	FLT0020	(2019) VAN		574,690					574,690	201,142	35.00%	373,549	65.00%	0	0.00%	574,690
	FLT0021	(2019) VAN		1,431,590					1,431,590	501,057	35%	930,534	65%	0	0%	1,431,590
	FLT0024	(2020) BUS - Electric		2,835,000					2,835,000	305,250	11%	800,000	28%	1,729,750	61%	2,835,000
	FLT0025	(2020) VAN			1,460,222				1,460,222	511,078	35%	949,144	65%	0	0%	1,460,222
	FLT0027	(2021) VAN		1,489,427					1,489,427	521,299	35%	968,128	65%	0	0%	1,489,427
	FLT0028	(2021) Non-Revenue: Service Truck	245,000						245,000	245,000	100%	0	0%	0	0%	245,000
	FLT0029	(2022) BUS		1,656,121					1,656,121	248,418	15%	0	0%	1,407,703	85%	1,656,121
	FLT0030	(2022) BUS - Electric		4,961,250					4,961,250	654,188	13%	600,000	12%	3,707,062	75%	4,961,250
	FLT0031	(2022) DAR		1,198,151					1,198,151	0	0%	1,198,151	100%	0	0%	1,198,151
	FLT0032	(2022) VAN				1,519,215			1,519,215	531,725	35%	987,490	65%	0	0%	1,519,215
	FLT0033	(2022) Non-Revenue: Service Truck		65,564					65,564	65,564	100%	0	0%	0	0%	65,564
	FLT0034	(2023) DAR			1,210,133				1,210,133	0	0%	1,210,133	100%	0	0%	1,210,133
	FLT0035	(2023) VAN				1,549,599			1,549,599	542,360	35%	1,007,239	65%	0	0%	1,549,599
	FLT0036	(2023) Non-Revenue: Service Truck			67,531				67,531	67,531	100%	0	0%	0	0%	67,531
	FLT0037	(2024) BUS				2,297,371			2,297,371	344,606	15%	0	0%	1,952,765	85%	2,297,371
	FLT0038	(2024) BUS - Electric				4,166,450			4,166,450	534,968	13%	600,000	14%	3,031,482	73%	4,166,450
	FLT0039	(2024) DAR				1,222,234			1,222,234	0	0%	1,222,234	100%	0	0%	1,222,234
	FLT0040	(2024) VAN				1,580,591			1,580,591	553,207	35%	1,027,384	65%	0	0%	1,580,591
	FLT0041	(2024) Non-Revenue: Service Truck				69,557			69,557	69,557	100%	0	0%	0	0%	69,557
FLT0042	(2025) DAR					822,971		822,971	0	0%	822,971	100%	0	0%	822,971	
FLT0043	(2025) Non-Revenue: Service Truck					71,644		71,644	71,644	100%	0	0%	0	0%	71,644	
FLT0045	DAR - 5310 Funds	424,080						424,080	63,612	15%	0	0%	360,468	85%	424,080	
FLT0046	(2025 - 2026) BUS - Electric					8,200,000	6,100,000	14,300,000	2,145,000	15%	0	0%	12,155,000	85%	14,300,000	
FLT0047	(2026) DAR						3,500,000	3,500,000	0	0%	3,500,000	100%	0	0%	3,500,000	
FLT0048	(2026) Non-Revenue Vehicle						75,200	75,200	75,200	100%	0	0%	0	0%	75,200	
FAC0002	Maint Facility Upgrades:	449,379	449,379	449,379	449,379	449,379		2,246,895	1,389,379	62%	0	0%	857,516	38%	2,246,895	
FAC0007	Transit Centers - Renovation 3 Rivers: Improvements, Parking Lot	250,000	200,514					450,514	90,103	20%	0	0%	360,411	80%	450,514	
FAC0009	Transit Centers - Renovation Knight Street	252,471	252,471					504,942	100,988	20%	0	0%	403,954	80%	504,942	
FAC0015	Passenger Amenities Improvements/Construction	2,132,086	3,000,000	1,500,000	750,000			7,382,086	7,382,086	100%	0	0%	0	0%	7,382,086	
FAC0022	Transit Hubs (Connection Points)	1,370,000	4,630,000	1,760,791				7,760,791	0	0%	7,760,791	100%	0	0%	7,760,791	
FAC0025	Transit Center Re-use			540,000	540,000	540,000		1,620,000	1,620,000	100%	0	0%	0	0%	1,620,000	
FAC0026	Neighborhood Park-and-Ride Facilities		560,000	585,000	585,000	585,000		2,315,000	2,315,000	100%	0	0%	0	0%	2,315,000	
FAC0027	Land Acquisition (Port of Benton property)	1,000,000		0	0	0		1,000,000	1,000,000	100%	0	0%	0	0%	1,000,000	
FAC0030	West Pasco - Fleet Maintenance Base		500,000	2,200,000	400,000	1,200,000	1,200,000	5,500,000	1,100,000	20%	0	0%	4,400,000	80%	5,500,000	
FAC0031	22nd Street Transit Center Renovation		300,000	2,200,000	0	0		2,500,000	500,000	20%	0	0%	2,000,000	80%	2,500,000	
FAC0032	Benton City Transit Facility				400,000	950,000	1,320,000	2,670,000	534,000	20%	2,136,000	80%	0	0%	2,670,000	
FAC0033	Prosser Transit Facility				400,000	950,000	1,320,000	2,670,000	534,000	20%	2,136,000	80%	0	0%	2,670,000	
FAC0034	Southridge Transit facility				400,000	950,000	1,320,000	2,670,000	534,000	20%	2,136,000	80%	0	0%	2,670,000	
FAC0005	Campus Improvements	400,000	442,526	200,000	200,000	200,000	200,000	1,642,526	1,642,526	100%	0	0%	0	0%	1,642,526	
FAC0005E	MOA Maintenance Facility HVAC Replacement	2,000,000						2,000,000	400,000	20%	0	0%	1,600,000	80%	2,000,000	
FAC0017	Operations Building Renovations	1,000,000	3,900,000	4,971,217				9,871,217	8,671,217	88%	0	0%	1,200,000	12%	9,871,217	
FAC0023	Facility Maintenance Building	1,081,310	1,168,690					2,250,000	450,000	20%	0	0%	1,800,000	80%	2,250,000	
FAC0024	Alternative Fuel Vehicles Infrastructure & Stations	450,000	830,000					1,280,000	256,000	20%	0	0%	1,024,000	80%	1,280,000	
TSS0001	Security Plan (consulting, campus imp., equipment)	350,000	350,000	350,000	350,000	321,000		1,721,000	344,200	20%	0	0%	1,376,800	80%	1,721,000	
Equip	EQP0012	Mobile Dispatch Retrofit/Equipment		15,000				15,000	15,000	100%	0	0%	0	0%	15,000	
	EQP0013	Bus Equipment	177,482	250,000				427,482	427,482	100%	0	0%	0	0%	427,482	
	EQP0017	Vehicle Rooftop Scrapper System (Safety Related)	45,000						45,000	45,000	100%	0	0%	0	0%	45,000

TABLE 11: PLANNED CAPITAL IMPROVEMENTS (CONTINUED)

	Project No.	Description	Project Values						Funding Breakdown							
			2021	2022	2023	2024	2025	2026	Totals	Local	%	State	%	Federal	%	Total
Transit Technologies	TEC0005	Onboard Integrated Technology System	490,435	490,435	490,435				1,471,306	294,261	20%	0	0%	1,177,045	80%	1,471,306
	TEC0009	Customer Comment Record (CCR) Replacement		50,000					50,000	50,000	100%	0	0%	0	0%	50,000
	TEC0010	IT Related Projects:(Telephone System, ITS Replacement, etc.)	676,865	264,164	250,000	308,000	900,000	250,000	2,649,029	2,649,029	100%	0	0%	0	0%	2,649,029
	TEC0011	IT Related Projects - Records Management System	150,000	150,000					300,000	300,000	100%	0	0%	0	0%	300,000
	TEC0012	IT Related Projects - Operations Software	1,079,000	1,079,000					2,158,000	2,158,000	100%	0	0%	0	0%	2,158,000
	TEC0013	Fare Collection Program		500,000	500,000				1,000,000	200,000	20%	0	0%	800,000	80%	1,000,000
	TEC0014	IT Related Projects - Onboard Transit Signal Priority (TSP)	35,000	230,000	35,000				300,000	60,000	20%	0	0%	240,000	80%	300,000
	TEC0017	IT Related Projects - Consolidated Transit Reporting		300,000					300,000	300,000	100%	0	0%	0	0%	300,000
	TEC0018	IT Related Projects - TBEST Planning Software	77,188						77,188	77,188	100%	0	0%	0	0%	77,188
	TEC0019	Operations Simulator Training Unit		400,000					400,000	400,000	100%	0	0%	0	0%	400,000
Other	OTH0001	ERP Needs Analysis/Project Scoping	75,000	500,000	500,000				1,075,000	1,075,000	100%	0	0%	0	0%	1,075,000
	OTH0005	Business Continuity IT Equipment & Infrastructure	200,000						200,000	200,000	100%	0	0%	0	0%	200,000
	OTH0006	Human Resources Information System (HRIS)	0	1,952,700					1,952,700	1,952,700	100%	0	0%	0	0%	1,952,700
	PLN0005	2020-2025 Long Range Service Corridor & Infrastructure Study	400,000	2,300,000	1,625,000	1,750,000	925,000		7,000,000	7,000,000	100%	0	0%	0	0%	7,000,000
	FAC0007A	Transit Centers - Renovation 3 Rivers: Safety & Security Updates Bus Equipment: Protective Barriers	255,000 1,000,000						255,000 1,000,000	0 0	0% 0%	0 0	0% 0%	255,000 1,000,000	100% 100%	255,000 1,000,000
Totals			20,853,139	39,276,672	20,894,708	18,937,396	17,064,994	15,285,200	132,312,110	55,037,740		30,365,747		46,908,624	132,312,110	
Funding		Local	9,577,563	18,428,499	11,578,460	7,377,299	5,603,720	2,472,200	55,037,740							
		State	1,370,000	9,500,361	3,920,068	5,804,347	3,102,971	6,668,000	30,365,747							
		Federal	9,905,577	11,347,813	5,396,180	5,755,751	8,358,303	6,145,000	46,908,624							
		Totals	20,853,139	39,276,672	20,894,708	18,937,396	17,064,994	15,285,200	132,312,110							

OPERATING FINANCIAL PLAN AND CASH FLOW ANALYSIS

BFT's Operating Financial Plan includes the current year Board approved budget along with forecasts for the next five years (see Table 12). The Financial Plan supports continued service development at a sustainable level while funding the capital needs over the next five years.

Major Assumptions

Revenues

- Sales tax is BFT's primary source of revenue. The Tri-Cities area continues to be one of the fastest growing regions in the state. While no changes in the sales tax rate are anticipated, sales tax revenues are expected to grow by 3.5% - 4.0% for the next several years. This growth rate is slightly lower than actual growth rate of the past several years. While COVID-19 did impact sales tax revenues in 2020, tax revenues were still slightly higher (0.7%) in 2020 compared to 2019. Early results for 2021 indicate that growth has returned in the local area.
- Federal and state grants represent the second largest revenue stream. BFT received a total of \$48.3M in Federal grants from the CARES, CRRSSA, and ARP Acts providing COVID-19 relief funds. These funds will be used from 2020 – 2024 enabling the deferral on ongoing Federal grants to be used in future years. Grant revenues those that are earned that year and not the value of grants awarded that year. Ongoing Federal and state grants are forecasted to grow at 0.25% - 0.40% per year.
- Fares historically have been the third largest source of revenues. In response to COVID-19, BFT stopped charging fares in March 2020 and remain fare free as of July 2021. While plans are to resume fare collections in October 2021, those plans will be dependent on Federal, state and local requirements as waves of COVID-19 variants continue. For forecasting purposes, fares are estimated to grow slowly over the next several years with fares not returning to pre-COVID levels until 2024.

Expenses

- Labor and benefits represent approximately 65% of total operating expense and are forecasted to increase at a rate of 4% per year.
- All other expenses are forecasted to increase by 1.5% - 3.0% per year.
- No other major staffing or significant changes to other expenses are expected at this time.

Cash Reserves

- Cash reserves are forecast based on BFT's current reserve policy and reflect 3 months of current year operating expense and 6 months of fuel expense. The reserves are forecasted to grow in relation to the growth of operating expenses.

FINANCIAL PLAN

BFT's Capital Improvement Plan is funded on a "pay-as-you-go" (cash) basis. BFT does not issue bonds for its major capital expenses. BFT does, however, receive federal (FTA) and state grants (typically WSDOT) for some major capital projects. At times, grants from various departments of Washington State provide support for planning studies and other initiatives.

Required Element 6 of the TDP discusses BFT's planned capital expenses. Table 6 presents BFT's fleet replacement schedule and costs, and Table 7 presents BFT's non-fleet improvement and expansion plan and costs. These represent BFT's board-approved Capital Improvement Program (CIP).

TABLE 12: PLANNED CAPITAL IMPROVEMENTS

	2021	2022	2023	2024	2025	2026
Operating Revenues						
Sales Tax	40,200,000	42,009,000	43,899,405	45,655,381	47,481,596	49,143,452
Fares	2,072,972	2,611,004	2,845,819	3,279,429	3,370,364	3,463,989
Other Local	500,000	501,500	503,005	504,514	507,036	509,571
State Operating Grants	161,150	161,150	349,536	349,536	438,298	438,298
Federal Operating Grants	0	0	5,100,000	5,112,750	5,125,532	5,138,346
CARES/CRRSSA/ARP Grants	10,067,355	8,460,568	10,424,785	10,424,785	0	0
Total Operating Revenues	53,001,477	53,743,222	63,122,549	65,326,395	56,922,826	58,693,656
Operating Expenses						
Labor & Benefits	32,773,000	33,756,190	35,104,894	36,507,485	37,966,116	39,483,025
Professional Services	3,861,000	3,918,915	3,977,699	4,037,364	4,158,485	4,220,862
Fuel & Lubricants	2,290,700	2,325,061	2,359,936	2,395,335	2,431,265	2,467,734
Tires & Tubes	332,000	336,980	342,035	347,165	352,373	357,658
Materials & Supplies	3,009,750	3,054,896	3,100,720	3,147,230	3,194,439	3,242,356
Insurance and Liability	1,234,200	1,252,713	1,271,504	1,290,576	1,309,935	1,329,584
Purchased Transportation	3,350,000	3,400,250	3,451,254	3,503,023	3,555,568	3,608,901
All Else	1,631,432	1,318,168	1,337,940	1,287,806	1,052,685	1,068,475
Service Expansion	3,000,000	3,067,500	3,136,519	3,207,090	3,279,250	3,353,033
Total Expenses	51,482,082	52,430,673	54,082,501	55,723,076	57,300,116	59,131,629
Operating Surplus/(Deficit)	1,519,395	1,312,550	9,040,049	9,603,319	(377,290)	(437,973)
Cash Flow from Capital Activity						
Acquisition & Construction of Assets	(20,853,139)	(39,276,672)	(20,894,708)	(18,937,396)	(17,064,994)	(15,285,200)
Net Proceeds from State Grants	1,370,000	9,500,361	3,920,068	5,804,347	3,102,971	6,668,000
Net Proceeds from Capital Grants	9,905,577	11,347,813	5,396,180	5,755,751	8,358,303	6,145,000
Net Cash Flow from Capital Activity	(9,577,563)	(18,428,499)	(11,578,460)	(7,377,299)	(5,603,720)	(2,472,200)
Cash and Reserve Balances						
Beginning Cash Balance	37,617,755	32,039,588	17,154,524	16,670,165	20,966,061	17,082,417
Less: Operating Reserves	13,520,000	13,769,115	13,945,947	13,930,125	13,902,635	13,952,147
Available Unrestricted Cash	24,097,755	18,270,473	3,208,576	2,740,040	7,063,426	3,130,270
Current Year Cash Flows						
Add: Operating Surplus/Deficit	1,519,395	1,312,550	9,040,049	9,603,319	(377,290)	(437,973)
Add: Net Cash from from Capital Activity	(9,577,563)	(18,428,499)	(11,578,460)	(7,377,299)	(5,603,720)	(2,472,200)
Net Current Year Cash Flow	(8,058,167)	(17,115,949)	(2,538,411)	2,226,021	(5,981,009)	(2,910,173)
Ending Available Unrestricted Cash	16,039,588	1,154,524	670,165	4,966,061	1,082,417	220,097
Ending Total Cash (with Reserves)	32,039,588	17,154,524	16,670,165	20,966,061	17,082,417	16,220,097

Required Element 9: Projects of Regional Significance

PROJECTS OF REGIONAL SIGNIFICANCE

All Federally funded projects programmed by BFT are defined as regionally significant projects and should be contained in the STIP (see Table 13).

TABLE 13: PROJECTS OF REGIONAL SIGNIFICANCE

Capital Improvement Program 2021-2026	Federal	State	Local	Total
TC - Knight Street	\$403,954		\$100,988	\$504,942
TC - 22nd Avenue	\$2,000,000		\$500,000	\$2,500,000
TC - Three Rivers: safety, security, parking lot	\$615,411		\$90,103	\$705,514
Security Plan (implementation)	\$1,376,800		\$344,200	\$1,721,000
Onboard Integrated Technology System	\$1,177,045		\$294,261	\$1,471,306
Maintenance Facility HVAC Replacement	\$1,600,000		\$400,000	\$2,000,000
Maintenance Facility Building	\$1,800,000		\$450,000	\$2,250,000
Maintenance - Heavy Equipment	\$857,516		\$1,389,379	\$2,246,895
Maintenance - New West Pasco Base	\$4,800,000		\$1,200,000	\$6,000,000
IT Related - Onboard Transit Signal Priority	\$240,000		\$60,000	\$300,000
Fare Collection System	\$800,000		\$200,000	\$1,000,000
Expansion Building - Operations	\$1,200,000		\$8,671,217	\$9,871,217
Vehicle - DAR 5310 Funds (5)	\$360,468		\$63,612	\$424,080
Vehicle - Bus Equipment: Protective Barriers	\$1,000,000			\$1,000,000
Vehicle - Bus Replacement (15)	\$7,430,136		\$1,311,200	\$8,741,336
Vehicle - Electric bus (25)	\$20,623,296	\$2,000,000	\$3,639,406	26262702
Alternative Fuel Vehicles Infrastructure	\$1,024,000		\$256,000	\$1,280,000

There are a total of nine new transit hubs mentioned in the 2021-2026 TDP. Three of these have received construction funding from a WSDOT Regional Mobility Grant (East/Downtown Pasco, West Pasco and Duportail/Queensgate), three are for upgrades to the existing facility (Knight Street in Richland, Three Rivers in Kennewick, and 22nd Avenue in Pasco, and three more remain unfunded (Southridge, Benton City and Prosser). BFT has completed upgrades at its Knight Street Transit Center but has not identified funding for improvements at its 22nd Avenue and Three Rivers facilities. All of these facilities are regionally significant, since these facilities support added service on BFT’s METRO (frequent service) and LOCAL routes.

Appendix 1 - Program of Projects 2021-2026

TABLE A1.1: PROGRAM OF PROJECTS - COMPLETE LIST 2021

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2021	Fixed Route	8	876,484	600,000	4,966,743	6,443,227
2021	Dial A Ride	12	-	1,144,547	-	1,144,547
2021	Vanpool	40	714,963	774,543	-	1,489,506
2021	Non-Revenue Support Vehicles	2	245,000	-	-	245,000
2021	Facilities Maintenance Building		216,262	-	865,048	1,081,310
2021	Maintenance Facility Upgrades		345,000	-	-	345,000
2021	MOA campus improvements		200,000	-	-	200,000
2021	Transit Center Renovations		50,000	-	200,000	250,000
2021	Alternative Fuel Vehicles Infrastructure		166,000	-	664,000	830,000
2021	Long Range Service Corridor & Infrastructure Study		400,000	-	-	400,000
2021	TSP		53,000	-	212,000	265,000
2021	Support Equipment - i.e. Computers		676,865	-	-	676,865
2021	Support Equipment - i.e. Computers (OTH0005)		-	-	200,000	200,000
2021	System-wide Security upgrades		25,000	-	100,000	125,000
2021	Total		3,968,574	2,519,090	7,207,791	13,695,455

TABLE A1.2: PROGRAM OF PROJECTS - COMPLETE LIST 2022

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2022	Fixed Route	0	-	-	-	-
2022	Dial A Ride	0	-	1,155,993	-	1,155,993
2022	Vanpool	40	729,262	790,034	-	1,519,296
2022	Non-Revenue Support Vehicles	1	65,564	-	-	65,564
2022	Maintenance Facility Upgrades		225,000	-	-	225,000
2022	MOA campus improvements		1,900,000	-	-	1,900,000
2022	Neighborhood Park-and-Ride Facilities		560,000	-	-	560,000
2022	Long Range Service Corridor & Infrastructure Study		2,200,000	-	-	2,200,000
2022	TSP		7,000	-	28,000	35,000
2022	Support Equipment - i.e. Computers		2,978,886	-	-	2,978,886
2022	Training Simulator Unit		400,000	-	-	400,000
2022	System-wide Security upgrades		50,000	-	200,000	250,000
2022	Total		9,115,712	1,946,027	228,000	11,289,739

TABLE A1.31: PROGRAM OF PROJECTS - COMPLETE LIST 2023

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2023	Fixed Route	8	843,337	600,000	4,778,911	6,222,248
2023	Dial A Ride	12	-	1,167,552	-	1,167,552
2023	Vanpool	40	743,847	805,835	-	1,549,682
2023	Non-Revenue Support Vehicles	1	67,531	-	-	67,531
2023	Maintenance Facility Upgrades		250,000	-	-	250,000
2023	MOA campus improvements		5,000,000	-	-	5,000,000
2023	Transit Center Re-use		108,000	-	432,000	540,000
2023	Neighborhood Park-and-Ride Facilities		585,000	-	-	585,000
2023	Long Range Service Corridor & Infrastructure Study		1,525,000	-	-	1,525,000
2023	Support Equipment - i.e. Computers		1,100,000	-	-	1,100,000
2023	System-wide Security upgrades		50,000	-	200,000	250,000
2023	Total		10,272,715	2,573,387	5,410,911	18,257,013

TABLE A1.4: PROGRAM OF PROJECTS - COMPLETE LIST 2024

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2024	Fixed Route	0	-	-	-	-
2024	Dial A Ride	12	-	786,147	-	786,147
2024	Vanpool	40	758,725	821,951	-	1,580,676
2024	Non-Revenue Support Vehicles	1	69,557	-	-	69,557
2024	Maintenance Facility Upgrades		275,000	-	-	275,000
2024	MOA campus improvements		3,300,000	-	-	3,300,000
2024	Transit Center Re-use		108,000	-	432,000	540,000
2024	Transit Facility - Construction Project		240,000	960,000	-	1,200,000
2024	Neighborhood Park-and-Ride Facilities		585,000	-	-	585,000
2024	Long Range Service Corridor & Infrastructure Study		1,650,000	-	-	1,650,000
2024	Support Equipment - i.e. Computers		1,000,000	-	-	1,000,000
2024	System-wide Security upgrades		25,000	-	100,000	125,000
2024	Total		8,011,282	2,568,098	532,000	11,111,380

TABLE A1.5: PROGRAM OF PROJECTS - COMPLETE LIST 2025

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2025	Fixed Route	13	2,071,970	-	11,741,165	13,813,135
2025	Dial A Ride	12	-	-	-	-
2025	Vanpool	0	-	-	-	-
2025	Non-Revenue Support Vehicles	1	71,644	-	-	71,644
2025	Maintenance Facility Upgrades		342,500	-	-	342,500
2025	MOA campus improvements		200,000	-	-	200,000
2025	Transit Center Re-use		108,000	-	432,000	540,000
2025	Transit Facility - Construction Project		570,000	2,280,000	-	2,850,000
2025	Neighborhood Park-and-Ride Facilities		585,000	-	-	585,000
2025	Long Range Service Corridor & Infrastructure Study		825,000	-	-	825,000
2025	Support Equipment - i.e. Computers		1,000,000	-	-	1,000,000
2025	System-wide Security upgrades		25,000	-	100,000	125,000
2025	Total		5,799,114	2,280,000	12,273,165	20,352,279

TABLE A1.6: PROGRAM OF PROJECTS - COMPLETE LIST 2026

Yr	Type of Expenditure	Unit	Local	State	Federal	Total
2026	Fixed Route	0	-	-	-	-
2026	Dial A Ride	8	-	1,804,403	-	1,804,403
2026	Vanpool	0	-	-	-	-
2026	Non-Revenue Support Vehicles	1	75,200	-	-	75,200
2026	Maintenance Facility Upgrades		300,000	-	-	300,000
2026	MOA campus improvements		200,000	-	-	200,000
2026	Transit Center Re-use		108,000	-	432,000	540,000
2026	Transit Facility - Construction Project		792,000	3,168,000	-	3,960,000
2026	Neighborhood Park-and-Ride Facilities		585,000	-	-	585,000
2026	Long Range Service Corridor & Infrastructure Study		825,000	-	-	825,000
2026	Support Equipment - i.e. Computers		250,000	-	-	250,000
2026	System-wide Security upgrades		25,000	-	100,000	125,000
2026	Total		3,160,200	4,972,403	532,000	8,664,603

2021 - 2026 Program of Projects Total	40,327,597	16,859,005	26,183,867	83,370,469
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Appendix 2 - Vehicle Procurement Schedule

TABLE A2.12: VEHICLE PROCUREMENT SCHEDULE – ORDERED BY YEAR

Type	Unit	2021	Unit	2022	Unit	2023	Unit	2024	Unit	2025	Unit	2026	Unit	2027
Bus														
Fixed Route	11	\$ 7,662,200	8	\$ 6,617,371	0	\$ -	8	\$ 6,463,821	7	\$ 8,200,000	8	\$ 6,100,000	0	\$ -
DAR/ARC														
Dial-A-Ride	5	424,080	12	1,198,151	12	1,210,133	12	1,222,234	8	822,971	35	3,500,000	0	-
Non-Revenue														
Vehicles	2	245,000	1	65,564	1	67,531	1	69,557	1	71,644	1	75,200	1	79,000
Vans														
Vanpool	0	-	0	-	40	1,549,599	40	1,580,591	0	-	0	-	0	-
Total	18	\$ 8,331,280	21	\$ 7,881,086	53	\$ 2,827,263	61	\$ 9,336,203	16	\$ 9,094,615	44	\$ 9,675,200	1	\$ 79,000

Vehicle Replacement Cycle: Bus - 14 years, Paratransit - 9 years, Vans - 7 years, Non-Revenue - 7 years, 2021 Fixed Route includes buses not order due to lack of WA DES purchasing contract.

YEAR RECEIVED/ EXPENSED

TABLE A2.2: VEHICLE PROCUREMENT SCHEDULE

Type	Unit	2021	Unit	2022	Unit	2023	Unit	2024	Unit	2025	Unit	2026	Unit	2027
Bus														
Fixed Route	0	\$ -	0	\$ -	11	\$ 7,662,200	8	\$ 6,617,371	0	\$ -	8	\$ 6,463,821	7	\$ 8,200,000
DAR/ARC														
Dial-A-Ride	0	-	5	424,080	12	1,198,151	12	1,210,133	12	1,222,234	8	822,971	35	3,500,000
Non-Revenue														
Vehicles	0	-	3	310,564	1	67,531	1	69,557	1	71,644	1	75,200	1	79,000
Vans														
Vanpool	0	-	0	-	40	1,549,599	40	1,580,591	0	-	0	-	0	-
Total	0	\$ -	8	\$ 734,644	64	\$ 10,477,481	61	\$ 9,477,652	13	\$ 1,293,878	17	\$ 7,361,992	43	\$ 11,779,000

Vehicle Replacement Cycle: Bus - 14 years, Paratransit - 9 years, Vans - 7 years, Non-Revenue - 7 years

We're going places.

Memorandum

Date: June 28, 2021

To: Gloria Boyce, General Manager

From: Jeff Lubeck, Director of Administrative Services; Julie Thompson, Sr. Budget/Grant Analyst; Kelly McDaniels, Manager of Financial Services

RE: Accept the Washington State Auditor's Office (WASAO) 2020 Financial Statement and Federal Single Audit Reports

Background

The Washington State Auditor's Office (WASAO) began the 2020 Financial Statement and Federal Single Audits at Ben Franklin Transit on March 18, 2021. In a Financial Statement Audit the WASAO performs audit procedures in accordance with Government Auditing Standards to obtain reasonable, not absolute, assurance whether our financial statements are free of material misstatements. They are also required to report any significant deficiencies and material weakness in internal controls if noted. Finally, the WASAO is required to report noncompliance with provisions of laws, regulations, contracts and grant agreements that could have a direct and material effect on the accuracy of the financial statements.

A Federal Single Audit or Grants Compliance Audit is prescribed by the Office of Management and Budget (OMB) Circular A-133. This audit is required when federal grant expenditures exceed \$750,000 in a fiscal year. This audit evaluates the effectiveness of internal controls and determines compliance with federal requirements for our Federal Transit Formula Grants.

An Audit Entrance Conference was held on April 22, 2021. The WASAO has now completed their review and an Audit Exit Conference was held on June 18, 2021, to discuss the audit results. Their report, Attachment A, notes no findings or other significant deficiencies, material weaknesses, noncompliance with laws, regulations, contracts, or grant agreements. The WASAO has determined current controls to be effective and that BFT is compliant with the Federal Transit Formula Grant requirements.

BFT's Annual Comprehensive Financial Report is included as Attachment B.

Recommendation

Staff recommends the Board accept the WASAO's Office 2020 Financial Statement and Federal Single Audit Reports.

Forward as presented:

Gloria Boyce, General Manager



Office of the Washington State Auditor
Pat McCarthy

Financial Statements and Federal Single Audit Report

Ben Franklin Transit

For the period January 1, 2019 through December 31, 2020

Published June 28, 2021

Report No. 1028567



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**Office of the Washington State Auditor
Pat McCarthy**

June 28, 2021

Board of Directors
Ben Franklin Transit
Richland, Washington

Report on Financial Statements and Federal Single Audit

Please find attached our report on the Ben Franklin Transit's financial statements and compliance with federal laws and regulations.

We are issuing this report in order to provide information on the Transit's financial condition.

Sincerely,

Pat McCarthy, State Auditor
Olympia, WA

Americans with Disabilities

In accordance with the Americans with Disabilities Act, we will make this document available in alternative formats. For more information, please contact our Office at (564) 999-0950, TDD Relay at (800) 833-6388, or email our webmaster at webmaster@sao.wa.gov.

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Ben Franklin Transit January 1, 2020 through December 31, 2020

SECTION I – SUMMARY OF AUDITOR’S RESULTS

The results of our audit of the Ben Franklin Transit are summarized below in accordance with Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Financial Statements

We issued an unmodified opinion on the fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Internal Control over Financial Reporting:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over financial reporting that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We noted no instances of noncompliance that were material to the financial statements of the Transit.

Federal Awards

Internal Control over Major Programs:

- *Significant Deficiencies:* We reported no deficiencies in the design or operation of internal control over major federal programs that we consider to be significant deficiencies.
- *Material Weaknesses:* We identified no deficiencies that we consider to be material weaknesses.

We issued an unmodified opinion on the Transit’s compliance with requirements applicable to its major federal program.

We reported no findings that are required to be disclosed in accordance with 2 CFR 200.516(a).

Identification of Major Federal Programs

The following program was selected as a major program in our audit of compliance in accordance with the Uniform Guidance.

<u>CFDA No.</u>	<u>Program or Cluster Title</u>
20.507	Federal Transit Cluster – Federal Transit Formula Grants
20.507	Federal Transit Cluster – COVID-19 – Federal Transit Formula Grants

The dollar threshold used to distinguish between Type A and Type B programs, as prescribed by the Uniform Guidance, was \$750,000.

The Transit qualified as a low-risk auditee under the Uniform Guidance.

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

**Ben Franklin Transit
January 1, 2019 through December 31, 2020**

Board of Directors
Ben Franklin Transit
Richland, Washington

We have audited, 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, the financial statements of the Ben Franklin Transit, as of and for the years ended December 31, 2020, and 2019, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements, and have issued our report thereon dated June 18, 2021.

As discussed in Note 13 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the Transit is unknown. Management's plans in response to this matter are also described in Note 13.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audits of the financial statements, we considered the Transit's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transit's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transit's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Transit's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of

deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the Transit's financial statements are free from material misstatement, we performed tests of the Transit's compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Transit's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transit's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.



Pat McCarthy, State Auditor

Olympia, WA

June 18, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE**

**Ben Franklin Transit
January 1, 2020 through December 31, 2020**

Board of Directors
Ben Franklin Transit
Richland, Washington

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL
PROGRAM**

We have audited the compliance of the Ben Franklin Transit, with the types of compliance requirements described in the U.S. *Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the Transit's major federal programs for the year ended December 31, 2020. The Transit's major federal programs are identified in the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Transit's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Transit's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination on the Transit's compliance.

Opinion on Each Major Federal Program

In our opinion, the Transit complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the Transit is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Transit's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Transit's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose. However, this report is a matter of public record and its distribution is not limited. It also serves to disseminate information to the public as a reporting tool to help citizens assess government operations.

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive, flowing style.

Pat McCarthy, State Auditor

Olympia, WA

June 18, 2021

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

Ben Franklin Transit January 1, 2019 through December 31, 2020

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, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Transit's basic financial statements as listed on page 14.

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 opinions 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 Transit'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 Transit'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ben Franklin Transit, as of December 31, 2020 and 2019, 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.

Matters of Emphasis

As discussed in Note 13 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the Transit is unknown. Management's plans in response to this matter are also described in Note 13. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed on page 14 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

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transit's basic financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). This schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2021 on our consideration of the Transit'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. 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 Transit's internal control over financial reporting and compliance.



Pat McCarthy, State Auditor

Olympia, WA

June 18, 2021

ABOUT THE STATE AUDITOR'S OFFICE

The State Auditor's Office is established in the Washington State Constitution and is part of the executive branch of state government. The State Auditor is elected by the people of Washington and serves four-year terms.

We work with state agencies, local governments and the public to achieve our vision of increasing trust in government by helping governments work better and deliver higher value.

In fulfilling our mission to provide citizens with independent and transparent examinations of how state and local governments use public funds, we hold ourselves to those same standards by continually improving our audit quality and operational efficiency, and by developing highly engaged and committed employees.

As an agency, the State Auditor's Office has the independence necessary to objectively perform audits, attestation engagements and investigations. Our work is designed to comply with professional standards as well as to satisfy the requirements of federal, state and local laws. The Office also has an extensive quality control program and undergoes regular external peer review to ensure our work meets the highest possible standards of accuracy, objectivity and clarity.

Our audits look at financial information and compliance with federal, state and local laws for all local governments, including schools, and all state agencies, including institutions of higher education. In addition, we conduct performance audits and cybersecurity audits of state agencies and local governments, as well as state whistleblower, fraud and citizen hotline investigations.

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Annual Comprehensive Financial Report

Years Ending December 31, 2020 and 2019



We're Going Places.

1000 Columbia Park Trail | Richland, WA 99352
P: 509.735.4131 | F: 509.735.1800 | www.bft.org

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Annual Comprehensive Financial Report

Year Ended December 31, 2020 and 2019



**Prepared by the Administrative Services Department
Richland, Washington**

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Ben Franklin Transit
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Introductory Section



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1000 Columbia Park Trail | Richland, WA 99352-4851
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June 28, 2021

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

I. TRANSMITTAL OF BEN FRANKLIN TRANSIT'S ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019.

Ben Franklin Transit's (BFT's) Annual Comprehensive Financial Report for the years ended December 31, 2020 and 2019 is hereby submitted. Responsibility for both accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with Management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of BFT. All disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities have been included.

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.

BFT's financial statements have been audited by the Office of the State Auditor of the State of Washington. The independent auditor's report has been included on pages 17 through 19. This report expresses an unmodified opinion as to the fair presentation of the financial statements noted on page 18.

The Management's Discussion & Analysis (MD&A) provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A is found immediately following the independent auditor's report in the financial section.

We believe the data, including management's discussion and analysis, the financial statements, supporting schedules, required supplemental information, 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.

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 the benefits provided. Note 1 to the financial statements provides further details of BFT's accounting policies.

Internal Controls

BFT's management is responsible for establishing and maintaining an internal control structure designed to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. 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.

COVID-19 Impact

In these unprecedented times, the COVID-19 pandemic has created numerous challenges in projecting revenues for the upcoming budget year. Throughout the pandemic, sales tax revenues have remained stable. Additionally, COVID-19 impacted the operations of many of BFT's activities. BFT adapted to continue providing the essential services to our citizens while striving to keep both employees and members of the public safe. Numerous safety measures were incorporated across the agency and vehicle fleet. These measures included: requiring drivers and riders wear masks, cleaning and disinfecting buses on a daily basis, stocking all vehicles with hand sanitizing stations and masks, and mandating employee temperature checks daily before starting work. BFT has received multiple grants from the Federal Transit Authority (FTA) to offset these additional operating costs and the impact of not charging fares for Fixed Route and Dial-A-Ride services.

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, referred to 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. Vanpool service was initiated in September 1982 under a contract with the Benton-Franklin Council of Governments.

BFT took over vanpool operations on January 1, 1984. BFT assumed the operation of the PTBA's Dial-A-Ride system January 1, 1985. 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 into the PTBA.

Today, BFT provides fixed route, demand response including paratransit, and vanpool services in a 616-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 302,000 residents. In 2020, combined ridership for all modes of service totaled 1,613,486.

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. In 2010, a non-voting board member was added to represent the labor

II. PROFILE OF THE AGENCY (continued)

unions of BFT. The Board appoints a General Manager to implement policies authorized by the Board and oversee BFT's daily operations as well as its approximately 350 employees. The overall management of BFT is divided into six departments: Transit Operations; Fleet, Facilities and Capital Projects; Planning & Service Development; Marketing & Communications; Human Resources and Labor Relations; and Administrative Services.

BFT operates eighteen (18) fixed routes serving Benton City, Kennewick, Pasco, Prosser, Richland, and West Richland. There are eight (8) inter-city routes, which travel between cities and ten (10) local routes that operate within a given city. Fixed route service is derived from a network of four (4) transit center hubs and eleven (11) park and ride lots connecting passengers with destinations such as the Tri-Cities Airport, Pasco Amtrak and Greyhound Stations, Grape Line service to Walla Walla, and People for People service to Yakima and Connell. In addition, the fixed route system serves both Columbia Basin College and Washington State University – Tri-Cities, most area schools, and major local employers such as Battelle and the North Richland area business hub. In 2020, fixed route services carried 1,218,177 passengers.

BFT's demand response mode includes all non-fixed route services including feeder routes in low-density areas and a specialized ADA paratransit service, 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 2020, total demand response ridership was 173,376.

Since its inception in 1984, BFT's Vanpool program has expanded to approximately 300 vans with over 2,100 daily weekday riders serving rural employment locations such as the Hanford nuclear cleanup site, Washington State Department of Corrections in both Walla Walla and Connell, and neighboring agricultural facilities.

As a community partner, BFT provides approximately 28,000 rides each year to special events such as the annual International Hydroplane Races and Air Show, Benton-Franklin Fair & Rodeo, Cable Bridge Run, and Art in the Park.

Service Changes

In response to COVID-19, BFT adjusted service levels throughout 2020, with service being fully restored in March 2021

In December 2019, BFT signed a contract with River North Transportation Co., LLC, dba Via, to provide on-demand connections to BFT's fixed-route network. The service, named "BFT CONNECT" allows users to request a ride from anywhere in a zone to a designated connection point or from a designated connection point to anywhere in the zone. BFT's goal is for passengers to wait no more than 15 minutes for a CONNECT ride. This service was scheduled to fully launch in April 2020. However, due to COVID-19, this service was started on a much smaller scale than originally planned with service levels gradually being added throughout 2020.

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 2025 and is sustainable at 2019 year-end service levels, which reflects pre-COVID-19 service levels.

II. PROFILE OF THE AGENCY (continued)

In February 2020, Governor Inslee declared a state of emergency in response to the COVID-19 virus pandemic. In subsequent Governor Proclamations, Mass Transit was identified as an essential critical subsector and, therefore, BFT continued operations with adjustments to routes, workforce, and hygienics to accommodate the Governor's directive and the public's response to COVID-19. The length of time these measures were to be in place and the full extent of the financial impact on BFT, was unknown. Reductions were expected in some revenue sources (sales taxes, fares, etc.) and increases were expected in other revenue sources (Federal & State Grants). The Governor's restrictions remained in place throughout 2020 and the community is just now beginning to return to a normal open status, with full opening anticipated for July 1, 2021. BFT was able to weather the pandemic with little financial impact as sales tax revenues remained stable throughout the year. CARES Act funding will also help ensure the stability of agency finances through 2024.

Major Goals and Initiatives

Initiatives established for 2020 were planned in accordance with the TDP. Each initiative and/or project was carefully reviewed before implementation to ensure sustainability and adherence to BFT's strategic priorities. The major initiatives identified for 2020 were:

1. Safety First (Fleet / Service)
2. Ridership Growth
3. Strategic Planning
4. Implementation of Operational Technology
5. Agency Modernization
6. Alternative Fuels
7. Labor Relations

Progress on Major Goals and Initiatives

Safety First: Our focus in 2020 was drastically changed in response to the COVID-19 pandemic. Energy and resources were devoted to employee and public safety through increased cleaning and sanitization efforts. There were also process changes to ensure social distancing safety measures were followed. Through it all, many of our Fixed Route Coach Operators and our Dial-a-Ride Operators were still able to earn their National Safety Council Safe Driver award for safe driving by the National Safety Council. An impressive 163 combined operators received this award which is indicative of the highly skilled professionals who work at BFT providing safe, reliable service to our community.

Ridership Growth: As the COVID-19 pandemic progressed throughout 2020, ridership levels dropped significantly as businesses closed, social distancing was mandated, and many employees began working from home. BFT changed its emphasis in 2020 from ridership growth to simply providing service in a clean and safe environment. As the economy opens back up in 2021 and riders begin to return to public transportation, BFT will begin again to focus its efforts on ridership growth.

Strategic Planning: BFT's focused response to maintaining operational service throughout the COVID-19 pandemic resulted in the temporary pause on work on several strategic initiatives. Progress was made on development of the long-range transit implementation plan II, with work continuing in 2021. Substantial progress was made on the organizational infrastructure initiative with work continuing throughout 2021.

PROFILE OF THE AGENCY (continued)

Implementation of Operational Technology: During 2020, BFT engaged in an ongoing search for Operational Software that would provide a wider range of functionality than what is currently used. This included attending multiple software conferences highlighting current product capabilities and future projections. A software consultant has been hired to assist in the overall process of securing the best possible option for BFT, with hopes of completing this project before the end of 2021.

Agency Modernization: In 2020, BFT continued its multi-year System Amenities Project, completed the Knight Street Transit Center renovation, and continued early design of three new grant-funded transit hubs. The System Amenities Project focuses on improving higher ridership stops with ADA-compliant bus stop waiting areas and access, and the installation of modern shelters, benches, lean rails, solar-powered lighting, and trash receptacles. BFT also completed a standard design template for bus stops that focused on ensuring ADA compliance and entered into a construction contract for up to 50 concrete bus pads to be completed in 2021. By the end of 2020, BFT had completed the initial design for a new Queensgate Transit Hub that will be located adjacent to a new mixed-use development. This project involved close coordination with the developer to create a high-quality transit facility, integrated into a new development. Likewise, work continued on site selection for a new Downtown (East) Pasco Transit Hub.

BFT also launched “Operation Transform” in late 2020 with the goal of updating, modernizing, and integrating many of BFT’s IT hardware and software applications throughout the entire agency.

Alternative Fuels: Due to BFT’s focused response on providing service throughout the COVID-19 pandemic, efforts on the Alternative Fuels Project in 2020 were paused. The project was picked back up in 2021 and is currently making forward progress.

Labor Relations: In 2020, BFT completed negotiations for three labor contracts that carried forward from 2019. These three Collective Bargaining Agreements (CBA) were successfully ratified as follows: Dispatchers/Schedulers on March 15, 2020; Dial-a-Ride drivers and Reservation Clerks on October 27, 2020; and Coach Operators on October 27, 2020.

III. ECONOMIC CONDITION AND OUTLOOK

Per Washington Employment Security Department (WESD) non-seasonally adjusted data, the 2020 Tri-Cities economy lost over 6,000 jobs - a decrease of 4.3 percent compared to 2019. WESD reported an unemployment rate of 6.9 percent in December of 2020 over a full point higher than the 5.7 percent unemployment rate posted in December 2019.

According to WESD, the 2021 Tri-City region projected employment growth rate is approximately 1.4 percent. Highest growth is expected in education and health care services, construction, leisure and hospitality, government, educational services and finance and insurance. Economic growth in these sectors factor into budgeted sale tax revenues of \$40.2 million or 56% of BFT’s projected total revenue for 2021.

Federal and State funding remain an integral revenue source for BFT. These funds are budgeted to contribute about 41% of total revenues for 2021. 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 its significant funding sources.

ECONOMIC CONDITION AND OUTLOOK (continued)

I-976 originally passed in 2019 and would have affected the State of Washington's ability to fund certain mobility projects throughout the state. The initiative was declared unconstitutional on October 15, 2020 by the Washington State Supreme Court.

BFT's Board of Directors continue 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 and 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. CERTIFICATE OF ACHIEVEMENT & ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to BFT for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2019. This was the eighth consecutive year that BFT 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.

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. Finally, we thank the taxpayers of the BFT PTBA who have entrusted the Agency with the responsibility to provide improved transportation systems throughout Benton and Franklin Counties.

Gloria Boyce
General Manager

Jeff Lubeck
Administrative Services Director



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, 2019

Christopher P. Morill

Executive Director/CEO

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December 31, 2020

Board of Directors

Koch, Bob, Chair – *Commissioner, Franklin County*
Small, Shon, Vice Chair – *Commissioner, Benton County*
Becken, Steve – *Council Member, City of Prosser*
Bloom, Richard – *Council Member, City of West Richland*
Stade, Lisa – *Council Member, City of Benton City*
Lemley, Phillip – *Council Member, City of Richland*
McKay, Bill – *Council Member, City of Kennewick*
Alvarado, Ruben – *Council Member, City of Pasco*
Didier, Clint – *Commissioner, Franklin County*
Nelson, Norma – *Non-Voting Rep, Teamsters Union*

Board of Directors Alternates

Roach, Zahra – *Council Member, City of Pasco*
Peck, Brad – *Commissioner, Franklin County*
Taylor, Randy – *Council Member, City of Prosser*
Buel, Rich – *Council Member, City of West Richland*
Beaver, James “Jim” – *Commissioner, Benton County*
No Alternate – *Council Member, City of Benton City*
Christensen, Terry – *Council Member, City of Richland*
Millbauer, Jim – *Council Member, City of Kennewick*
Stewart, Lisa – *Non-Voting Rep, Teamsters Union*

BFT Management Team

General Manager

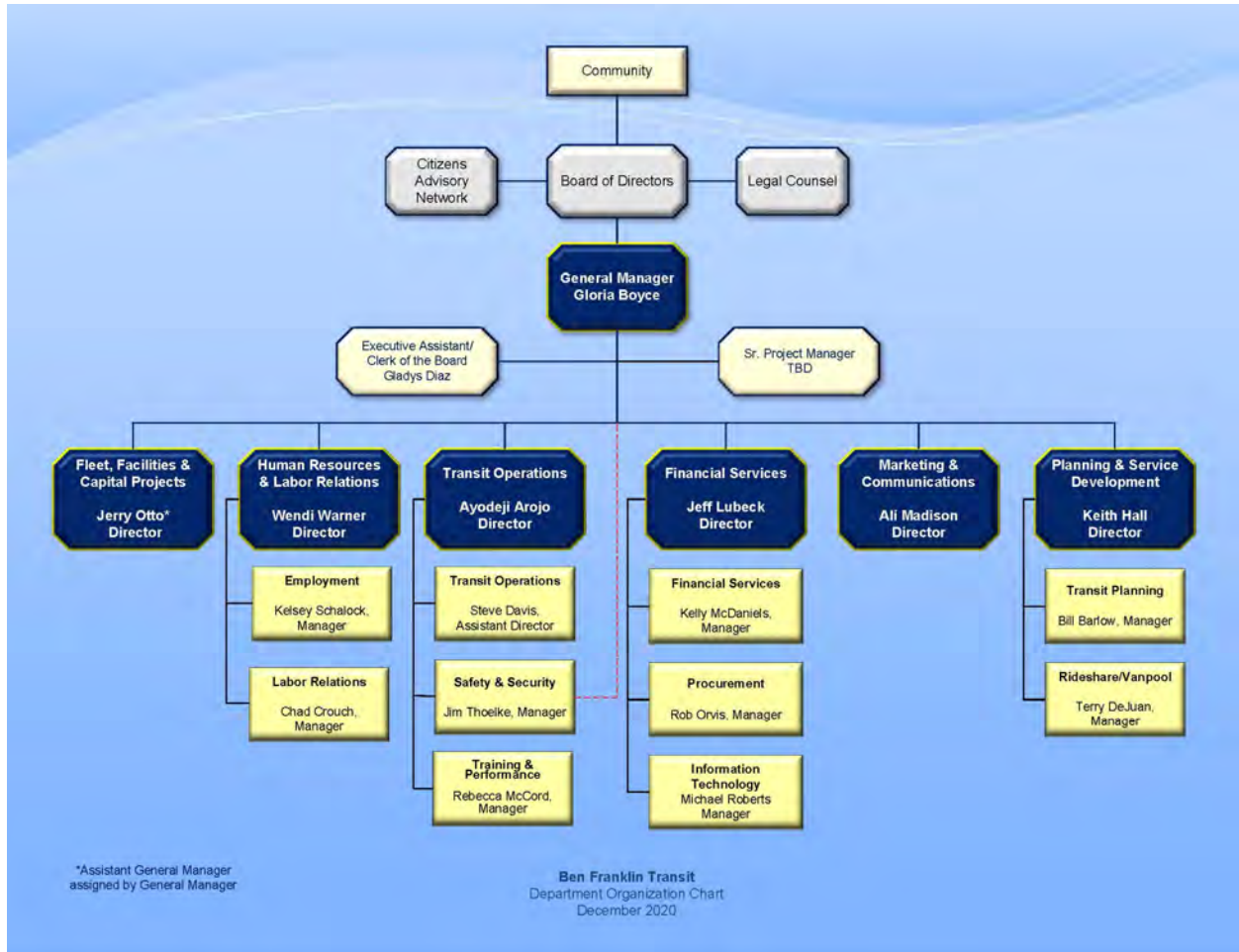
Gloria Boyce

Executive Management Team

Jerry Otto – *Assistant General Manager, Director of Fleet, Facilities, Capital Projects*
Ayodeji Arojo – *Director of Transit Operations*
Wendi Warner – *Director of Human Resources & Labor Relations*
Keith Hall – *Director of Planning & Service Development*
Ali Madison – *Director of Marketing & Communications*
Jeff Lubeck – *Director of Administrative Services*

Ben Franklin Transit Organization Chart

BFT Organizational Chart





Financial Section

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**Office of the Washington State Auditor
Pat McCarthy**

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

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, as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Transit'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 opinions 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 Transit'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 Transit'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 opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Ben Franklin Transit, as of December 31, 2020 and 2019, 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.

Matters of Emphasis

As discussed in Note 13 to the 2020 financial statements, the full extent of the COVID-19 pandemic's direct or indirect financial impact on the Transit is unknown. Management's plans in response to this matter are also described in Note 13. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents 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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transit's basic financial statements as a whole. The Introductory and Statistical Sections are presented for purposes of additional analysis and is not a required part of the basic financial statements of the Transit. 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 June 18, 2021, on our consideration of the Transit'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 Transit'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 Transit's internal control over financial reporting and compliance.

Sincerely,

A handwritten signature in black ink that reads "Pat McCarthy". The signature is written in a cursive style with a large initial "P" and "M".

Pat McCarthy, State Auditor

Olympia, WA

June 18, 2021

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Management's Discussion and Analysis

The Management's Discussion and Analysis of BFT's Annual Comprehensive Financial Report provides a narrative overview and analysis of BFT's financial performance for the fiscal years ended December 31, 2020 and 2019. 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 COVID-19 pandemic certainly had an impact on BFT's revenues, expenses, operations, and activities in 2020. Some of the more significant impacts are highlighted in the following bullet points:
 - In March 2020, the agency stopped collecting fares for Fixed Route (FR) and Dial-A-Ride (DAR) services. The agency continues to operate fare free at the time of this report and uncertainty continues as to when fare collections will resume. This measure was taken to help ensure proper social distancing for the safety of both drivers and passengers.
 - Ridership was also severely reduced as a result of the pandemic. Although service levels were adjusted, no service was ever suspended, and full service was restored in March 2021. Ridership levels reached their lowest point in April 2020 and have been showing month-over-month growth returning throughout the rest of the year.
 - Sales tax revenues saw a drastic decline in March and April but rebounded quickly with 2020 sales tax revenues slightly exceeding 2019 levels.
 - With a reduction in ridership and service reductions, many ongoing operating expenses were lower as well. Costs such as fuel, maintenance, insurance and others were much lower than budgeted.
 - Other costs did increase as a result of COVID-19. These were primarily related to additional cleaning supplies and labor to provide more robust and frequent cleaning of vehicles and facilities along with personal protection equipment.
 - In March 2020, BFT was awarded a Federal grant of \$18.9 million of CARES Act funding. This grant was issued by the Federal Transit Authority (FTA) grants management program. These funds are flexible in use and can be used for Operating expenses. These funds do not expire and can be used in future years.
 - In December 2020, BFT was awarded additional grant funding totaling \$8.5 million. This funding was a result of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) and was also awarded by FTA through the grants program. These funds are flexible in use and can be used for Operating expenses. These funds do not expire and can be used in future years.
 - In March 2021, BFT received an additional \$20.9 million of grant funding as a result of the American Recovery Plan (ARP). This was also awarded through the FTA grants management program and can be used for operating expenses. Unlike CARES and CRRSAA funds though, this money must be obligated no later than September 2024.
 - Several capital projects planned for 2020 were deferred. No grant funding associated with these projects will be reduced or eliminated as a result of these delays.
 - Service expansions planned for 2020 were postponed until 2021.
- The assets and deferred outflows of resources of BFT exceeded its liabilities and deferred inflows of resources (net position) at December 31, 2020 by \$88.1 million compared to \$79.6 million in 2019 and \$72.3 million in 2018. Of these amounts, \$36.5 million, \$36.0 million and \$37.1 million were invested in net capital assets and \$51.5 million, \$43.6 million and \$35.1 million were in unrestricted net position in 2020, 2019 and 2018 respectively.

Ben Franklin Transit
Management's Discussion and Analysis

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, 2020, by 10.7 percent or \$8.5 million compared to the year ended December 31, 2019. This is primarily driven by the impacts of COVID-19 which had the effect of significantly reducing many operating expenses while revenues remained relatively stable. This compares to an increase of 10.1 percent or \$7.3 million when comparing December 31, 2019, to December 31, 2018, due to an increase in sales tax and use of operating grants.
- BFT's total liabilities increased for the year ended December 31, 2020, by \$1.8 million compared to the year ended December 31, 2019 mainly due to an increase in OPEB Liability and Compensated Absences. This compares to a decrease for the year ended December 31, 2019, of \$1.1 million when compared to December 31, 2018 mainly due to the decrease in pension liability.
- BFT saw a decrease of \$2.2 million or 68.2 percent in fare revenue in 2020 compared to a decrease of \$0.4 million or 10.5 percent in fare revenue to \$3.2 million in 2019. In response to the COVID-19 pandemic, BFT became fare-free in March 2020 and did not collect any fare revenues for Fixed Route or Dial-A-Ride services the remainder of the year. Revenues associated with the Vanpool program were also substantially reduced as the number of vans in service was significantly reduced due to the pandemic as well. The decrease in 2019 was primarily due to a business closure. BFT's contracted service provider for general public paratransit, night (taxi), fixed route feeder and Sunday services closed its business at the end of 2018 resulting in a loss of revenues.
- BFT experienced an increase of \$0.2 million in sales tax revenue to \$39.5 million or 0.4 percent in 2020 over 2019. Even though businesses were impacted by the COVID-19 pandemic, BFT's tax base stayed consistent through essential retail business. Sales tax revenues in 2019 saw an increase of \$2.7 million in to \$39.3 million or 7.4 percent over 2018 due to growth in the local economy and increases in construction projects.
- Operating expenses for 2020, excluding depreciation and employer contributions to the state pension, totaled \$40.0 million, an increase of \$1.7 million or 4.5 percent over 2019. This is a result of continued growth in BFT. Although the expenses increased in 2020 over 2019, the 2020 expenses were \$2.6 million, or 5.9%, under budgeted expenses for 2020. This compares to total of \$38.3 million in 2019 which was an increase of \$1.4 million or 3.7 percent over 2018 mainly due to extended service hours as implemented by BFT in September 2018 and continued in 2019.
- Federal and State Operating Grants increased by \$3.9 million in 2020 as compared to 2019. This is due to the award of CARES Act funding through the Federal Transit Authority (FTA). The agency received CARES grant funding totaling \$18.9 million, which will be used over multiple years. Federal, State and Local Capital Contributions increased by \$1.9 million over the same period. In 2019 Federal and State Operating Grants increased by \$1.0 million as compared to 2018 and Federal, State and Local Capital Contributions decreased by \$8.6 million over the same period. Fluctuations are due to the timing of grant availability and the years in which they are budgeted.

Overview of the Financial Statements

The financial statements provide information about BFT's use 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 BFT assets and deferred outflows of resources as well as its liabilities and deferred inflows of resources, 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 presents information showing how BFT's net position changed during the current year. 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 year. 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.

The Required Supplementary Information contains other information the Governmental Accounting Standards Board deems necessary. BFT's RSI contains additional information related to GASB 68, Accounting and Financial Reporting for Pensions, and GASB 75, Defined Benefit Other Postemployment Benefit (OPEB) Plans.

Financial Statement Analysis

Net Position

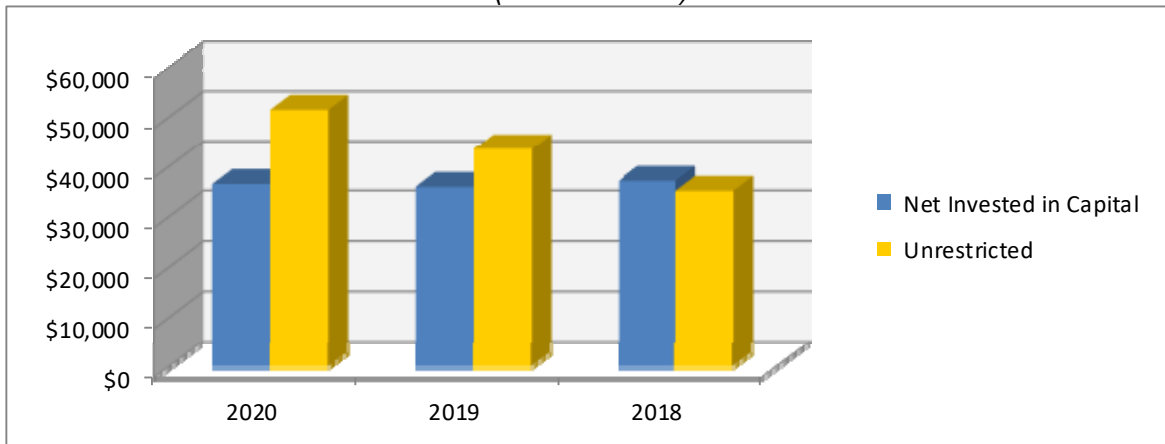
BFT's total net position(s) as of December 31, 2020, 2019 and 2018 reflect \$36.5 million, \$36.0 million and \$37.1 million, respectively, in net investment in capital assets such as revenue vehicles, passenger facilities, and shop equipment. BFT uses these capital assets to provide transportation service to the community. Therefore, this portion of the net position balance is not available for future spending. The remaining portion(s) of total net positions, \$51.5 million, \$43.6 million and \$35.1 million were unrestricted and available to support future obligations for transportation operations.

Ben Franklin Transit
Management's Discussion and Analysis

Summary Statement of Net Position
As of December 31, 2020, 2019 and 2018
(in Thousands)

	2020	2019	2018
Assets:			
Current Assets	\$ 66,155	\$ 58,672	\$ 51,558
Capital Assets (net)	37,134	36,380	37,143
Total Assets	<u>103,289</u>	<u>95,052</u>	<u>88,701</u>
Deferred Outflows of Resources:			
Deferred Outflows	2,516	2,224	2,021
Total Deferred Outflows	<u>2,516</u>	<u>2,224</u>	<u>2,021</u>
Liabilities:			
Current Liabilities	3,363	3,209	2,388
Noncurrent Liabilities	12,567	10,879	12,763
Total Liabilities	<u>15,930</u>	<u>14,088</u>	<u>15,151</u>
Deferred Inflows of Resources:			
Deferred Inflows	1,815	3,633	3,300
Total Deferred Inflows	<u>1,815</u>	<u>3,633</u>	<u>3,300</u>
Net Position:			
Net Investment in Capital Assets	36,516	35,964	37,143
Unrestricted Net Position	51,544	43,591	35,128
Total Net Position	<u>\$ 88,060</u>	<u>\$ 79,555</u>	<u>\$ 72,271</u>

Net Position by Type
(in Thousands)

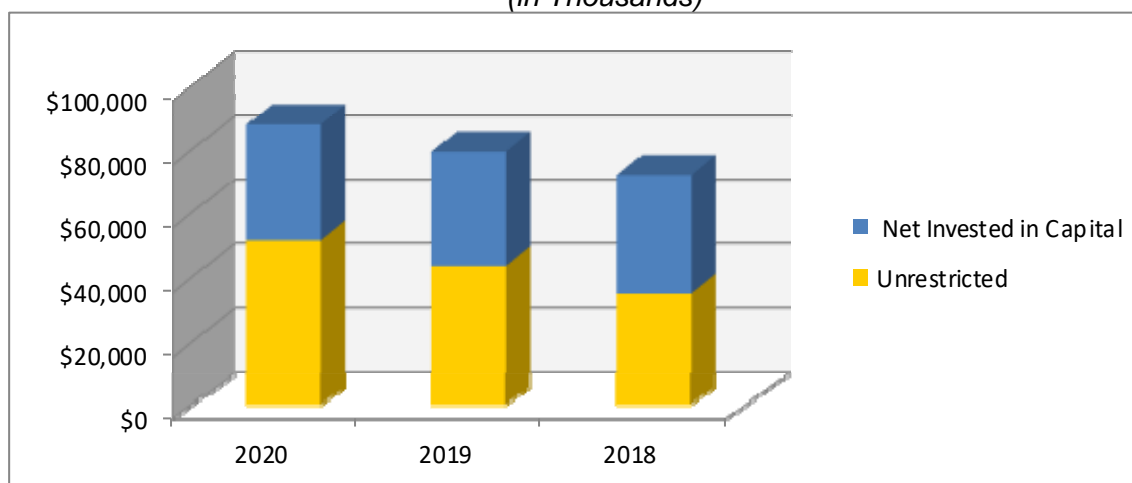


Net position may serve as a useful indicator of BFT's financial position over time. Total net position exceeded liabilities by \$72.1 million, \$65.5 million and \$57.1 million at December 31, 2020, 2019 and 2018 respectively.

The chart on the next page also reflects an improvement in BFT's 2020 financial condition over 2019 as well as BFT's improvement in 2019 financial condition over 2018. Although 2020 saw various impacts of COVID-19, BFT revenues were higher than both 2019 and the 2020 budget. Despite being fare-free for the majority of the year, BFT saw continued strength in local sales tax revenues and benefited from CARES Act funding awarded through the FTA grant program. Expenses did increase in 2020 compared to 2019 but were still lower than budgeted for 2020, thereby increasing the overall financial condition. In 2019 the main contributors to its improved condition were increases in sales tax revenue and efficient operations.

Ben Franklin Transit
Management's Discussion and Analysis

2020 – 2018 Trend of Net Position
(in Thousands)



Summary of Revenues, Expenses, and Changes in Net Position
For the years ended December 31, 2020, 2019 and 2018
(in Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues	\$ 1,179	\$ 3,595	\$ 3,894
Operating Subsidies	48,402	44,382	40,715
Nonoperating Revenues	393	738	696
Total Revenues	<u>49,974</u>	<u>48,716</u>	<u>45,305</u>
Operating Expenses	(40,023)	(38,310)	(36,918)
Depreciation Expenses	(4,763)	(4,665)	(3,787)
Total Expenses	<u>(44,786)</u>	<u>(42,975)</u>	<u>(40,705)</u>
Excess (Deficiency) Before Contributions	5,188	5,741	4,600
Capital Contributions	3,474	1,544	10,178
Total Contributions	<u>3,474</u>	<u>1,544</u>	<u>10,178</u>
Change in Net Position	<u>8,662</u>	<u>7,285</u>	<u>14,778</u>
Total Net Position - Beginning	79,556	72,271	61,175
Prior Period Adjustment	(158)	-	(3,682)
Total Net Position - Ending	<u>\$ 88,060</u>	<u>\$ 79,556</u>	<u>\$ 72,271</u>

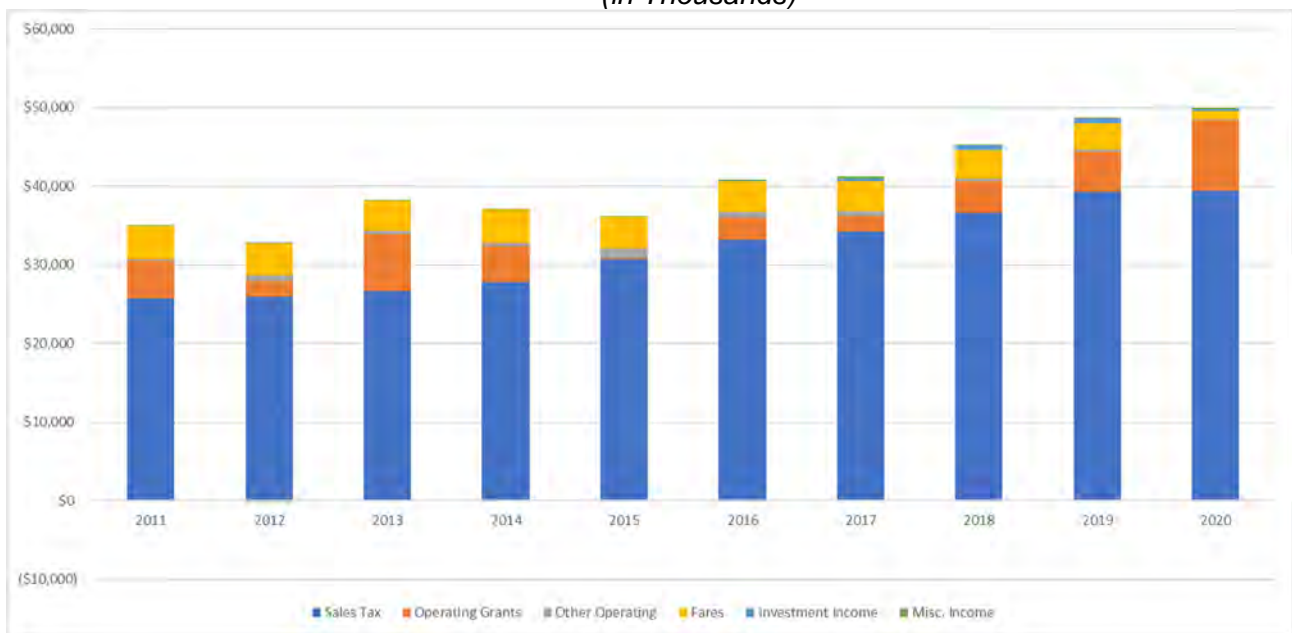
Ben Franklin Transit
Management's Discussion and Analysis

Revenues

BFT's primary source of revenue has been from local sales tax revenues, averaging 78.9% of revenues over the past 10 years. Historically, grants and fares have provided roughly the same amount of revenues with grants providing an average of 10.3% of revenues and fares providing an average of 8.9% of revenues over this period.

The following chart shows the breakdown of annual revenues over the past ten years.

2011 – 2020 Annual Revenue
(in Thousands)



Operating Revenues
(in Thousands)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating Revenues			
Passenger Fares	\$ 1,029	\$ 3,239	\$ 3,621
Other Operating Revenues	150	356	273
Total Operating Revenues	<u>1,179</u>	<u>3,595</u>	<u>3,894</u>
Nonoperating Revenues			
Operating Subsidies			
Sales Tax	39,474	39,312	36,600
Operating Grants	8,928	5,070	4,115
Other Nonoperating Revenues			
Investment Income	236	707	600
Miscellaneous Income	157	31	96
Total Nonoperating Revenues	<u>48,795</u>	<u>45,121</u>	<u>41,411</u>
Total Revenues	<u>\$ 49,974</u>	<u>\$ 48,716</u>	<u>\$ 45,305</u>

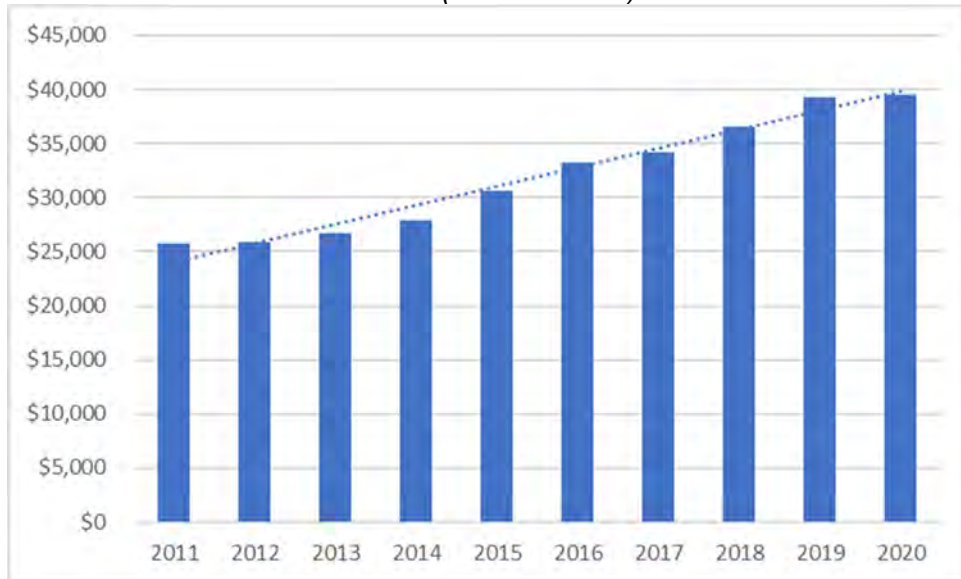
Ben Franklin Transit
Management's Discussion and Analysis

BFT relies on sales tax revenues as its primary source of revenue. Sales tax revenues in 2020 totaled \$39.5 million, which represents 79.0% of all revenues received by the agency. This is an increase of \$162 thousand or 0.4% over 2019. Tax revenues are generated in four major sectors: the first was retail trade (50%), the second was construction (15%), the third was food and lodging (7%) and the fourth was wholesale trade (6%).

The local economy continues to grow and expand, resulting in strong growth in sales tax revenues. Sales tax revenues continue at all-time highs. Since 2010, sales tax revenues have a cumulative growth of 73.3% or 5.6% compounded annually. Over the past 5 year, the cumulative growth has been 41.7%, or 7.2% annually.

The following chart shows the annual sales tax revenues over the past 10 years.

2011 – 2020 Sales Tax Revenue
(in Thousands)



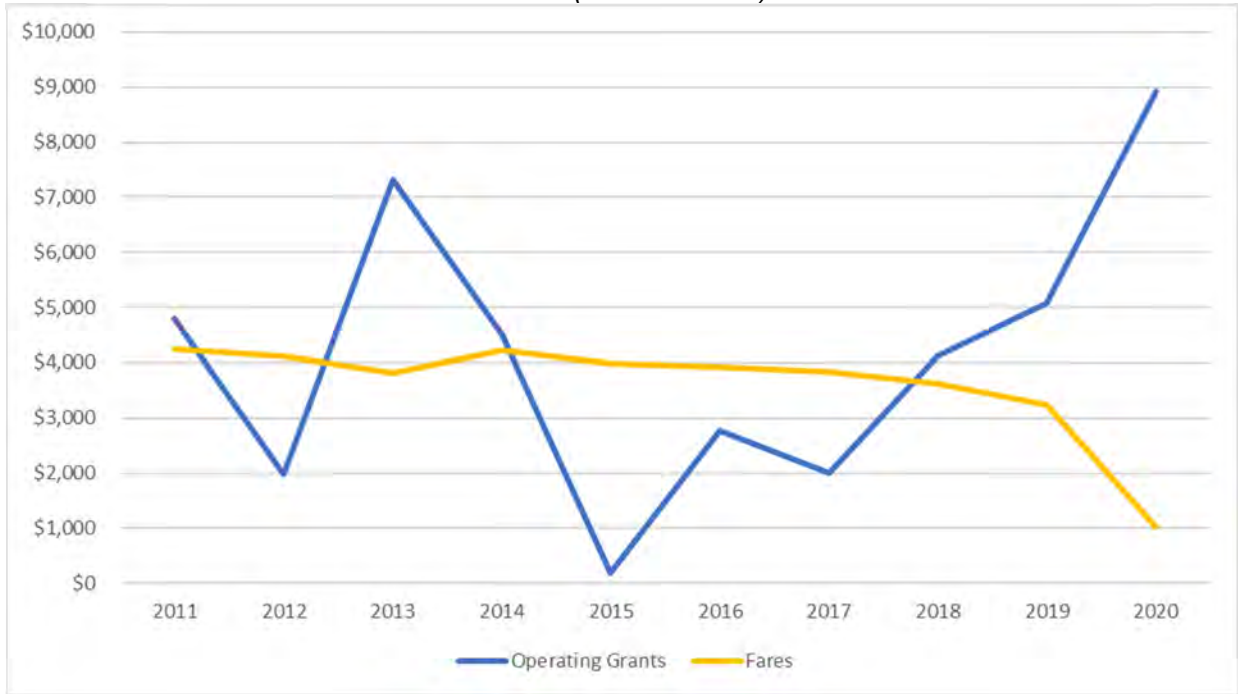
BFT's passenger fares consist of revenue from the sale of passes and tickets as well as cash fares collected on-board revenue vehicles. Passenger fares also include fares paid by vanpool customers. In response to the COVID-19 pandemic, BFT stopped collecting fares for both Fixed Route services as well as Dial-A-Ride services. It is uncertain when fare collection for these services will resume.

BFT receives grant awards from both state and Federal agencies. As previously mentioned, as a result of the CARES, CRRSAA and ARP Acts, BFT received additional grant funding through the FTA. These grants will be available for operating expenses in future years.

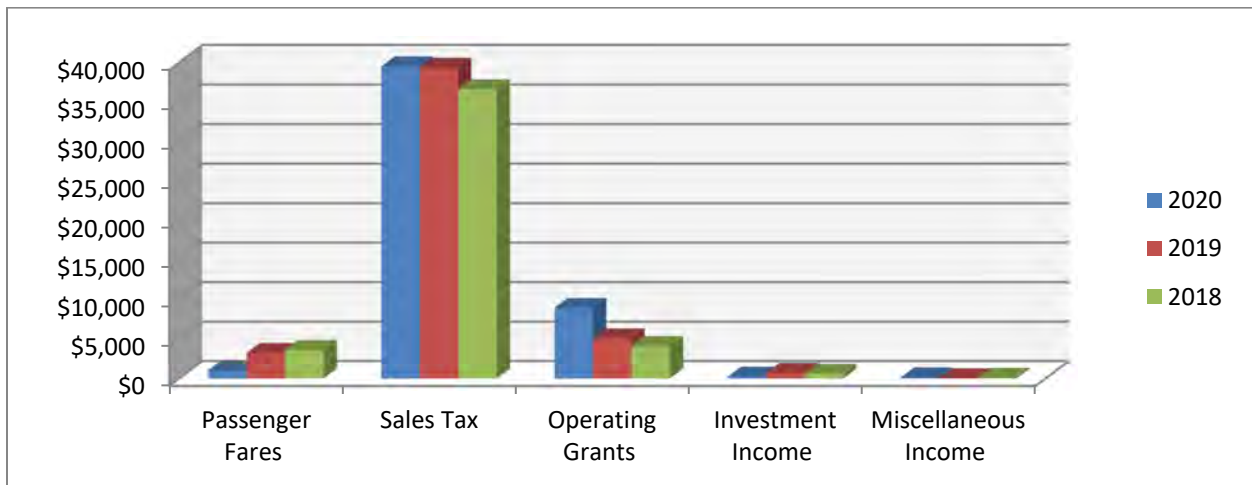
**Ben Franklin Transit
Management's Discussion and Analysis**

The following chart shows the 10-year trends for revenues from fares and grants.

**2011 – 2020 Fare and Grant Revenue
(in Thousands)**



**Revenues by Type
(in Thousands)**



Ben Franklin Transit
Management's Discussion and Analysis

Expenses

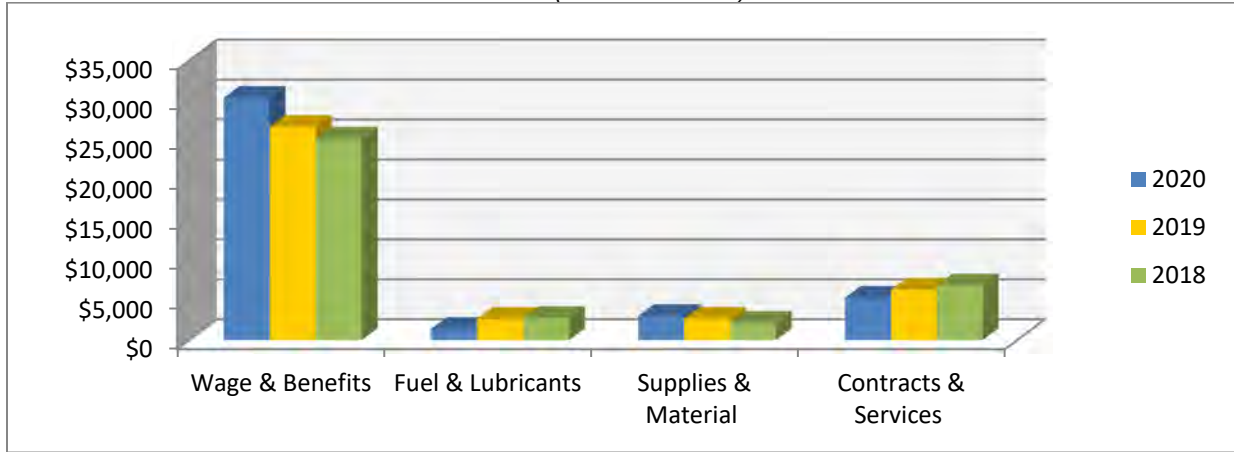
Wages and benefits of \$30.3 million in 2020, \$26.7 million in 2019 and \$25.2 million in 2018 made up 67.7, 62.1 percent and 61.9 percent of operating expenses respectively. These represented an increase of 13.6 percent in 2020 over 2019 and an increase of 5.8 percent in 2019 over 2018. This 2020 increase is a result of continued growth in BFT, with headcount increasing to support the overall agency growth progression. The 2019 increase was due to staffing increases associated with an extension of service hours as implemented by BFT in September 2018 and continued in 2019. Extended service hours result in additional service mile related costs. Fuel and lubricants decrease by 47.4 percent under 2019 due to the COVID-19 related decrease in service; whereas supplies and materials, which include repair and maintenance costs, increased by 12.1 percent over 2019. This was primarily driven by an increase in cleaning and sanitizing of vehicles and facilities in response to COVID-19. In 2019 fuel and lubricants decreased by 3.9 percent over 2018 due to a decrease in fuel prices; whereas supplies and materials, which include repair and maintenance costs, increased by 26.2 percent over 2018.

Contracts and services for 2020 of \$5.3 million decreased 15.9 percent under 2019. This was mainly due to the COVID-19 pandemic which had an adverse effect on services provided. Due to the halt of fare collection, our cash collection services were greatly reduced. Also, one of our largest contracts with The ARC of Tri-Cities was suspended resulting in a substantial decrease. Contracts and services for 2019 of \$6.3 million decreased 8.0 percent due to a business closure when BFT's contracted service provider for general public paratransit, night (taxi), fixed route-feeder and Sunday services closed its business at the end of October 2018. These services were suspended pending a solicitation for a new service provider which took place in 2019. BFT and the new contracted services provider are in the process of outlining the new services to begin in 2020.

Expenses
(in Thousands)

Operating Expenses	2020	2019	2018
Wage & Benefits	\$ 30,317	\$ 26,676	\$ 25,205
Fuel & Lubricants	1,395	2,650	2,754
Supplies & Material	3,002	2,678	2,122
Contracts & Services	5,292	6,293	6,837
Depreciation & Amortization	4,763	4,665	3,787
Total Operating Expenses	44,769	42,962	40,705
 Nonoperating Expenses			
Lease Interest	17	13	
Prior Period Adjustments	(158)	-	(3,682)
Total Non-Operating Expenses	(141)	13	(3,682)
Total Expenses	\$ 44,628	\$ 42,975	\$ 37,023

Operating Expenses by Type
(in Thousands)



Operating Grants

In 2020, BFT received \$8.9 million in Federal and State operating grants compared to \$5.1 million received in 2019 and \$4.1 million in 2018. In response to COVID-19, the FTA awarded \$18.9M of CARES Act grant funding to BFT. This is a multi-year grant that can be used for operating and capital expenditures. BFT uses these operating grants to pay for a portion of the wages of its fixed route coach operators and Dial-A-Ride drivers. For 2021, BFT has budgeted to receive \$8.2 million in CARES Act grant funding through the FTA to be used for operating expenses. In 2019 BFT had budgeted to receive \$4.5 million. Operating grant funds fluctuate based on need and BFT’s choice to use funding for capital or operating needs.

Operating Grants		
<i>(in Thousands)</i>		
2020	2019	2018
\$ 8,928	\$ 5,070	\$ 4,115

Capital Grants

BFT received Federal and State capital grants to assist with the procurement of revenue vehicles and other capital projects. Investments in capital assets have decreased in recent years. In 2020, BFT received \$3.5 million in capital contributions with the majority of the funds being used towards the purchase of replacement cutaways, the completion of the Knight Street Transit Center renovations, and replacement of the hydraulic lift system utilized by the fleet-maintenance team. In 2019 BFT received \$1.5 million as focus shifted to normal fleet replacement. Additionally, in 2021 continued investment in replacement vehicles, transit center renovations, and the MOA campus upgrades and security enhancements. BFT has budgeted for \$3.4 million in federal and state capital grant contributions in 2021 as compared to the \$1.6 million budget for 2020 as it geared up for transit center technological updates and site improvements.

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

Capital Assets

BFT's investment in capital assets as of December 31, 2020 amounted to \$37.1 million net of accumulated depreciation/amortization. As of December 31, 2019, and 2018 the investment in capital assets net of accumulated depreciation/amortization equaled \$36.4 million and \$37.1 million respectively. Capital assets consist of transit coaches and other vehicles, buildings, equipment, software, transit centers, and park and ride lots.

Capital assets subject to depreciation and amortization increased by 5.4 percent in 2020 and 1.3 percent in 2019. In 2020, the increase consisted of \$5.7 million of additions and \$2.5 million of retirements, which compares to the \$3.4 million of additions and \$0.7 million of retirements that occurred in 2019. In addition, depreciation/amortization expense was recorded at \$4.8 million in 2020 and \$4.7 million in 2019. \$4.8 million in accumulated depreciation/amortization was removed for assets disposed of in 2020, \$4.7 million for assets disposed of in 2019 and \$1.6 million for assets disposed of in 2018.

In 2020 and 2019 major capital asset acquisitions (value over \$50,000) included the following:

Vehicles

- In 2020 major vehicles included 34 Dial-a-Ride vehicles (\$3.2 million), 10 light duty pick-ups (\$0.4 million)
- In 2019 major vehicles included 8 vans for the van pool program (\$0.2 million) and 3 paratransit vehicles (\$0.3 million)

Equipment & Furnishings

- In 2020 major equipment in included maintenance equipment replacements (\$0.4 million) and technology upgrades/improvements (\$22 thousand).
- In 2019 major equipment in included maintenance equipment replacements (\$75 thousand) and technology upgrades/improvements (\$0.5 million).

Intangible Software

- In 2020 an Intangible Software Asset account was created. All existing software assets were reclassified to this account from Equipment and Furnishings.
- There were no major intangible software acquisitions in 2020.

Building and Structures

- In 2020 there were no major acquisitions.
- In 2019 there were facility improvements (\$0.1 million).

Land Improvements

- In 2020 there were no major acquisitions.
- In 2019 there were no major acquisitions.

Land

- In 2020 there were no major acquisitions.
- In 2019 there were no major acquisitions.

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

Ben Franklin Transit
Management's Discussion and Analysis

Financial Outlook

BFT recognizes that its heavy reliance on sales tax revenues makes it susceptible to economic fluctuations. To prepare, BFT has in place a reserve policy to insulate it from short-term revenue downturns and unanticipated expenditures. The following table describes the Board-approved reserve funds and the current funding levels (*in thousands*):

Reserve Fund	BFT Approve Range	Current
Operating	2 to 6 months operating expenses	\$12,120
Fuel	3 to 6 months average total fuel costs	1,400
Fleet	20% to 40% of forecasted replacement costs; pro-rated over the life of the vehicle	6,601
Non-Fleet Capital	50% to 100% of estimated cost of non-fleet capital needs as determined by Facilities Condition Assessment every 5 years.	6,730
	Totals	\$26,851

Sales tax revenues for 2020 totaled \$39.5 million exceeding the budgeted amount of \$38.0 million. In 2019 sales tax revenues totaled \$39.3 million exceeding the budgeted amount of \$37.0 million. Through the 2021 and 2020 Budget processes, BFT budgeted \$40.2 million and \$38.0 million, respectively, in sales tax revenues. Increases in sales tax revenues in recent years continue to contribute to the overall improved financial position of BFT and help the agency meet operating, fleet, fuel, and non-fleet capital reserve needs as well as future service, restoration of prior services and expansion.

BFT closely monitors revenues when determining service levels and capital expansion as stated in its six-year TDP. Capital investments will focus on modest vehicle replacements 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.

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: Director of Administrative Services, 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
As of December 31, 2020 and 2019
(in Thousands)

	2020	2019
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 38,015	\$ 41,493
Accounts Receivables	20,083	8,898
Sales Tax Receivables	7,290	7,498
Inventories	391	505
Prepayments	376	277
Total Current Assets	<u>66,155</u>	<u>58,672</u>
Noncurrent Assets		
Capital Assets Not Being Depreciated/Amortized		
Land	2,209	2,209
Construction in Progress	1,947	2,623
Capital Assets Being Depreciated/Amortized		
Buildings & Structures	22,286	20,450
Vehicles	46,760	45,475
Equipment & Furnishings	3,895	4,631
Intangibles	1,037	-
Leases - Buildings & Structures	721	386
Leases - Equipment	167	120
Less: Accumulated Depreciation & Amortization	<u>(41,888)</u>	<u>(39,514)</u>
Total Capital Assets (Net)	<u>37,134</u>	<u>36,380</u>
Total Noncurrent Assets	<u>37,134</u>	<u>36,380</u>
Total Assets	<u>\$ 103,289</u>	<u>\$ 95,052</u>
Deferred Outflows of Resources		
Deferred Outflows - PERS Pension	\$ 2,493	\$ 2,201
Deferred Outflows - OPEB	23	23
Total Deferred Outflows	<u>\$ 2,516</u>	<u>\$ 2,224</u>
Liabilities		
Current Liabilities		
Accounts Payable	\$ 1,507	\$ 1,587
Accrued Expenses	1,255	1,167
Contracts Payable	4	2
Compensated Absences	342	313
Total OPEB Liability	47	47
Lease Liability	208	93
Total Current Liabilities	<u>3,363</u>	<u>3,209</u>
Noncurrent Liabilities		
Net Pension Liability	6,471	6,460
Total OPEB Liability	4,596	3,329
Compensated Absences	1,090	767
Lease Liability	410	323
Total Noncurrent Liabilities	<u>12,567</u>	<u>10,879</u>
Total Liabilities	<u>\$ 15,930</u>	<u>\$ 14,088</u>
Deferred Inflows of Resources		
Deferred Inflows - PERS Pension	\$ 1,815	\$ 3,633
Total Deferred Inflows of Resources	<u>\$ 1,815</u>	<u>\$ 3,633</u>
Net Position		
Net Investment in Capital Assets	\$ 36,516	\$ 35,964
Unrestricted	51,544	43,591
Total Net Position	<u>\$ 88,060</u>	<u>\$ 79,555</u>

Ben Franklin Transit
Comparative Statement of Revenues, Expenses, and Changes in Net Position
For the Years Ended December 31, 2020 and 2019
(in Thousands)

	2020	2019
Operating Revenues		
Passenger Fares	\$ 1,029	\$ 3,239
Other Operating Revenues	150	356
Total Operating Revenues	1,179	3,595
Operating Expenses		
Operations	24,076	23,814
Maintenance	5,548	6,849
Administrative Expenses	10,382	7,634
Depreciation & Amortization	4,763	4,665
Total Operating Expenses	44,769	42,962
Operating Income (Loss)	(43,590)	(39,367)
Nonoperating Revenues (Expenses)		
Sales Tax	39,474	39,312
Investment Income	236	707
Lease Interest	(17)	(13)
Operating Grants	8,928	5,070
Gains/(Losses) on Capital Asset Disposition	157	31
Total Nonoperating Revenues (Expenses)	48,778	45,108
Income (Loss) Before Contributions	5,188	5,741
Capital Contributions	3,474	1,544
Change in Net Position	8,662	7,285
Total Net Position - Beginning of Period	79,556	72,271
Prior Period Adjustment	(158)	-
Total Net Position - End of Period	\$ 88,060	\$ 79,556

The accompanying notes are an integral part of this statement.

Ben Franklin Transit
Comparative Statement of Cash Flows
For the Years Ended December 31, 2020 and 2019
(in Thousands)

	2020	2019
Cash Flows from Operating Activities		
Receipts From Customers	\$ 1,303	\$ 3,075
Other Receipts	183	426
Payments to Employees	(13,517)	(12,462)
Payments to Suppliers	(26,965)	(27,287)
Net Cash Provided (Used) by Operating Activities	(38,996)	(36,248)
Cash Flows from Noncapital Financing Activities		
Sales Tax Received	39,530	38,282
Operating Grants Received	10	3,170
Net Cash Provided (Used) by Noncapital Financing Activities	39,540	41,452
Cash Flows from Capital and Related Financing Activities		
Capital Contributions	923	3,095
Net proceeds from the Disposition of Capital Assets	157	31
Debt Service Leases	(196)	(103)
Acquisition and Construction of Capital Assets	(5,136)	(3,396)
Net Cash Used in Capital and Related Financing Activities	(4,252)	(373)
Cash Flows from Investing Activities		
Interest and Dividends	230	707
Net Cash Provided by Investing Activities	230	707
Net Increase (Decrease) in Cash and Cash Equivalents	(3,478)	5,539
Balances - Beginning of the Year	41,493	35,954
Balances - End of the Year	\$ 38,016	\$ 41,493
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating income (loss)	\$ (43,590)	\$ (39,367)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation & Amortization Expense	4,763	4,665
PERS Pension Expense / (Credit)	(2,098)	(1,692)
OPEB Expense / (Credit)	1,268	(398)
Change in Assets and Liabilities:		
Receivables, Net	284	(89)
Inventories	115	(35)
Prepaid Expense	(99)	(72)
Payables	9	708
Vacation Accrual	352	32
Net Cash (Used) by Operating Activities	\$ (38,996)	\$ (36,248)

NON-CASH TRANSACTIONS:

Non-cash investing, capital, or financing activities includes net capital contributions accruals of \$2.6 million in 2020 and \$3.6 million in 2019.

The accompanying notes are an integral part of this statement.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Ben Franklin Transit (BFT) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

- A. Reporting Entity** – The transit was incorporated on May 11, 1981 and operates under the laws of the State of Washington applicable to municipal corporations. BFT was formed under the authority of Chapter 36.57A of the Revised Code of Washington State.

As required by GAAP, the financial statements present BFT as the primary government. 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 GASB 14, BFT is a primary government for reporting and there are no additional entities or funds for which BFT has reporting responsibilities.

BFT is a special purpose government and provides Fixed Route, Paratransit, Vanpool, and General Demand services to the 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.

- B. Measurement Focus, Basis of Accounting** – 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 (BARS) for GAAP for Transit Districts in the State of Washington.

The transit’s statements are reported using the economic resources measurement focus and full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred regardless of the timing of the cash flows.

The transit distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the transit are charges to customers for passenger fares. Operating expenses for the transit include all costs related to providing transit service. These costs include labor, fringe benefits, materials, supplies, services, utilities,

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

rentals, leases, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating 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, 2020, the treasurer was holding \$38.0 million in short-term residual investments of surplus cash. This amount at the end of 2019 was \$41.5 million. 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.

2. Investments – 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 value measured by quoted market price. The reported value of the LGIP is the same as the fair value of the pool shares. For more details see Note 2, Deposits and Investments.
3. 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.

4. Inventories – Inventory consists of fuel, tires, repair parts, and supplies. Purchases are recorded as increases to inventory and valued by the First In, First Out (FIFO) method (which approximates the market value).
5. Prepayments - Prepaid expenses are amounts paid to secure the use of assets or the receipt of services, software licensing and insurance, with an initial cost of more than \$5,000 or an estimated useful life in excess of one year. Such assets are recorded at cost and amortized over estimated economic useful life of the asset.
6. 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.
7. Capital Assets – Capital assets, which include property, facilities, equipment, and intangibles are defined by BFT as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of 1 year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The value of lease related capital assets (net present value of the lease) are calculated per GASB 87.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset. The costs of normal maintenance and repairs are not capitalized. No 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	4 - 14
Buildings and Structures	10 - 40
Equipment and Furnishings	2 - 20
Intangibles	2 - 20
Land Improvements	5 - 40

(Also, see Note 4 – Capital Assets)

8. Compensated Absences – Compensated absences are absences for which employees will be paid, such as general leave. General leave banks are split between Regular and Sick leave (I-1433).

Sick leave accrues and may be used beginning with the first day of employment. Employees accrue one hour of sick leave for every 40 hours worked.

Regular leave is calculated and added to the employee’s leave bank upon completion of probation. Rates for regular leave are accrued per the employee’s CBA for represented employees and per the Comprehensive Benefits Policy for non-represented employees.

Employees may accumulate up to 480 hours of general leave. General leave hours do not expire. Accrued compensated absences are payable upon request, termination, resignation, retirement and death.

9. Pensions – For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans’ fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

10. 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.
11. Leases - BFT implemented GASB 87 Leases in 2020. BFT's leases of Buildings & Structures and Equipment (or grouping of similar leases) must have a term of 12 months or greater and a Net Present Value (NPV) equal to or greater than \$5,000 to be accounted for per GASB 87 guidelines. For more details see Note 10 Leases – (Lessees).

NOTE 2 – DEPOSITS AND INVESTMENTS

Cash and investments are classified in the accompanying financial statements as of December 31, 2020 and 2019 respectfully as follows:

Composition of Cash and Cash Equivalents

	<i>(in Thousands)</i>	
	<u>2020</u>	<u>2019</u>
Demand Deposits	\$ 38,015	\$ 41,493
Investments having original maturities of less than 3 months	-	-
Total Cash and Cash Equivalents	<u>\$ 38,015</u>	<u>\$ 41,493</u>

BFT's bank deposits and certificates of deposit are entirely insured by the Federal Depository Insurance Corporation (FDIC) or 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, 2020 and 2019 consist of the following:

	<i>(in Thousands)</i>	
	<u>2020</u>	<u>2019</u>
Operating Grants Receivable	\$ 13,619	\$ 4,701
Customer Payments Receivable	218	492
Employee Payments Receivable	41	18
Capital Grants and Contributions Receivable	6,170	3,618
Other Cash Receivable	35	68
Sales Tax Receivable	7,290	7,498
Total Receivables	<u>\$ 27,374</u>	<u>\$ 16,396</u>
Accounts Payable	\$ 1,507	\$ 1,587
Contracts Payable	4	2
Total Payables	<u>\$ 1,511</u>	<u>\$ 1,589</u>

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 4 – CAPITAL ASSETS

Activity for the year ended December 31, 2020 was as follows (*in Thousands*):

Description	Balance Jan 1, 2020	Increases	Decreases	Adjustments	Balance Dec 31, 2020
Capital Assets, Not Being Depreciated:					
Land	\$ 2,209	\$ -	\$ -	\$ -	\$ 2,209
Work in Progress	2,623	829	1,505	-	1,947
Total Capital Assets, Not Being Depreciated	<u>4,832</u>	<u>829</u>	<u>1,505</u>	<u>-</u>	<u>4,156</u>
Capital Assets, Being Depreciated:					
Vehicles	45,474	3,639	2,354	-	46,760
Building and Structures	20,450	1,836	-	-	22,285
Equipment and Furnishing	4,631	392	-	(1,128)	3,895
Intangibles	-	53	-	984	1,037
Leases-Buildings & Structures	386	440	105	-	721
Leases-Equipment	120	55	8	-	167
Total Capital Assets, Being Depreciated	<u>71,061</u>	<u>6,415</u>	<u>2,467</u>	<u>(144)</u>	<u>74,865</u>
Less Accumulated Depreciation/Amortization For:					
Vehicles	25,073	3,360	2,354	-	26,079
Building and Structures	12,258	509	-	-	12,767
Equipment and Furnishing	2,084	488	-	(293)	2,279
Intangibles	-	247	-	257	504
Leases-Buildings & Structures	61	154	31	-	184
Leases-Equipment	37	40	4	-	73
Total Accumulated Depreciation/Amortization	<u>39,513</u>	<u>4,798</u>	<u>2,389</u>	<u>(36)</u>	<u>41,887</u>
Total Capital Assets, Being Depreciated, Net	<u>31,548</u>	<u>1,617</u>	<u>78</u>	<u>(108)</u>	<u>32,978</u>
Business-type Activities Capital Assets, Net	<u>\$ 36,380</u>	<u>\$ 2,446</u>	<u>\$ 1,583</u>	<u>\$ (108)</u>	<u>\$ 37,134</u>

Software purchases totaling \$0.9 million were reported as capital assets in the Equipment and Furnishings category in prior years. Those purchases and their associated depreciation/amortization have been reclassified in 2020 as Intangible Assets per GASB 51.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

Activity for the year ended December 31, 2019 was as follows (*in Thousands*):

Description	Balance Jan 1, 2019	Increases	Decreases	Adjustments	Balance Dec 31, 2019
Capital Assets, Not Being Depreciated:					
Land	\$ 2,209	\$ -	\$ -	\$ -	\$ 2,209
Work in Progress	429	2,291	97	-	2,623
Total Capital Assets, Not Being Depreciated	<u>2,638</u>	<u>2,291</u>	<u>97</u>	<u>-</u>	<u>4,832</u>
Capital Assets, Being Depreciated:					
Vehicles	45,780	499	724	(81)	45,475
Building and Structures	20,315	136	-	-	20,450
Equipment and Furnishing	4,068	568	5	-	4,631
Leases-Buildings & Structures	386	-	-	-	386
Leases-Equipment	120	-	-	-	120
Total Capital Assets, Being Depreciated	<u>70,669</u>	<u>1,203</u>	<u>729</u>	<u>(81)</u>	<u>71,062</u>
Less Accumulated Depreciation/Amortization For:					
Vehicles	22,423	3,455	724	(81)	25,073
Building and Structures	11,812	446	-	-	12,258
Equipment and Furnishing	1,423	666	5	-	2,084
Leases-Buildings & Structures	-	61	-	-	61
Leases-Equipment	-	37	-	-	37
Total Accumulated Depreciation/Amortization	<u>35,658</u>	<u>4,665</u>	<u>729</u>	<u>(81)</u>	<u>39,514</u>
Total Capital Assets, Being Depreciated, Net	<u>35,011</u>	<u>(3,462)</u>	<u>-</u>	<u>-</u>	<u>31,548</u>
Business-type Activities Capital Assets, Net	<u>\$ 37,649</u>	<u>\$ (1,171)</u>	<u>\$ 97</u>	<u>\$ -</u>	<u>\$ 36,380</u>

Construction Commitments

At December 31, 2020 the Passenger Amenities Project was ongoing with an estimated completion extending beyond December 31, 2021. At December 31, 2019 the renovations at Knight Street Transit Center were still ongoing with an estimated completion date of March 31, 2020.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS

The following table represents the aggregate pension amounts for all plans for the years 2020 and 2019 (*in Thousands*):

Aggregate Pension Amounts – All Plans		
	2020	2019
Pension liabilities	\$ 6,471	\$ 6,460
Pension assets	\$ -	\$ -
Deferred outflows of resources	\$ 2,493	\$ 2,201
Deferred inflows of resources	\$ 1,815	\$ 3,633
Pension expense/expenditures	\$ 417	\$ 629

State Sponsored Pension Plans

Substantially all Ben Franklin Transit's (BFT) 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 and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be obtained by writing to:

Department of Retirement Systems
Communications Unit
P.O. Box 48380
Olympia, WA 98540-8380

Or the DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1** member contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2020 and 2019 were as follows:

PERS Plan 1		
Actual Contribution Rates	Employer	Employee*
January – June 2019		
PERS Plan 1	7.52%	6.00%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
Total	12.83%	6.00%
July 2019 – August 2020		
PERS Plan 1	7.92%	6.00%
PERS Plan 1 UAAL	4.76%	
Administrative Fee	0.18%	
Total	12.86%	6.00%
September – December 2020		
PERS Plan 1	7.92%	6.00%
PERS Plan 1 UAAL	4.87%	
Administrative Fee	0.18%	
Total	12.97%	6.00%

* For employees participating in JBM, the contribution rate was 12.26%.

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's average final compensation (AFC) times the member's years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member's 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 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 benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three 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.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five 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 credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. 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 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2020 and 2019 were as follows:

PERS Plan 2/3		
Actual Contribution Rates	Employer 2/3	Employee 2*
January – June 2019		
PERS Plan 2/3	7.52%	7.41%
PERS Plan 1 UAAL	5.13%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	12.83%	7.41%
July – August 2020		
PERS Plan 2/3	7.92%	7.90%
PERS Plan 1 UAAL	4.76%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	12.86%	7.90%

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

PERS Plan 2/3		
Actual Contribution Rates	Employer 2/3	Employee 2
September – December 2020		
PERS Plan 2/3	7.92%	7.90%
PERS Plan 1 UAAL	4.87%	
Administrative Fee	0.18%	
Employee PERS Plan 3		Varies
Total	12.97%	7.90%

* For employees participating in JBM, the contribution rate was 19.75%.

BFT's actual PERS plan contributions to plans for the fiscal years 2020 and 2019 ending December 31, were as follows (*in Thousands*):

BFT's Actual Contributions		
	2020	2019
PERS Plan 1	\$ 951	\$ 916
PERS Plan 2/3	\$ 1,564	\$ 1,405

Actuarial Assumptions - 2020

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2020 with a valuation date of June 30, 2019. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2013-2018 Experience Study and the 2019 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2019 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2020. Plan liabilities were rolled forward from June 30, 2019, to June 30, 2020, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary increases:** In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.4%

Mortality rates were developed using the Society of Actuaries' Pub. H-2020 mortality rates, which vary by member status, as the base table. The OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

NOTE 5 – PENSION PLANS (continued)

There were changes in methods and assumptions since the last valuation.

- OSA updated its demographic assumptions based on the results of its latest demographic experience study. See OSA's 2013-2018 Demographic Experience Study at leg.wa.gov/osa.
- OSA updated the Early Retirement Factors and Joint-and-Survivor factors used in its model to match the ones implemented by DRS on October 1, 2020. These factors are used to value benefits for members who elect to retire early and for survivors of members that die prior to retirement.
- The valuation includes liabilities and assets for Plan 3 members purchasing Total Allocation Portfolio annuities when determining contribution rates and funded status.
- OSA simplified its modeling of medical premium reimbursements for survivors of duty-related deaths in LEOFF 2.
- OSA changed its method of updating certain data items that change annually, including the public safety duty-related death lump sum and Washington state average wage. OSA set these values at 2018 and will project them into the future using assumptions until the next Demographic Experience Study in 2025. See leg.wa.gov/osa for more information on this method change.

Actuarial Assumptions - 2019

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2019 with a valuation date of June 30, 2018. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary's (OSA) 2007-2012 Experience Study and the 2017 Economic Experience Study.

Additional assumptions for subsequent events and law changes are current as of the 2018 actuarial valuation report. The TPL was calculated as of the valuation date and rolled forward to the measurement date of June 30, 2019. Plan liabilities were rolled forward from June 30, 2018, to June 30, 2019, reflecting each plan's normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

- **Inflation:** 2.75% total economic inflation; 3.50% salary inflation
- **Salary increases:** In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.4%

Mortality rates were based on the RP-2000 report's Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

NOTE 5 – PENSION PLANS (continued)

There were changes in methods and assumptions since the last valuation.

- OSA updated modeling to reflect providing benefit payments to the date of the initial retirement eligibility for terminated vested members who delay application for retirement benefits.
- OSA updated COLA programming to reflect legislation signed during the 2018 legislative session that provides PERS and TRS Plan 1 annuitants who are not receiving a basic minimum, alternate minimum, or temporary disability benefit with a one-time permanent 1.5% increase to their monthly retirement benefit, not to exceed a maximum of \$62.50 per month.

Discount Rate

The discount rate used to measure the total pension liability for all DRS plans was 7.4 percent.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.4 percent was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on the DRS pension plan investments of 7.4 percent was determined using a building-block-method. In selecting this assumption, the Office of the State Actuary (OSA) reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMA's) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns at various future times.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2020 and June 30, 2019, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB's most recent long-term estimate of broad economic inflation.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

Asset Class	2020 Target Allocation	2020 % Long-Term Expected Real Rate of Return Arithmetic	2019 Target Allocation	2019 % Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	2.20%	20%	2.20%
Tangible Assets	7%	5.10%	7%	5.10%
Real Estate	18%	5.80%	18%	5.80%
Global Equity	32%	6.30%	32%	6.30%
Private Equity	23%	9.30%	23%	9.30%
	100%		100%	

Sensitivity of the Net Pension Liability/(Asset)

The table below presents BFT's 2020 proportionate share of the net pension liability calculated using the discount rate of 7.4 percent, as well as what BFT's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.4 percent) or 1-percentage point higher (8.4 percent) than the current rate.

As of June 30, 2020 (*in Thousands*):

Plan	1% Decrease (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
PERS 1	\$ 5,544	\$ 4,426	\$ 3,451
PERS 2/3	\$ 12,728	\$ 2,046	\$ (6,751)

The table below presents BFT's 2019 proportionate share of the net pension liability calculated using the discount rate of 7.4 percent, as well as what BFT's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.4 percent) or 1-percentage point higher (8.4 percent) than the current rate.

As of June 30, 2019 (*in Thousands*):

Plan	1% Decrease (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
PERS 1	\$ 6,128	\$ 4,893	\$ 3,822
PERS 2/3	\$ 12,020	\$ 1,567	\$ (7,010)

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, and June 30, 2019 BFT reported a total pension liability of \$6.5 million and \$6.5 million, respectively, for its proportionate share of the net pension liabilities as follows (*in Thousands*):

Plan	2020 Liability (or Asset)	2019 Liability (or Asset)
PERS 1	\$ 4,426	\$ 4,893
PERS 2/3	\$ 2,046	\$ 1,567

At June 30, 2020, June 30, 2019, and June 30, 2018 BFT's proportionate share of the collective net pension liabilities was as follows:

Plan	Proportionate Share 6/30/20	Proportionate Share 6/30/19	Proportionate Share 6/30/18	Change in Proportion	
				2019 to 2020	2018 to 2019
PERS 1	0.125358%	0.127247%	0.124894%	(0.001889)%	0.002353%
PERS 2/3	0.159938%	0.161352%	0.158252%	(0.001414)%	0.003100%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the DRS in the *Schedules of Employer and Nonemployer Allocations*.

The collective net pension liability (asset) was measured as of June 30, 2020, and the actuarial valuation date on which the total pension liability (asset) is based was as of June 30, 2019, with update procedures used to roll forward the total pension liability to the measurement date.

Pension Expense

For the year ended December 31, 2020, and December 31, 2019 BFT recognized pension expense as follows (*in Thousands*):

Plan	2020 Pension Expense	2019 Pension Expense
PERS 1	\$ 137	\$ 336
PERS 2/3	280	293
TOTAL	\$ 417	\$ 629

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2020, and December 31, 2019, BFT reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (*in Thousands*):

PERS 1	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -	\$ -	\$ -
Net difference between projected and actual investment earnings on pension plan investments	-	(25)	-	(327)
Changes of assumptions	-	-	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-	-	-
Contributions subsequent to the measurement date	496	-	452	-
TOTAL	\$ 496	\$ (25)	\$ 452	\$ (327)

PERS 2/3	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 732	\$ (256)	\$ 449	\$ (337)
Net difference between projected and actual investment earnings on pension plan investments	-	(104)	-	(2,281)
Changes of assumptions	29	(1,397)	40	(658)
Changes in proportion and differences between contributions and proportionate share of contributions	421	(33)	523	(30)
Contributions subsequent to the measurement date	814	-	737	-
TOTAL	\$ 1,996	\$ (1,790)	\$ 1,749	\$ (3,306)

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 5 – PENSION PLANS (continued)

PERS 1 & 2/3 COMBINED	2020		2019	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 732	\$ (256)	\$ 449	\$ (337)
Net difference between projected and actual investment earnings on pension plan investments	-	(129)	-	(2,608)
Changes of assumptions	29	(1,397)	40	(658)
Changes in proportion and differences between contributions and proportionate share of contributions	421	(33)	523	(30)
Contributions subsequent to the measurement date	1,310	-	1,189	-
TOTAL	\$ 2,493	\$ (1,815)	\$ 2,201	\$ (3,633)

2020 deferred outflows of resources related to pensions resulting from BFT's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. 2019 deferred outflows of resources related to pensions resulting from BFT's contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows (*in Thousands*):

As of December 31, 2020 (*in Thousands*):

Year ended December 31	PERS 1	PERS 2/3
2021	\$ (112)	\$ (752)
2022	\$ (4)	\$ (106)
2023	\$ 34	\$ 133
2024	\$ 57	\$ 265
2025	\$ -	\$ (52)
Thereafter	\$ -	\$ (97)

As of December 31, 2019 (*in Thousands*):

Year ended December 31	PERS 1	PERS 2/3
2020	\$ (72)	\$ (628)
2021	\$ (171)	\$ (1,069)
2022	\$ (61)	\$ (417)
2023	\$ (23)	\$ (176)
2024	\$ -	\$ (43)
Thereafter	\$ -	\$ 40

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 6 – CHANGES IN LONG-TERM LIABILITIES

During the year ended December 31, 2020, the following changes occurred in long-term liabilities (in Thousands):

Description	Balance			Balance Dec 31, 2020	Due Within One Year
	Jan 1, 2020	Additions	Reductions		
Compensated Absences	\$ 1,080	\$ 2,067	\$ 1,715	\$ 1,432	\$ 342
Pension Liability - PERS 1	4,893	484	951	4,426	-
Pension Liability - PERS 2/3	1,567	2,147	1,669	2,045	-
OPEB Liability	3,376	1,311	43	4,644	47
Lease Liability	416	229	27	618	208
Total Long-Term Liabilities:	\$ 11,332	\$ 6,238	\$ 4,405	\$ 13,165	\$ 597

During the year ended December 31, 2019, the following changes occurred in long-term liabilities (in Thousands):

Description	Balance			Balance Dec 31, 2019	Due Within One Year
	Jan 1, 2019	Additions	Reductions		
Compensated Absences	\$ 1,048	\$ 2,002	\$ 1,970	\$ 1,080	\$ 313
Pension Liability - PERS 1	5,578	336	1,021	4,893	-
Pension Liability - PERS 2/3	2,702	646	1,780	1,568	-
OPEB Liability	3,775	334	733	3,376	47
Lease Liability	506	-	90	416	93
Total Long-Term Liabilities:	\$ 13,609	\$ 3,318	\$ 5,594	\$ 11,333	\$ 453

(Also, see Note 1 item 8 – Compensated Absences)

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

	2020	2019
Federal	\$ 2,372	\$ 1,407
State	1,102	137
Total	\$ 3,474	\$ 1,544

Capital contributions include accruals of \$2.6 million in 2020 and \$1.4 million in 2019. BFT received \$0.0 million of 2019 accruals in 2020 leaving \$1.4 million of 2019 accruals outstanding.

NOTE 9 – RISK MANAGEMENT

BFT is a member of the Washington State Transit Insurance Pool (WSTIP). WSTIP is a 25-member self-insurance program located in Olympia, Washington. WSTIP supplies BFT auto liability, general liability, public officials' liability coverage, all risk property coverage, auto physical damage coverage, boiler and machinery coverage, employee fidelity/crime coverage, and cyber liability coverage.

At the end of 2020, BFT retained a \$5,000 deductible for its all-risk property coverage which includes auto physical damage. BFT has a \$5,000 deductible for public official's liability coverage and has no deductible for general and auto liability risks covered by WSTIP.

WSTIP was formed by Interlocal Agreement on January 1, 1989, pursuant to Chapters 48.61 and 39.34 RCW. The purpose for forming WSTIP was to provide member transit agencies joint self-insurance, joint purchasing of insurance and joint contracting for hiring of personnel to provide risk management, claims handling, and administrative services. Transit agencies joining WSTIP must remain members for a minimum of 36 months. Members may withdraw after that time by giving six-month's notice and at the end of the fiscal year. Any member who withdraws will not be allowed to rejoin for a period of 36 months.

Transit authorities applying for membership in WSTIP may do so on approval of a simple majority vote of the WSTIP Board of Directors. Underwriting and rate-setting policies have been established after consultation with actuaries. WSTIP members are subject to a supplemental assessment in the event of deficiencies. If WSTIP's assets were to be exhausted, members would be responsible for WSTIP's liabilities. WSTIP is regulated by the Washington State Risk Manager and audited annually by the Washington State Auditor.

WSTIP utilizes a combination of self-insurance, reinsurance and excess insurance to provide the limits noted in the summary below. Carriers include Government Entities Mutual, Munich Reinsurance America, Hallmark Specialty Insurance Company, and Allied World Assurance Company for the liability lines; Evanston for auto physical damage; American International Group Inc (AIG)/National Union Fire Insurance for the crime policy; and Beazley Cyber Services for the cyber liability policy. The excess property carrier for all risk property and boiler and machinery is Alliant Property Insurance Program provided by Alliant Insurance Services.

In addition to the coverage detailed in the basic Cyber Liability insurance description, BFT has chosen to purchase additional limits. This limit will be in excess to any limit of the basic cyber liability policy and increase the availability of insurance and/or drop down if the basic policy limits, which are shared with all policy holders, are exhausted. The extra limit is not shared with any other policy holder or WSTIP member. BFT elected to purchase \$3 million (in excess of \$2 million).

BFT purchases a Covered Locations Pollution Liability insurance policy. The policy term is from April 4, 2018 to April 4, 2021. The carrier is Beazley Eclipse. The insuring agreement has coverage parts for covered location pollution liability coverage – new pollution conditions, covered

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 9 – RISK MANAGEMENT (continued)

location pollution liability coverage – existing pollution conditions, transportation pollution liability, and non-owned disposal site pollution liability. The policy covers cleanup costs, damages, and claims expenses. The limit of coverage is \$5 million each pollution condition – includes claims expenses with a \$5 million aggregate including claims expenses. BFT has a \$100,000 deductible per pollution condition. Locations must be listed to be covered.

BFT has not presented any claims to WSTIP in either 2020 or 2019 that exceeded its coverage limits through WSTIP.

Following is a summary of coverage provided in 2020:

RISK / EXPOSURE	COVERAGE	DEDUCTIBLE
GENERAL LIABILITY		
Bodily Injury & Property Damage Personal Injury & Advertising Injury Contractual Liability	\$25 million	Per occurrence
Personal Injury and Advertising Injury Contractual liability	\$25 million	Per offense
Vanpool Driver Medical Expense Protection	\$35,000	Per occurrence
Underinsured Motorist Coverage	\$60,000	Per occurrence
PUBLIC OFFICIALS LIABILITY	\$25 million	Per occurrence and aggregate
Endorsement 1 - Per Occurrence and Annual Per Member Aggregate	\$250,000	Per occurrence
* Each member selects the modes which uninsured motorist coverage is applied to.		
PROPERTY COVERAGE		
All perils subject to the following sublimits:	\$500 million	Per occurrence, all perils and insureds/ members combined
Flood zones A & V – annual aggregate	\$10 million	Per occurrence, annual aggregate
All flood zones except A & V – annual aggregate	\$50 million	Per occurrence, annual aggregate
Earthquake, volcanic eruption, landslide, and mine subsidence	\$25 million	Per occurrence, annual aggregate
5% subject to \$500,000 minimum per occurrence per unit		
AUTO PHYSICAL DAMAGE		
Auto Physical Damage (below \$250,000 in value)	Fair market value	\$5,000
Auto Physical Damage for all vehicles with a model year of 2010 or later and valued over \$250,000	Replacement Cost	Limited to \$1.5 million any one vehicle
BOILER AND MACHINERY		
	\$100 million	\$250,000 or \$350,000 depending on size of boiler
CRIME / PUBLIC EMPLOYEE DISHONESTY		
Including faithful performance. (Also includes:)	\$1 million	Per occurrence
Employee theft	\$1 million	Per occurrence
Forgery or alteration	\$1 million	Per occurrence
Theft, disappearance and destruction (inside premises)	\$1 million	Per occurrence
Robbery and safe burglary (inside premises)	\$1 million	Per occurrence
Robbery and safe burglary (outside premises)	\$1 million	Per occurrence
Computer fraud	\$1 million	Per occurrence
Funds Transfer Fraud	\$1 million	Per occurrence
Money orders and counterfeit money	\$1 million	Per occurrence

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 9 – RISK MANAGEMENT (continued)

Summary of coverage provided in 2020: (continued)

CYBER LIABILITY INSURANCE

Breach Response Costs	\$500,000	Limit increases to \$1 million if carrier's nominated service providers are utilized	
<i>First Party Loss</i>			
Business Interruption			
Resulting from Security Breach	\$2 million	Limit to Liability	
Resulting from System Failure	\$500,000	Limit to Liability	
Dependent Business Loss			
Resulting from Security Breach	\$750,000	Limit to Liability	
Resulting from System Failure	\$100,000	Limit to Liability	
Cyber Extortion Loss	\$2 million	Limit to Liability	
Data Recovery Costs	\$2 million	Limit to Liability	
LIABILITY	\$2 million		
Data & Network Liability	\$2 million	Limit to Liability	
Regulatory defense and penalties	\$2 million	Limit to Liability	
Payment Card liabilities & Costs	\$2 million	Limit to Liability	
Media Liability	\$2 million	Limit to Liability	

RISK / EXPOSURE	COVERAGE	DEDUCTIBLE
eCRIME		
Fraudulent Instruction	\$75,000	Limit to Liability
Funds Transfer Fraud	\$75,000	Limit to Liability
Telephone Fraud	\$75,000	Limit to Liability
CRIMINAL REWARD	\$25,000	Limit
COVERAGES ENDORSEMENTS		
Reputation Loss	\$50,000	Limit to Liability
Claims Preparation Costs for Reputation Loss Claims Only	\$50,000	Limit to Liability
Computer Hardware Replacement Costs	\$75,000	Limit to Liability
Invoice Manipulation	\$100,000	Limit to Liability
Cryptojacking	\$25,000	Limit to Liability

POLLUTION LIABILITY INSURANCE

Claims Including Claims Expenses	\$5,000,000	Per Occurance	\$100,000
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Following is a summary of coverage provided in 2019:

RISK / EXPOSURE	COVERAGE	DEDUCTIBLE
GENERAL LIABILITY		
Bodily Injury & Property Damage	\$ 25,000,000	Per occurrence
Personal Injury & Advertising Injury		
Contractual Liability		
Personal Injury and Advertising Injury	\$ 25,000,000	Per offense
Contractual liability		
Vanpool Driver Medical Expense Protection	\$ 35,000	Per occurrence
Underinsured Motorist Coverage	\$ 60,000	Per occurrence
PUBLIC OFFICIALS LIABILITY	\$ 25,000,000	Per occurrence and aggregate
		\$ 5,000

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 9 – RISK MANAGEMENT (continued)

Summary of coverage provided in 2019: (continued)

PROPERTY COVERAGE

All perils subject to the following sublimits:	\$ 500,000,000	Per occurrence, all perils and insureds/ members combined	\$ 5,000
Flood zones A & V – annual aggregate	\$ 10,000,000	Per occurrence, annual aggregate	\$ 500,000
All flood zones except A & V – annual aggregate	\$ 50,000,000	Per occurrence, annual aggregate	\$ 500,000
Earthquake, volcanic eruption, landslide, and mine subsidence --	\$ 25,000,000	Per occurrence, annual aggregate	5% subject to \$500,000 minimum per occurrence per unit

AUTO PHYSICAL DAMAGE

Auto Physical Damage (below \$250,000 in value)	Fair market value	Limited to \$1,350,000 any one vehicle	\$ 5,000
Auto Physical Damage for all vehicles with a model year of 2009 or later and valued over \$250,000	Replacement Cost	Limited to \$1,350,000 any one vehicle	\$ 5,000

BOILER AND MACHINERY

	\$ 100,000,000		\$250,000 or \$350,000 depending on size of boiler
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CRIME / PUBLIC EMPLOYEE DISHONESTY

Including faithful performance. (Also includes:)	\$ 1,000,000	Per occurrence	\$ 10,000
Employee theft	\$ 1,000,000	Per occurrence	\$ 10,000
Forgery or alteration	\$ 1,000,000	Per occurrence	\$ 10,000
Theft, disappearance and destruction (inside premises)	\$ 1,000,000	Per occurrence	\$ 10,000
Robbery and safe burglary (inside premises)	\$ 1,000,000	Per occurrence	\$ 10,000
Robbery and safe burglary (outside premises)	\$ 1,000,000	Per occurrence	\$ 10,000
Computer fraud	\$ 1,000,000	Per occurrence	\$ 10,000
Funds Transfer Fraud	\$ 1,000,000	Per occurrence	\$ 10,000
Money orders and counterfeit money	\$ 1,000,000	Per occurrence	\$ 10,000

CYBER LIABILITY

<i>Third Party Liability</i>	\$ 2,000,000	Maximum limit	\$ 100,000
Breach Response Costs	\$ 500,000	Limit increases to \$1,000,000 if carrier's nominated service providers are utilized	
<i>First Party Loss</i>			
Business Interruption			
Resulting from Security Breach	\$ 2,000,000	Limit to Liability	
Resulting from System Failure	\$ 500,000	Limit to Liability	
Dependent Business Loss			
Resulting from Security Breach	\$ 750,000	Limit to Liability	
Resulting from System Failure	\$ 100,000	Limit to Liability	
Cyber Extortion Loss	\$ 2,000,000	Limit to Liability	
Data Recovery Costs	\$ 2,000,000	Limit to Liability	
LIABILITY			
Data & Network Liability	\$ 2,000,000	Limit to Liability	
Regulatory defense and penalties	\$ 2,000,000	Limit to Liability	
Payment Card liabilities & Costs	\$ 2,000,000	Limit to Liability	
Media Liability	\$ 2,000,000	Limit to Liability	

RISK / EXPOSURE	COVERAGE	DEDUCTIBLE
eCRIME		
Fraudulent Instruction	\$ 75,000 Limit to Liability	
Funds Transfer Fraud	\$ 75,000 Limit to Liability	
Telephone Fraud	\$ 75,000 Limit to Liability	
CRIMINAL REWARD	\$ 25,000 Limit	

POLLUTION LIABILITY INSURANCE

Claims Including Claims Expenses	\$5,000,000	Per Occurrence	\$100,000
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* However, if covered loss exists, WSTIP general liability policy also includes a \$50,000 limit of coverage with no deductible.
As of July 1, 2019, the deductible was lowered to \$5,000.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 10 – LEASES- (LESSEES)

In 2019, BFT implemented GASB 87, Leases. BFT is committed under various leases for space and equipment. The major categories of leases are Park & Ride Lots (4 leases), Buildings (3 leases), Potable Water Coolers, Photocopy & Fax Equipment (9 leases) and Mail Equipment (2 leases). BFT does not acquire any interest in the property. Unless excluded, GASB 87 requires all leases over 12 months in duration are to be accounted for as Intangible Assets with corresponding Liabilities. The initial value of the asset and liability were determined by calculating the present value of the lease payments. Equipment values were calculated using a discount rate of 2.85% and Structure values were calculated using a discount rate of 2.75%. The rates used in the calculations were provided by BFT's bank, U.S. Bank, as the rates that U.S. Bank would charge BFT for financing purchases of similar assets.

Per GASB 87 variable payments based on future performance of the lessee or usage of the underlying asset should not be included in the measurement of the lease liability. Rather, those variable payments are recognized as outflows of resources (expense) in the period in which the obligation for those payments is incurred. BFT has one lease which incorporates variable payments based on usage. That lease is for vehicle tires from Bridgestone Americas Tire Operations, LLC. During 2020 AND 2019 BFT paid Bridgestone \$137.9 thousand and \$150.6 thousand, respectively, for leasing tires.

As of December 31, 2020 and 2019, the outstanding balances of the Lease Assets (net of amortization) & Liabilities by category are (*in Thousands*):

Leases - December 31, 2020		
Category	Net Asset Balance	Liability Balance
Park & Ride Lots	\$91	\$92
Buildings	446	429
Sub-total Structures	537	521
Potable Water Coolers	6	6
Photocopy & Fax Equip.	63	63
Mail Equipment	26	28
Sub-total Equipment	94	97
Total	\$631	\$618

Leases - December 31, 2019		
Category	Net Asset Balance	Liability Balance
Park & Ride Lots	\$111	\$114
Buildings	215	220
Sub-total Structures	325	334
Potable Water Coolers	7	7
Photocopy & Fax Equip.	65	66
Mail Equipment	11	8
Sub-total Equipment	83	82
Total	\$408	\$416

As of December 31, 2020 and 2019, the principal and interest requirements to maturity on the leases are as follows (*in Thousands*):

Leases - 2020			
Year Ended December 31	Debt Service	Interest	Total
2021	\$ 208	\$15	\$223
2022	198	9	207
2023	62	5	66
2024	36	4	40
2025	31	3	33
2026-2030	77	6	84
2031-2035	7	0	7
Total	\$618	\$41	\$659

Leases - 2019			
Year Ended December 31	Debt Service	Interest	Total
2020	\$ 93	\$10	\$103
2021	86	8	94
2022	70	6	75
2023	40	4	44
2024	25	3	28
2025-2029	83	8	91
2030-2034	19	0	19
Total	\$416	\$39	\$455

NOTE 11 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS – NO QUALIFYING TRUST

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB 75 for the years 2020 and 2019 (*in Thousands*):

Aggregate OPEB Amounts – All Plans		
	2020	2019
OPEB liabilities	\$4,644	\$3,376
OPEB assets	\$-0-	\$-0-
Deferred outflows of resources	\$23	\$23
Deferred inflows of resources	\$-0-	\$-0-
OPEB expense	\$1,311	\$ (343)

- a. As a member of the Washington State Public Employees Benefit Board (PEBB) BFT offers employees who retire the option to continue medical coverage on a self-pay basis. BFT’s plan is considered a single-employer defined benefit plan.
- b. The plan is available to non-bargaining employees. The premiums for the retired employees are blended with the rates for active employees. The blending of rates is considered an implicit subsidy paid by BFT. There are no COLAs associated with the plan.
- c. At December 31, 2020 and 2019, the following employees were covered by the benefit terms:

	2020	2019
Inactive employees or beneficiaries currently receiving benefits	12	11
Inactive employees entitled to but not yet receiving benefits	3	4
Active employees	80	79
Total	95	94

- d. The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust.

Assumptions and Other Inputs

The discount rate used in the online tool developed by the Office of the State Actuary was 3.50% for the beginning of the measurement year and 2.21% for the end of the measurement year. Projected salary changes were 3.5% plus service-based increases. Healthcare Trend rates used an initial rate of approximately 7%, trending down to about 5% in 2020. Mortality rates were calculated using the Healthy RP-2000 base mortality table with an age setback of 1 year, mortality improvements of 100% scale BB and a generational projection period. An inflation rate of 2.75% was used. Post-retirement participation percentage was 65% and the percentage with spousal coverage was 45%.

Assumptions for retirement, disability, termination and mortality were based on the 2018 PEBB OPEB Actuarial Valuation Report. Retirement service for each active cohort was based on the average entry age of 35 with years of service being a component of benefit eligibility.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 11 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS – NO QUALIFYING TRUST (continued)

a. The following presents the net OPEB liability (*in Thousands*) of BFT calculated using the current healthcare cost trend rate of 6.8 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.8%) or 1-percentage point higher (7.8%) than the current rate.

	1% Decrease (5.8%)	Current Healthcare Cost Trend Rate (6.8%)	1% Increase (7.8%)
2020 Total OPEB Liability	\$3,731	\$4,644	\$5,868
2019 Total OPEB Liability	\$2,754	\$3,776	\$4,197

b. The following presents the net OPEB liability (*in Thousands*) of BFT calculated using the discount rate of 3.5 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.5%) or 1-percentage point higher (4.5%) than the current rate.

	1% Decrease (2.5%)	Current Discount Rate (3.5%)	1% Increase (4.5%)
2020 Total OPEB Liability	\$5,677	\$4,644	\$3,840
2019 Total OPEB Liability	\$4,077	\$3,776	\$2,826

Changes in the Total OPEB Liability

The schedule of changes in the total OPEB liability follows (*in Thousands*):

PEBB Plan	2020	2019
Total OPEB Liability on January 1st	\$3,376	\$3,775
Service cost	170	182
Interest	123	152
Changes of benefit terms	0	0
Changes in Experience Data and Assumptions	1,018	(677)
Benefit payments	(43)	(56)
Other changes	0	0
Total OPEB Liability on December 31st	\$4,644	\$3,376

a. The Alternative Measurement Method (AMM) was performed with a valuation date of June 30, 2020. The AMM was used to measure the TOL in place of an actuarial valuation.

Ben Franklin Transit
Notes to the Financial Statements
For the Years Ended December 31, 2020 and 2019

NOTE 11 – DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS – NO QUALIFYING TRUST (continued)

- b. The backward projection of the liability reflected the estimated service cost, assumed interest, and expected benefit payments.
- c. There were no changes of benefit terms that affected measurement of the TOL since the prior measurement date.
- d. There were no obligations for the payment of benefits transferred from the employer to one or more insurance companies.
- e. There were no changes between the measurement date of the TOL and the employer's reporting date that are expected to have any effect on the TOL.
- f. The total OPEB expense recognized by BFT in the reporting period was \$1.3 million.
- g. At December 31, 2020, BFT reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (*in Thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -0-	\$-0-
Changes of assumptions	-0-	-0-
Payments subsequent to the measurement date	23	-0-
TOTAL*	\$23	\$-0-

- i. At December 31, 2019, BFT reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (*in Thousands*):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -0-	\$-0-
Changes of assumptions	-0-	-0-
Payments subsequent to the measurement date	23	-0-
TOTAL*	\$23	\$-0-

Deferred outflows of resources of \$23.4 thousand, resulting from payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2021.

NOTE 12 – PRIOR PERIOD ADJUSTMENTS

2020: The prior period adjustment listed on the financial statements was due to the sales tax revenue accrual at the end of 2018 never being adjusted to actual during 2019.

2019: BFT reported no prior period adjustments.

NOTE 13 – COVID-19 PANDEMIC

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of the deadly new virus known as COVID-19. In the months following the declaration, precautionary measures to slow the spread of the virus were ordered. These measures included closing schools, cancelling public events, limiting public and private gatherings, and restricting business operations, travel and non-essential activities.

On March 23, 2020, the Governor issued a Proclamation directing all residents to stay home, “except as needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as the State Public Health Officer may designate as critical...”. Mass Transit was identified as an essential critical subsector and, therefore, BFT continued operations. BFT has adjusted routes and workforce to accommodate this directive and the public’s response to COVID-19.

On April 2, 2020, BFT received notification from the FTA that just under \$19.0 million in additional Grant monies had been allocated to BFT to assist its continuing operations and service to the community during the pandemic.

The length of time these measures will continue to be in place, and the full extent of the financial impact on BFT is unknown at this time. Also unknown is the effect the modification of behavioral and economic activity will have on the collection of Sales Taxes which constitute a significant portion of BFT’s revenues.

NOTE 14 – DEFERRED COMPENSATION PLAN

BFT maintains an Internal Revenue Code (IRC) Section 457 plan for all permanent employees. Section 457 requires that the assets and income of the plans be held in trust for the exclusive benefit of participants and their beneficiaries. Monthly contributions to the plan are deducted from the wages of employees who choose to participate as prescribed by federal law and regulations. The contributions are deposited with a third party in BFT’s name and in trust on behalf of BFT’s employees. BFT has little administrative involvement and does not contribute to nor perform investing functions for this plan, therefore, this plan is not shown in BFT’s financial statements.

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Ben Franklin Transit
 Required Supplementary Information
 For the Year Ended December 31, 2020 and 2019

Schedule of Proportionate Share of the Net Pension Liability
 PERS Plan1
 As of June 30, 2020
 Last 10 Fiscal Years*
 (in Thousands)

	2020	2019	2018	2017	2016	2015	20XX	20XX	20XX	20XX
Employer's proportion of the net pension liability (asset)	0.125358%	0.127247%	0.124894%	0.116013%	0.114841%	0.125862%				
Employer's proportionate share of the net pension liability	\$ 4,426	\$ 4,893	\$ 5,578	\$ 5,505	\$ 6,168	\$ 6,584				
TOTAL	\$ 4,426	\$ 4,893	\$ 5,578	\$ 5,505	\$ 6,168	\$ 6,584				
Covered payroll**	\$ 18,882	\$ 17,701	\$ 16,819	\$ 14,554	\$ 14,312	\$ 14,216				
Employer's proportionate share of the net pension liability as a percentage of covered payroll	23.44%	27.64%	33.16%	37.82%	43.10%	46.31%				
Plan fiduciary net position as a percentage of the total pension liability	68.64%	67.12%	63.22%	61.24%	57.03%	59.10%				

Notes to Schedule:

**Until a full 10-year trend is compiled, only information for those years available is presented.*

GASB 68 was implemented for the 2015 financial statements so only six years of data are available. Up to ten years of history will be presented over time as the data is generated.

*** Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, par. 5).*

Ben Franklin Transit
 Required Supplementary Information
 For the Year Ended December 31, 2020 and 2019

Schedule of Proportionate Share of the Net Pension Liability
 PERS Plan2/3
 As of June 30, 2020
 Last 10 Fiscal Years*
 (in Thousands)

	2020	2019	2018	2017	2016	2015	20XX	20XX	20XX	20XX
Employer's proportion of the net pension liability (asset)	0.159938%	0.161352%	0.158252%	0.146848%	0.143055%	0.158146%				
Employer's proportionate share of the net pension liability	\$ 2,046	\$ 1,567	\$ 2,702	\$ 5,102	\$ 7,203	\$ 5,651				
TOTAL	\$ 2,046	\$ 1,567	\$ 2,702	\$ 5,102	\$ 7,203	\$ 5,651				
Covered payroll**	\$ 18,781	\$ 17,568	\$ 16,765	\$ 14,457	\$ 14,138	\$ 14,043				
Employer's proportionate share of the net pension liability as a percentage of covered payroll	10.89%	8.92%	16.12%	35.29%	50.95%	40.24%				
Plan fiduciary net position as a percentage of the total pension liability	97.22%	97.77%	95.77%	90.97%	85.82%	89.20%				

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

GASB 68 was implemented for the 2015 financial statements so only six years of data are available. Up to ten years of history will be presented over time as the data is generated.

** Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, par. 5).

Ben Franklin Transit
 Required Supplementary Information
 For the Year Ended December 31, 2020 and 2019

Schedule of Employer Contributions
 PERS Plan1
 As of December 31, 2020
 Last 10 Fiscal Years*
 (in Thousands)

	2020	2019	2018	2017	2016	2015	20XX	20XX	20XX	20XX
<u>Statutorily or contractually required contributions</u>	\$ 951	\$ 916	\$ 873	\$ 776	\$ 696	\$ 576				
<u>Contributions in relation to the statutorily or contractually required contributions***</u>	(951)	(916)	(873)	(776)	(696)	(576)				
<u>Contribution deficiency (excess)</u>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
<u>Covered payroll**</u>	\$ 19,777	\$ 18,322	\$ 17,084	\$ 15,755	\$ 14,396	\$ 14,121				
<u>Contributions as a percentage of covered payroll</u>	4.81%	5.00%	5.11%	4.93%	4.83%	4.08%				

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

GASB 68 was implemented for the 2015 financial statements so only six years of data are available. Up to ten years of history will be presented over time as the data is generated.

** Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, par. 5).

*** Contributions are actual employer contributions to the plan. For PERS 1 this includes the portion of PERS 2/3 contributions that fund the PERS 1 UAAL. Contributions do not include employer-paid member contributions (GASB 82, Par. 8)

Ben Franklin Transit
 Required Supplementary Information
 For the Year Ended December 31, 2020 and 2019

Schedule of Employer Contributions
 PERS Plan2/3
 As of December 31, 2020
 Last 10 Fiscal Years*
 (in Thousands)

	2020	2019	2018	2017	2016	2015	20XX	20XX	20XX	20XX
Statutorily or contractually required contributions	\$ 1,564	\$ 1,405	\$ 1,270	\$ 1,086	\$ 888	\$ 840				
Contributions in relation to the statutorily or contractually required contributions**	(1,564)	(1,405)	(1,270)	(1,086)	(888)	(840)				
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Covered payroll*	\$ 19,745	\$ 18,185	\$ 16,975	\$ 15,713	\$ 14,250	\$ 13,945				
Contributions as a percentage of covered payroll	7.92%	7.73%	7.48%	6.91%	6.23%	6.02%				

Notes to Schedule:

*Until a full 10-year trend is compiled, only information for those years available is presented.

GASB 68 was implemented for the 2015 financial statements so only six years of data are available. Up to ten years of history will be presented over time as the data is generated.

** Covered payroll is the payroll on which contributions to a pension plan are based (GASB 82, par. 5).

*** Contributions are actual employer contributions to the plan. For PERS 1 this includes the portion of PERS 2/3 contributions that fund the PERS 1 UAAL. Contributions do not include employer-paid member contributions (GASB 82, Par. 8)

Ben Franklin Transit
 Required Supplementary Information
 For the Year Ended December 31, 2020 and 2019

Schedule of Changes in the Employer's Total OPEB Liability
 OPEB
 As of June 30, 2020
 (in Thousands)

	2020	2019	2018	20XX	20XX	20XX	20XX	20XX	20XX
Total OPEB Liability									
Service Cost	\$ 170	\$ 182	193						
Interest	123	152	139						
Changes in Experience Data and Assumptions	1,018	(677)	(218)						
Changes in Benefit Terms	-	-	-						
Benefit Payments	(43)	(56)	(42)						
Other	-	-	-						
Net Changes in total OPEB Liability	1,268	(399)	72						
Total OPEB Liability - Beginning	3,376	3,775	3,703						
Total OPEB Liability - Ending	4,644	3,376	3,775						
Covered Employee Payroll*	\$ 5,643	\$ 5,184	4,567						
Employer's proportionate share of the net pension liability as a percentage of covered payroll	% 82.30%	% 65.12%	82.66%						

Notes to Schedule:

* Covered Employee Payroll is the payroll of employees who are provided with OPEB through the OPEB plan.

GASB 75 was implemented for the 2018 financial statements so only three years of data are available. Up to ten years of history will be presented over time as the data is generated.

The Alternative Measurement Method (AMM) tool, prepared by the Washington State Office of the State Actuary was used to generate the OPEB information for BFT, relying on inpts from BFT for eligible counts, average ages and covered payroll.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 to pay related benefits.

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Statistical Section

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Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

This part of BFT’s annual comprehensive 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

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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.....76
- Changes in Net Position.....77

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.....78
- Direct and Overlapping Sales Tax Rates.....79

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.....80
- Principal Employers.....81

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.....82

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

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

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

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Net Position										
Invested in capital assets	\$ 36,516	\$ 35,964	\$ 37,143	\$ 27,109	\$ 28,692	\$ 30,351	\$ 26,881	\$ 22,779	\$ 23,518	\$ 26,423
Unrestricted	51,544	43,591	35,128	34,066	29,384	21,985	29,549	26,547	19,319	14,240
TOTAL Net Position	<u>\$ 88,060</u>	<u>\$ 79,555</u>	<u>\$ 72,271</u>	<u>\$ 61,175</u>	<u>\$ 58,076</u>	<u>\$ 52,336</u>	<u>\$ 56,430</u>	<u>\$ 49,326</u>	<u>\$ 42,837</u>	<u>\$ 40,663</u>

Source: Annual Comprehensive Financial Report

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Operating Revenues										
Passenger Fares	\$ 1,029	\$ 3,239	\$ 3,621	\$ 3,841	\$ 3,928	\$ 3,981	\$ 4,220	\$ 3,822	\$ 4,105	\$ 4,246
Other Operating Revenues	150	356	273	593	755	1,246	457	356	800	159
Total Operating Revenues	\$ 1,179	\$ 3,595	\$ 3,894	\$ 4,434	\$ 4,683	\$ 5,227	\$ 4,677	\$ 4,178	\$ 4,905	\$ 4,405
Operating Expenses										
Operations	\$ 24,076	\$ 23,814	\$ 22,890	\$ 22,144	\$ 20,364	\$ 19,255	\$ 19,985	\$ 18,354	\$ 17,552	\$ 17,516
Maintenance	5,548	6,849	6,917	6,434	5,575	5,691	7,199	7,416	7,930	7,105
Administrative Expenses	10,382	7,634	7,111	6,398	5,795	4,819	4,899	4,699	4,035	3,707
Depreciation & Amortization	4,763	4,665	3,787	3,360	3,542	3,802	3,210	3,388	3,996	3,082
Other Operating Expenses	-	-	-	-	-	-	-	-	-	-
Total Operating Expenses	44,769	42,962	40,705	38,336	35,276	33,567	35,293	33,857	33,513	31,410
Operating Income (Loss)	\$ (43,590)	\$ (39,367)	\$ (36,811)	\$ (33,902)	\$ (30,593)	\$ (28,340)	\$ (30,616)	\$ (29,679)	\$ (28,608)	\$ (27,005)
Nonoperating Revenues (Expense)										
Sales Tax	\$ 39,474	\$ 39,312	\$ 36,600	\$ 34,214	\$ 33,218	\$ 30,667	\$ 27,864	\$ 26,650	\$ 25,902	\$ 25,733
Interest Income	236	707	600	316	81	40	18	23	22	25
Lease Interest	(17)	(13)								
Operating Grants	8,928	5,070	4,115	2,000	2,768	193	4,493	7,324	1,983	4,800
Gain (Loss) of Sale of Assets	157	31	96	373	6	113	43	9	(134)	13
Total Nonoperating Revenues (Expense)	\$ 48,778	\$ 45,108	\$ 41,411	\$ 36,903	\$ 36,073	\$ 31,013	\$ 32,418	\$ 34,006	\$ 27,773	\$ 30,571
Net Income (Loss) Before Contributions	\$ 5,188	\$ 5,741	\$ 4,600	\$ 3,002	\$ 5,480	\$ 2,673	\$ 1,802	\$ 4,327	\$ (835)	\$ 3,566
Capital Contributions	3,474	1,544	10,178	2,279	1,382	5,933	5,300	2,162	2,006	893
Net Income (Loss) After Contributions	\$ 8,662	\$ 7,285	\$ 14,778	\$ 5,281	\$ 6,862	\$ 8,606	\$ 7,102	\$ 6,489	\$ 1,171	\$ 4,459

Source: Annual Comprehensive Financial Report

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

TAXABLE SALES BY CATEGORY
Benton County and Franklin County (combined)
2020 - 2011
(in Thousands)

CATEGORY (NAICS version)	CODE	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Retail Trade	<u>44-45</u>	\$ 3,463,325	\$ 3,154,627	\$ 2,944,106	\$ 2,742,707	\$ 2,607,444	\$ 2,448,277	\$ 2,249,885	\$ 2,130,696	\$ 2,020,399	\$ 1,907,943
Agriculture, Forestry, Fishing	<u>11</u>	6,736	5,296	5,352	5,026	4,577	4,506	4,427	5,093	19,902	8,855
Mining	<u>21</u>	1,322	1,270	1,921	843	1,561	1,596	1,045	440	2,030	2,642
Utilities	<u>22</u>	5,501	4,830	3,866	2,994	3,157	3,113	3,103	2,754	2,753	3,770
Construction	<u>23</u>	1,144,108	1,109,425	846,669	826,446	838,873	797,438	663,360	672,974	518,156	554,473
Manufacturing	<u>31-33</u>	138,001	128,202	110,776	91,175	92,698	83,173	84,310	79,589	68,407	81,707
Wholesale Trade	<u>42</u>	472,748	460,516	441,948	440,807	429,692	423,059	393,572	374,469	351,767	369,514
Transportation & Warehousing	<u>48-49</u>	24,544	18,783	17,477	16,612	13,007	11,727	11,074	11,824	13,218	8,777
Information	<u>51</u>	165,961	190,314	191,856	184,150	190,396	187,984	173,402	163,155	152,607	156,319
Finance, Insurance	<u>52</u>	50,985	47,020	51,519	41,545	39,148	30,523	24,640	24,192	23,858	23,827
Real Estate, Rental/Leasing	<u>53</u>	122,790	128,878	130,464	114,655	108,299	115,333	102,696	100,739	96,958	102,274
Professional, Scientific & Technical Svcs	<u>54</u>	125,096	105,748	87,102	94,168	83,982	66,366	66,098	70,350	81,480	72,643
Management, Education & Health Svcs	<u>55-62</u>	246,157	209,109	193,891	127,804	112,511	99,879	92,201	89,172	83,265	101,349
Arts, Entertainment & Recreation	<u>71</u>	29,802	59,364	56,160	48,827	45,945	42,709	39,422	37,477	36,099	30,824
Accommodations & Food Services	<u>72</u>	474,694	602,487	577,421	541,456	501,052	470,265	428,646	402,109	389,513	382,091
Other Services	<u>81</u>	156,872	167,103	159,815	157,044	141,831	138,861	139,635	131,758	108,730	158,414
Public Administration, Other	<u>92,00</u>	2,547	2,419	2,246	4,023	4,174	3,927	3,082	3,322	5,611	1,764
TOTAL TAXABLE SALES		\$ 6,631,189	\$ 6,395,391	\$ 5,822,589	\$ 5,440,282	\$ 5,218,347	\$ 4,928,736	\$ 4,480,598	\$ 4,300,113	\$ 3,974,753	\$ 3,967,186

Notes:

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

Ben Franklin Transit
Statistical Section
For the Years Ended December 31, 2020 and 2019

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 (%)
2020 Benton	0.6	2.1	6.5	8.6
2020 Franklin	0.6	2.1	6.5	8.6
2019 Benton	0.6	2.1	6.5	8.6
2019 Franklin	0.6	2.1	6.5	8.6
2018 Benton	0.6	2.1	6.5	8.6
2018 Franklin	0.6	2.1	6.5	8.6
2017 Benton	0.6	2.1	6.5	8.6
2017 Franklin	0.6	2.1	6.5	8.6
2016 Benton	0.6	2.1	6.5	8.6
2016 Franklin	0.6	2.1	6.5	8.6
2015 Benton	0.6	2.1	6.5	8.6
2015 Franklin	0.6	2.1	6.5	8.6
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 Benton	0.6	1.8	6.5	8.3
2011 Franklin	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 Year Ended December 31, 2020 and 2019

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)
2020	205,700	96,760	302,460	***** DATA NOT YET PUBLISHED *****					8.2%
2019	201,800	94,680	296,480	\$ 9,959,637	\$ 3,742,322	\$ 13,701,959	\$ 49,354	\$ 39,526	5.2%
2018	197,420	92,540	289,960	9,413,380	3,501,343	12,914,723	47,682	37,836	5.6%
2017	193,500	90,330	283,830	8,915,706	4,182,098	13,097,804	46,076	46,298	5.8%
2016	190,500	88,670	279,170	8,657,463	3,133,598	11,791,061	45,446	35,340	6.7%
2015	188,590	87,150	275,740	8,450,529	3,059,575	11,510,104	44,809	35,107	7.1%
2014	186,500	86,600	273,100	7,776,677	2,843,165	10,619,842	41,698	32,831	7.7%
2013	183,400	84,800	268,200	7,451,725	2,668,062	10,119,787	40,631	31,463	9.1%
2012	180,000	82,500	262,500	7,464,960	2,603,288	10,068,248	41,472	31,555	9.5%
2011	177,900	80,500	258,400	7,543,316	2,573,988	10,117,304	42,402	31,975	8.4%

Note:

2020 estimates of Personal Income (In Thousands) and Per Capita are scheduled to be released in November 2021

Sources:

Population data - Washington State Office of Financial Management, Forecasting Division

Personal Income and Per Capita Personal Income data - US Department of Commerce, Bureau of Economic Analysis

Last updated November 16, 2020 - new estimates for 2019; revised estimates for 2011-2018.

All state and local area dollar estimates are in current dollars (not adjusted for inflation).

Unemployment Rates – Average For Year - Washington State Employment Security Department/LMPA; U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Last updated April 7, 2021

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

PRINCIPAL EMPLOYERS
Current Year and 9 Years Ago

Principal Employers:	2020			2011		
	Number of Employees	Rank	Percent of Employment	Number of Employees	Rank	Percent of Employment
PNNL/Battelle	4,700	1	3.52%	4,890	1	4.06%
KADLEC Medical Center	3,674	2	2.75%	2,242	6	1.86%
ConAgra (Lamb Weston)	3,000	3	2.25%	2,498	5	2.07%
Kennewick School District	3,000	3	2.25%	--	-	--
Washington River Protection Solutions	2,971	5	2.23%	1,670	7	1.39%
Mission Support Alliance, LLC	2,240	6	1.68%	1,405	9	1.17%
Pasco School District	2,288	7	1.71%	--	-	--
Richland School District	1,900	8	1.42%	--	-	--
CH2M Hill	1,688	9	1.26%	3,096	3	2.57%
Bechtel National	1,450	10	1.09%	2,897	4	2.40%
Tyson Foods	--	-	--	1,300	10	1.08%
URS-Washington Division	--	-	--	3,400	2	2.82%
Washington Closure Hanford	--	-	--	1,600	8	1.33%
Other	106,558		79.84%	95,476		79.25%
Total Number of Employees	133,469		100%	120,474		100%

Note:

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

Sources:

2020 & 2011 employer information – Tri-City Industrial Development Council (TRIDEC)

Employee workforce – WA Employment Security Department, historical resident labor force and employment (not seasonally adjusted) annual averages

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

SELECTED OPERATING INFORMATION
2020 – 2011
(in Thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
UNLINKED PASSENGER TRIPS										
A. Fixed Route	1,218	2,097	2,033	2,184	2,420	2,652	2,824	2,789	3,009	3,080
Directly Operated	154	299	316	293	308	317	n/a	n/a	n/a	n/a
Purchased Transportation	20	78	76	74	72	70	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	50	108	123	123	n/a	n/a	n/a	n/a
B. Demand Response	174	377	442	475	503	510	496	467	468	469
C. Vanpool	222	653	646	643	709	795	828	862	1,201	1,293
Total	1,614	3,127	3,121	3,302	3,632	3,957	4,148	4,118	4,678	4,842
PASSENGER MILES										
A. Fixed Route	5,129	8,827	8,801	9,195	9,976	10,931	11,648	20,981	22,746	23,258
Directly Operated	1,085	2,212	2,326	2,158	2,485	2,557	n/a	n/a	n/a	n/a
Purchased Transportation	104	616	607	614	613	557	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	377	856	988	638	n/a	n/a	n/a	n/a
B. Demand Response	1,189	2,828	3,310	3,628	4,086	3,752	3,782	2,820	2,785	2,367
C. Vanpool	7,546	21,616	21,326	21,608	22,376	25,387	27,036	27,595	38,780	50,633
Total	13,864	33,271	33,437	34,431	36,438	40,070	42,466	51,396	64,311	76,258
TOTAL ACTUAL MILES										
A. Fixed Route	2,892	2,960	2,682	2,406	2,345	2,331	2,307	2,308	2,310	2,444
Directly Operated	1,418	2,254	2,180	2,125	2,152	2,179	n/a	n/a	n/a	n/a
Purchased Transportation	138	267	292	287	272	257	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	305	644	702	706	n/a	n/a	n/a	n/a
B. Demand Response	1,556	2,521	2,777	3,056	3,126	3,142	3,055	2,832	2,832	2,759
C. Vanpool	1,346	3,502	3,471	3,421	3,516	3,804	4,079	4,047	4,663	5,032
Total	5,794	8,983	8,930	8,883	8,987	9,277	9,441	9,187	9,805	10,235
TOTAL ACTUAL HOURS										
A. Fixed Route	181	185	169	147	140	140	139	140	141	142
Directly Operated	91	136	136	140	138	128	n/a	n/a	n/a	n/a
Purchased Transportation	13	16	17	17	16	15	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	11	23	31	31	n/a	n/a	n/a	n/a
B. Demand Response	104	152	164	180	185	174	170	163	176	168
C. Vanpool	30	80	72	71	78	84	84	88	114	117
Total	315	417	405	398	403	398	393	391	431	427

Notes:

- 1) 2020 data source - BFT
- 2) Data for unlinked passenger trips and passenger miles reflect the National Transit Database (NTD) data for 2019 and years prior and are computed on a statistically sampled basis and subject to statistical variations from year to year.
- 3) Data for total actual miles and hours match the NTD reported data for 2019 and years prior.
- 4) On October 30, 2018 Tri City Taxi ceased operations effectively eliminating BFT's ability to obtain demand response services from external vendors during 2019.

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

SELECTED OPERATING INFORMATION (continued)
2020 – 2011
(in Thousands)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
VEHICLE REVENUE MILES										
A. Fixed Route	2,770	2,823	2,558	2,245	2,161	2,149	2,120	2,118	2,089	2,246
Directly Operated	1,213	1,997	1,963	1,798	1,850	1,878	n/a	n/a	n/a	n/a
Purchased Transportation	130	223	224	223	214	205	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	305	644	702	706	n/a	n/a	n/a	n/a
B. Demand Response	1,343	2,220	2,492	2,665	2,766	2,789	2,712	2,456	2,480	2,503
C. Vanpool	1,346	3,502	3,471	3,421	3,516	3,804	4,034	4,047	4,663	5,032
Total	5,459	8,545	8,521	8,331	8,443	8,742	8,866	8,621	9,232	9,781
VEHICLE REVENUE HOURS										
A. Fixed Route	176	179	164	140	133	132	131	131	133	133
Directly Operated	76	127	127	114	113	107	n/a	n/a	n/a	n/a
Purchased Transportation	12	14	13	13	12	12	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	11	23	31	31	n/a	n/a	n/a	n/a
B. Demand Response	88	141	151	150	156	150	148	138	151	158
C. Vanpool	30	80	72	71	78	84	84	88	114	117
Total	294	400	387	361	367	366	363	357	398	408
TOTAL OPERATING EXPENSES										
A. Fixed Route	\$ 22,530	\$ 19,669	\$ 17,892	\$ 15,423	\$ 13,583	\$ 13,202	\$ 14,017	\$ 13,751	\$ 12,373	\$ 11,731
DEMAND RESPONSE										
Directly Operated	14,102	14,400	13,645	13,201	11,900	11,785	n/a	n/a	n/a	n/a
Purchased Transportation	1,095	1,489	1,448	1,365	1,246	976	n/a	n/a	n/a	n/a
Taxi / Purchased Transportation	-	-	1,127	2,063	2,206	2,366	n/a	n/a	n/a	n/a
B. Demand Response	15,197	15,889	16,220	16,629	15,352	15,127	14,989	13,724	12,998	12,275
C. Vanpool	2,077	2,601	2,466	2,574	2,389	2,442	2,970	2,885	3,152	3,172
Total	\$ 39,804	\$ 38,159	\$ 36,578	\$ 34,626	\$ 31,324	\$ 30,771	\$ 31,976	\$ 30,360	\$ 28,523	\$ 27,178
FARE REVENUE										
A. Fixed Route	\$ 251	\$ 1,069	\$ 1,325	\$ 1,484	\$ 1,317	\$ 1,285	\$ 1,462	\$ 1,278	\$ 1,376	\$ 1,372
B. Demand Response	71	364	411	480	490	486	476	392	413	380
C. Vanpool	706	1,806	1,885	1,878	2,122	2,210	2,282	2,156	2,318	2,493
Total	\$ 1,028	\$ 3,239	\$ 3,621	\$ 3,842	\$ 3,929	\$ 3,981	\$ 4,220	\$ 3,826	\$ 4,107	\$ 4,245

Notes:

1) 2020 data source - BFT

2) Data for revenue miles and hours match the NTD reported data for 2019 and years prior.

3) On October 30, 2018 Tri City Taxi ceased operations effectively eliminating BFT's ability to obtain demand response services from external vendors during 2019.

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

SELECTED OPERATING INFORMATION (continued)
2020 – 2011

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
COST PER PASSENGER MILE										
A. Fixed Route	\$ 4.39	\$ 2.23	\$ 2.03	\$ 1.68	\$ 1.36	\$ 1.21	\$ 1.20	\$ 0.66	\$ 0.56	\$ 0.50
B. Demand Response										
Directly Operated	13.00	6.51	5.87	6.12	4.79	4.61	4.66	6.01	5.66	6.90
Purchased Transportation	10.53	2.42	2.39	2.22	2.03	1.75	1.48	2.27	2.20	2.05
Taxi / Purchased Transportation	-	-	2.99	2.41	2.23	3.71	2.89	3.00	3.01	2.72
Total Demand Response	23.53	8.93	11.24	10.75	9.05	10.07	9.03	11.28	10.87	11.67
C. Vanpool	0.28	0.12	0.12	0.12	0.11	0.10	0.11	0.10	0.08	0.06
COST PER TOTAL ACTUAL MILE										
A. Fixed Route	\$ 7.79	\$ 6.64	\$ 6.67	\$ 6.41	\$ 5.79	\$ 5.66	\$ 6.08	\$ 5.96	\$ 5.51	\$ 4.80
B. Demand Response										
Directly Operated	9.94	6.39	6.26	6.21	5.53	5.41	5.53	5.47	5.03	4.74
Purchased Transportation	7.93	5.58	4.96	4.76	4.58	3.80	3.27	3.41	3.52	3.38
Taxi / Purchased Transportation	-	-	3.70	3.20	3.14	3.35	2.91	3.19	3.27	3.54
Total Demand Response	17.88	11.97	14.91	14.17	13.25	12.56	11.71	12.07	11.82	11.66
C. Vanpool	1.54	0.74	0.71	0.75	0.68	0.64	0.73	0.71	0.68	0.63
COST PER UNLINKED PASSENGER TRIP										
A. Fixed Route	\$ 18.50	\$ 9.38	\$ 8.80	\$ 7.06	\$ 5.61	\$ 4.98	\$ 4.96	\$ 4.93	\$ 4.23	\$ 3.81
B. Demand Response										
Directly Operated	91.57	48.16	43.18	45.05	38.64	37.18	37.21	36.02	32.43	30.07
Purchased Transportation	54.75	19.09	19.05	18.45	17.31	13.94	12.92	13.34	12.97	12.07
Taxi / Purchased Transportation	-	-	22.54	19.10	17.93	19.24	17.23	19.07	20.83	20.97
Total Demand Response	146.32	67.25	84.77	82.60	73.88	70.36	67.36	68.43	66.23	63.11
C. Vanpool	9.36	3.98	3.82	4.00	3.37	3.07	3.59	3.35	2.62	2.45
COST PER TOTAL ACTUAL HOUR										
A. Fixed Route	\$ 124.48	\$ 106.32	\$ 105.87	\$ 104.92	\$ 97.02	\$ 94.30	\$ 100.84	\$ 98.49	\$ 90.33	\$ 82.57
B. Demand Response										
Directly Operated	154.97	105.88	100.33	94.29	86.23	92.07	93.71	91.32	76.62	76.23
Purchased Transportation	84.23	93.06	85.18	80.29	77.88	65.07	56.65	55.39	53.58	50.48
Taxi / Purchased Transportation	-	-	102.45	89.70	71.16	76.32	64.55	69.83	71.53	68.68
Total Demand Response	239.20	198.94	287.96	264.28	235.27	233.46	214.91	216.54	201.73	195.39
C. Vanpool	69.23	32.51	34.25	36.25	30.63	29.07	35.36	32.71	27.66	27.21
FARE REVENUE PER PASSENGER										
All modes combined	\$ 0.64	\$ 1.04	\$ 1.16	\$ 1.16	\$ 1.08	\$ 1.01	\$ 1.02	\$ 0.93	\$ 0.88	\$ 0.88

Notes:

- 1) 2020 data source - BFT
- 2) Data for unlinked passenger trips and passenger miles reflect the National Transit Database (NTD) data for 2019 and years prior and are computed on a statistically sampled basis and subject to statistical variations from year to year.
- 3) Data for total actual and revenue miles and hours match the NTD reported data for 2019 and years prior.
- 4) Fare revenue includes passenger revenue, the sale of maps, and revenue from contracts to provide additional service, advertising revenue and miscellaneous revenue.
- 5) On October 30, 2018 Tri City Taxi ceased operations effectively eliminating BFT's ability to obtain demand response services from external vendors during 2019.

Ben Franklin Transit
Statistical Section
For the Year Ended December 31, 2020 and 2019

SELECTED OPERATING INFORMATION (continued)
2020 – 2011

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
FULL-TIME EQUIVALENT EMPLOYEES										
A. Fixed Route	174.2	180.1	176.3	161.4	115.1	116.1	119.2	120.1	128.7	119.9
B. Demand Response	96.6	141.0	139.5	129.2	101.0	102.0	107.0	105.9	119.4	106.7
C. Vanpool	10.1	11.3	10.3	10.4	9.9	7.9	8.8	10.0	12.0	9.8
Total	<u>280.8</u>	<u>332.5</u>	<u>326.0</u>	<u>301.0</u>	<u>226.0</u>	<u>226.0</u>	<u>235.0</u>	<u>236.0</u>	<u>260.1</u>	<u>236.4</u>
CAPITAL ASSETS - FLEET VEHICLES										
A. Fixed Route	65	72	72	60	63	62	68	69	63	94
B. Demand Response	125	101	123	118	118	123	147	97	108	88
C. Vanpool	272	314	335	347	334	346	386	337	364	353

Notes:

1) 2020 data source – BFT

2) 2019 and years prior data source - NTD

3) Full-Time Equivalent Employees excludes Purchased Transportation

Ben Franklin Transit 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*

Memorandum

Date: August 12, 2021

To: Gloria Boyce, General Manager

From: Jeff Lubeck, Financial Services Director

RE: Resolution 43-2021 Recommending Four Nines Technologies for the Award of the Comprehensive Fare Study Contract

Background

Ben Franklin Transit (BFT) staff received authorization to release the Comprehensive Fare Study request for proposals (RFP) at the February 11, 2021, Board meeting.

The objectives of this Fare Study are to obtain consulting services to:

1. Assess existing fare structure and levels for each type of transit service and make recommendations consistent with applicable laws and regulations.
 - a. Recommendations for fare structure and levels
 - b. Recommend implementation and communication plan
 - c. Recommendations on how to monitor and update over time and update as appropriate.
2. Assess how fare collection technology may impact fare policy and decisions and incorporate recommendations as appropriate into the fare structure and level.

BFT previously has not performed any comprehensive fare studies or assessments. The fare study, including any fare discounts and/or subsidies, will include the following primary tasks:

- A comprehensive analysis assessing fares, including socio-economic impacts that fare increases or decreases may have on different groups to ensure a proper balance between revenue generation and equity can be achieved.
- Forecast of the impacts on ridership by mode of any recommended changes.
- A sensitivity analysis among accessibility, affordability, and equity associated with the fare structure and technology that is being recommended.
- Assessment of how fare collection practices and technology may impact fare policy, if any.

The project is needed now for the following reasons:

- BFT staff reviewed and noted certain inconsistencies in the existing fare policy that resulted from ad hoc changes over many years. Current policy results in charging inconsistent fares between certain geographic areas within BFT's service area, as well as between modes for certain types of trips.

- BFT's fare collection equipment system is substantially out of date. It primarily supports cash fares and paper tickets, and it does not support any form of electronic pass or fare card. The agency has a desire to make changes but, in a manner, consistent with the recommend fare policy.

BFT staff solicited proposals for a consultant to conduct a Comprehensive Fare Study. BFT staff advertised in the Tri-City Herald, BFT's website, Transit Talent, American Public Transportation Association, Seattle Daily journal of Commerce and sent out thirteen (13) requests for proposal packages.

BFT received three (3) proposals and they were all determined to be responsive and responsible. Evaluators rated all three proposals and then selected the highest two consultants for oral interviews and further evaluations. The top two consultants were selected for interviews and Four Nines Technologies, Inc., based in Corte Madera, CA, received the highest rating from the evaluators.

FIRST ROUND OF EVALUATIONS (POSSIBLE POINTS 100)		
CONTRACTOR	Evaluation Points	Cost Proposal
Four Nines Technologies	83.33	\$155,750
Hatch LTK	81.66	\$104,749
Nelson/Nygaard	66	\$89,573

SECOND ROUND OF EVALUATIONS (INCLUDES ORAL PRESENTATIONS WORTH 20 POINTS, TOTAL POSSIBLE POINTS 120)		
CONSULTANT	Oral Interview Points	Total Points (includes 1st round and 2nd round evaluations)
Four Nines Technologies	14.66	83.33 + 14.66 = 98
Hatch LTK	13.33	81.66 + 13.33 = 95

RFP included optional Task Order for additional work related to the Comprehensive Fare Study. Optional additional work up to \$20,000 would be based on rates listed in the consultants cost proposal and be negotiated individually that would be approved by the General Manager.

Funding

Budgeted: Yes

Budget Source: Operating

Funding Source: Local Funds

Recommendation

Staff's recommendation is to award the Comprehensive Fare Study Contract to Four Nines Technologies

Forward as presented:

Gloria Boyce, General Manager

BEN FRANKLIN TRANSIT

RESOLUTION 43-2021

A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A CONTRACT FOR COMPREHENSIVE FARE STUDY WITH FOUR NINES TECHNOLOGIES

- WHEREAS, BFT is in the need for a Comprehensive Fare Study; and
- WHEREAS, staff advertised and requested proposals for the Comprehensive Fare Study; and
- WHEREAS, three proposals were received and determined to be responsive and responsible. The proposals were evaluated, and the highest rated firm is Four Nines Technologies: and
- WHEREAS, funding for Comprehensive Fare Study will be provided by local funding from the Operating Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE BEN FRANKLIN TRANSIT BOARD OF DIRECTORS THAT:

The General Manager is authorized to enter into Contract #1303 with Four Nines Technologies in the amount of \$155,750, with up to \$20,000 for optional additional work related to the Comprehensive Fare Study.

APPROVED AT A REGULAR TRANSIT BOARD OF DIRECTORS MEETING held Thursday, August 12, 2021, at 1000 Columbia Park Trail, Richland, Washington.

ATTEST:

Janet Brett, Clerk of the Board

Richard Bloom, Chairman

APPROVED AS TO FORM BY:

Jeremy Bishop, Legal Counsel

Memorandum

Date: May 26, 2021

To: Gloria Boyce, General Manager

From: Wendi Warner, Director of Human Resources and Labor Relations

RE: **Resolution 44-2021: Adopt the Revised Equal Employment Opportunity Policy.**

Background

Ben Franklin Transit's (BFT) Equal Employment Opportunity Policy, Policy # 3000, was implemented June 10, 1999, the purpose of which was to reaffirm the Agency's position regarding non-discrimination in all matters relating to employment throughout the organization.

BFT's staff has revised the policy and renumbered it as Policy HR-110. The revised policy now includes a statement on Diversity, Inclusion, and Equity, which was absent from the previous version. The new policy also references the EEO Complaint Form (Appendix A) which was not included in the previous version.

The revised policy has been reviewed to ensure full compliance with federal, state, and local laws.

Economic Impact

These changes serve to provide clarification for the approved practices which are currently established at the Agency and have no direct economic impact.

Funding

Budgeted: N/A

Budget Source: N/A

Funding Source: N/A

Recommendation

Adopt policy HR-110, Equal Employment Opportunity Policy, with revised content.

Forwarded as presented:

Gloria Boyce, General Manager

BEN FRANKLIN TRANSIT

RESOLUTION 44-2021

A RESOLUTION AUTHORIZING THE BEN FRANKLIN TRANSIT BOARD OF DIRECTORS TO ADOPT THE REVISED EQUAL EMPLOYMENT OPPORTUNITY POLICY

WHEREAS, The Equal Employment Opportunity Policy serves to reaffirm the Agency's position regarding equal employment opportunity and non-discrimination in all matters relating to employment throughout the organization, and to convey the Agency's values regarding Diversity, Inclusion, and Equity; and

WHEREAS, The existing EEO Policy #3000 did not feature a clause on Diversity, Inclusion, and Equity; and

WHEREAS, The EEO Policy has been revised; and

WHEREAS, The revised policy is in compliance with federal, state, and local laws,

NOW, THEREFORE, BE IT RESOLVED BY THE BEN FRANKLIN TRANSIT BOARD OF DIRECTORS THAT:

1. The revised Equal Employment Opportunity Policy, HR-110, is hereby approved.

APPROVED AT A REGULAR BEN FRANKLIN TRANSIT BOARD OF DIRECTORS meeting held Thursday, August 12, 2021; 1000 Columbia Park Trail, Richland, Washington.

ATTEST:

Janet Brett, Clerk of the Board

Richard Bloom, Chairman

APPROVED AS TO FORM BY:

Jeremy J. Bishop, Legal Counsel



Policy Number:	HR-110	PURPOSE: The purpose of this policy is to reaffirm the Agency’s position regarding equal employment opportunity and non-discrimination in all matters relating to employment throughout the organization, and to convey the Agency’s values regarding diversity, inclusion, and equity.
Section:	HUMAN RESOURCES	
Effective:	06.10.1999	
Reference:	3000, 4704.1, III-1	
General Manager Approval:		
Revision Number	Effective Date	Description of Change
NEW	06.10.1999	Initial Adoption (new policy)
N/A	05.19.2021	Policy number updated from 3000 to HR-110. No change to content.
	XXX	Revision

1. Policy

Equal Employment Opportunity/Non-Discrimination

Ben Franklin Transit believes that all persons are entitled to equal employment opportunities provided they meet the qualifications and requirements for the job.

BFT provides equal employment opportunities to all employees and applicants for employment and prohibits discrimination with regard to race, color, creed, religion, sex (including pregnancy, sex stereotyping, gender identity, gender expression or transgender status), national origin, sexual orientation, physical or mental disability, age, protected genetic information, status as a parent, marital status, political affiliation or protected veteran’s status, or any other characteristic protected by federal, state or local laws. This policy applies to all terms and conditions of employment.

Diversity, Inclusion and Equity

BFT values its team members and fosters collaborative teamwork by encouraging all employees to contribute individually and cooperatively to the success of the Agency. We accomplish this through the promotion of a workplace culture based on inclusion and diversity where employees are valued, respected, accepted and urged to fully participate in the organization.

BFT aims to strengthen our team member’s dedication to the agency’s mission, and to foster interactions that exhibit professional regard and comradery. By promoting principles and practices that value individuals while upholding the virtues of diversity, inclusion, and equity, BFT advances our workplace culture of mutual respect and courtesy among team members, which in turn contributes to the safe, efficient, and gracious service to our community at large.

2. Definitions

Employment Relationship

BFT's policy of non-discrimination prevails throughout every scope and aspect of the employment relationship. Employment relationship activities include but are not limited to recruitment, selection, placement, training, compensation, promotion, transfer, performance assessment, career-development opportunities, recognition, layoff, recall and termination.

3. Responsibility

EEO Officer/Human Resources Director

The Human Resources Director has been assigned the responsibility as EEO Officer for the Agency and is responsible to ensure that all phases of personnel administration are in harmony with this policy and that periodic reviews are conducted to evaluate progress and compliance with the policy.

Directors & Managers

All Directors and Managers are responsible to ensure compliance with this policy for employment activities within their jurisdiction and are expected to demonstrate leadership in supporting BFT's EEO policy by taking steps to promote equal employment opportunity in all facets of employment. Directors and Managers will be evaluated to ensure the success of the EEO program and policy compliance for their areas.

All BFT Employees

All employees, including managers and staff, must take responsibility for reporting and addressing discriminatory conduct and preventing all types of discrimination, including workplace harassment.

4. Complaints

Employees who have complaints of discrimination or harassment should promptly report such conduct. Employees may use the EEO Complaint Form if they choose. Complaints should be directed to any one or more of the following members of BFT management:

1. The Manager of their Division
2. The Assistant Director or Director of their Department
3. The Human Resources Manager
4. The Director of Human Resources & Labor Relations who is the Agency's designated Equal Employment Opportunity Officer. The EEO Officer reports to the General Manager.

If the employee feels that a report of discrimination or harassment to any one of these individuals is inappropriate, he or she should report such conduct directly to the General Manager. Employees will not suffer retaliation for reporting such concerns.

5. Investigations

BFT's EEO Officer or designee will promptly investigate reports of discrimination and report these findings to the General Manager within 21 working days. All reports, investigatory information and conclusions will remain confidential to the extent possible to effectively address the nature and extent of the complaint.

BFT may promote the use of alternative dispute resolution methods to resolve workplace disputes and informal EEO complaints. Managers are required to participate in agency-approved Alternative Dispute Resolution efforts to resolve informal EEO complaints absent extraordinary circumstances as determined by the General Manager.

6. Prohibition Against Retaliation

Retaliation

Retaliation against any individual who files a charge or complaint of discrimination, or who participates in an employment discrimination proceeding such as an investigation or lawsuit, or otherwise engages in such related protected activity is strictly prohibited.

Corrective Action

BFT considers discrimination, harassment, and any act of retaliation to be offenses for which discipline, including immediate termination is warranted. Where any investigation by the Agency confirms evidence of discrimination or retaliation, appropriate corrective action will be taken.

REFERENCES

Appendix A: EEO Complaint Form



**BEN FRANKLIN TRANSIT
EEO COMPLAINT FORM**

NAME:

ADDRESS:

PHONE NUMBERS:

EMAIL:

**SUBJECT OF THE COMPLAINT
(A COMPANY OR PERSON):**

DATE CONDUCT OCCURRED:

WITNESS NAME, PHONE:

WITNESS NAME, PHONE:

BASIS OF COMPLAINT (CHECKLIST BELOW):

REASON:

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Race

Color

Sex

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Age Ethnicity

Nat'l Origin

<input type="checkbox"/>
<input type="checkbox"/>
<input type="checkbox"/>

Disability

Retaliation

Religion

<input type="checkbox"/>

Other

DESCRIPTION OF WHAT HAPPENED:

DOCUMENTS YOU WOULD LIKE US TO CONSIDER:

EMPLOYEE SIGNATURE:

TODAY'S DATE:

RECEIVED BY BFT:

Please submit this complaint to the EEOO/HR Manager at Ben Franklin Transit and it will be investigated.

Mail: 1000 Columbia Park Trail, Richland, WA 99352

Fax: 509-735-4392

Email: HR@BFT.org

Thank you.



Policy Number:	HR-110	PURPOSE: The purpose of this policy is to reaffirm Ben Franklin Transit's position regarding non-discrimination in all matters relating to employment throughout the organization.
Section:	HUMAN RESOURCES	
Effective:	08.06.2011	
Reference:	Policy 3000	
General Manager Approval:		
Revision Number	Effective Date	Description of Change
NEW	08.06.2011	Initial Adoption (new policy)
N/A	06.02.2021	Policy number updated from 3000 to HR-110. No change to content.

1. Policy

Ben Franklin Transit (BFT) believes that all persons are entitled to equal employment opportunity and does not discriminate against its employees or applicants because of race, color, creed, religion, national origin, age, sex, physical or mental disability or veterans' status, provided they are qualified and meet the requirements established by BFT for the job.

2. Responsibility

2.1 The Human Resources Manager has been assigned the responsibility of ensuring that all phases of personnel administration are in harmony with this policy and that periodic reviews are completed to measure progress and compliance with the policy.

2.2 The responsibility for administering and complying with this policy has been delegated to the managers with respect to employees within their jurisdiction. The performance by managers and supervisors will be evaluated on the success of the Equal Employment Opportunity (EEO) program the same way as their performance on the other company goals.

3. Scope of Employment Relationship

BFT's policy of non-discrimination must prevail throughout every aspect of the employment relationship, including recruitment, selection, placement, training, compensation, promotion, transfer, layoff, recall and termination.

4. Complaints

4.1 Employees who have complaints of discrimination should report such conduct to any one or more of the following members of management: Their immediate supervisor, the Department Manager, or the Human Resources Manager who is BFT's designated EEO Project Manager. The EEO Project Manager reports to the General Manager. If the employee feels that a report of discriminations to any one of these individuals is inappropriate, he or she should report such

conduct to the Human Resources Specialist who will report the activities to the General Manager. Employees will not suffer retaliation for reporting such concerns.

- 4.2 BFT's EEO representative will promptly investigate reports of discrimination and report these findings to the General Manager within 15 working days. BFT considers discrimination to be an offense for which discipline, including immediate termination, is warranted. Where any investigation by BFT confirms the allegations of discrimination, appropriate corrective action will be taken.

Memorandum

Date: June 11, 2021

To: Gloria Boyce, General Manager

From: Jeff Lubeck, Director of Administrative Services

RE: Accept the Washington State Transit Insurance Pool (WSTIP) 2020 Annual Report and Ben Franklin Transit Risk Profile

Background

The Washington State Transit Insurance Pool (WSTIP) provides transit insurance to Washington State public transit agencies. WSTIP is an unincorporated, not-for profit, local government risk sharing pool. WSTIP has the authority to self-insure pursuant to RCW 48.62. WSTIP provides public transit agency members with the benefits of combined resources to self-insure, to purchase excess insurance, to manage claims and litigation, and receive risk management and training. They are a risk pool motivated by a commitment to provide safe, cost-effective public transit services.

WSTIP has provided Ben Franklin Transit (BFT) with the BFT Risk Profile (Attachment A) as well as the WSTIP 2020 Annual Report (Attachment B). The Annual Report reviews the financial results for 2020 as well as highlighting the other activities WSTIP completed during the year.

The 2020 Risk Profile report is a summary of BFT's claims costs in 2020 in comparison to the six other large agencies in the state. Below is a summary of the Loss Rate for the four major vehicle classes. The Loss Rate is defined as:

“...a financial figure determined by taking the financial loss data (paid losses plus reserves) for a mode, multiplied by 1,000 miles and divided by the actual miles traveled by that mode. The result is a dollar amount of incurred losses per 1,000 miles traveled.”

The Loss Rate is a function of both the number of claims filed (“Loss Frequency”) and the average dollar amount of each loss (“Loss Severity”). The loss value is comprised of both current year claims plus adjustments to estimates (but increases and decreases) for claims made in prior years that still have not been settled.

Claims Summary by Mode for 2020

Following is a brief summary from the report as it relates to BFT. Additional details and charts are included in the 2020 Risk Profile Report (Attachment A).

- The overall Loss Rate for Fixed Route is lower than the average for all large transits covered by the pool in Washington. The Loss Frequency was substantially below average while the Loss Severity was higher.
- The overall Loss Rate for Dial-A-Ride is higher than the average for all large transits covered by the pool in Washington. The Loss Frequency was substantially below average while the Loss Severity was higher.
- The overall Loss Rate for Vanpool is substantially lower than the average for all large transits covered by the pool in Washington. Both the Loss Frequency and Loss Severity were substantially below average.
- The overall Loss Rate for Administrative/Maintenance vehicles is substantially lower than the average for all large transits covered by the pool in Washington. Both the Loss Frequency and Loss Severity were substantially below average.

The following charts show the overall Loss Rate for each major vehicle class

For the years 2015 - 2019

Fixed Route

Ben Franklin had capped losses of \$486,760, traveled 13,052,641 miles, equating to an average loss rate of \$37.29 per 1,000 miles traveled.

Loss Rate Formula	
486,760	x 1,000

13,052,641	= \$ 37.29

The WSTIP combined average loss rate was \$38.05.

Ben Franklin's loss rate is 2% less than the WSTIP average.



For the years 2015 - 2019

Paratransit / Demand Response

Ben Franklin had capped losses of \$623,721, traveled 12,073,511 miles, equating to an average loss rate of \$51.66 per 1,000 miles traveled.

Loss Rate Formula	
623,721	x 1,000

12,073,511	= \$ 51.66

The WSTIP combined average loss rate was \$36.60.

Ben Franklin's loss rate is 41% more than the WSTIP average.



For the years 2015 - 2019

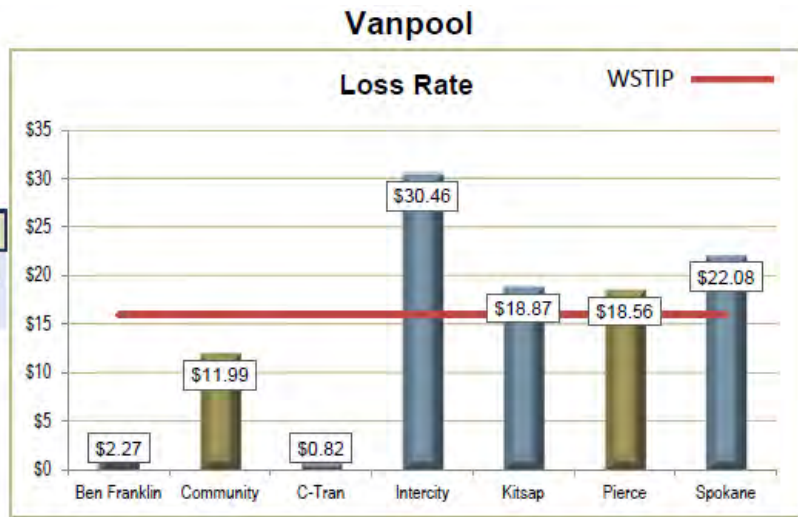
Ben Franklin had capped losses of \$41,545, traveled 18,327,159 miles, equating to an average loss rate of \$2.27 per 1,000 miles traveled.

Loss Rate Formula	
41,545	x 1,000

18,327,159	= \$ 2.27

The WSTIP combined average loss rate was \$15.99.

Ben Franklin's loss rate is 86% less than the WSTIP average.



For the years 2015 - 2019

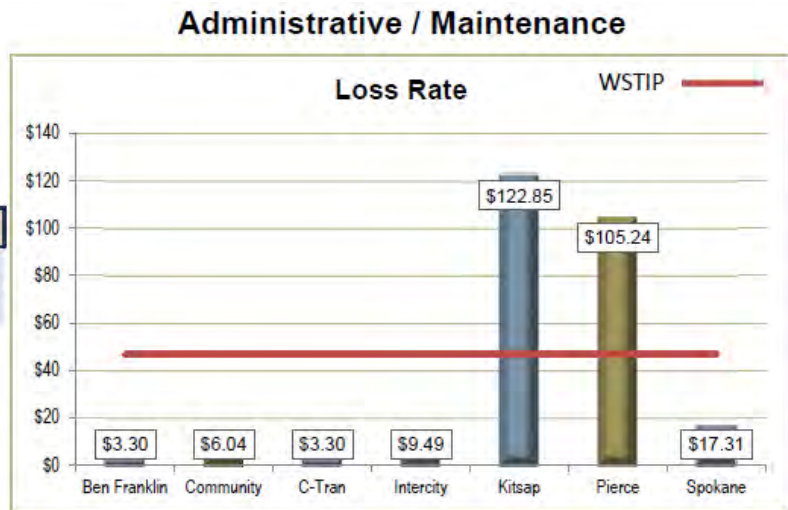
Ben Franklin had capped losses of \$4,910, traveled 1,488,455 miles, equating to an average loss rate of \$3.30 per 1,000 miles traveled.

Loss Rate Formula	
4,910	x 1,000

1,488,455	= \$ 3.30

The WSTIP combined average loss rate was \$46.86.

Ben Franklin's loss rate is 93% less than the WSTIP average.



Recommendation

Staff recommends the Board accept the Washington State Transit Insurance Pool 2020 Annual Report and BFT Risk Profile.

Forward as presented:

Gloria Boyce, General Manager

2020

RISK PROFILE

WASHINGTON STATE
TRANSIT INSURANCE POOL



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Scan the QR code to order additional printed copies of this Risk Profile.



Ben Franklin Transit



About This Report

The following statistical information provides a comparison of your transit agency's operational performance to other transit agencies of similar size and to the Washington State Transit Insurance Pool (WSTIP) as a group. The comparison will be of the fixed route, paratransit / demand response, vanpool modes and administrative & maintenance utilization for the years 2015 - 2019 with financial information presented as of 12/31/2020.

The loss data used in this report represents auto liability claims information only. No credit was given for deductibles or other recoveries. A claim is counted as a claim when an actual claim for damages was filed regardless if any money was paid (denied claims are counted as claims). Claim counts were not capped per event. The financial loss data used is capped, utilizing individual caps based on each agency's size. This is the same financial loss cap utilized for determining member rates.

Your losses are capped at \$100,000 or \$250,000. The loss groups are:

\$100,000 Cap: Ben Franklin, C-Tran, Intercity, Kitsap and Spokane.

\$250,000 Cap: Community and Pierce.

\$100,000



\$250,000



About the Graphs

For completeness, graphs have been prepared to include all agencies in your group.

If an agency doesn't have the mode being graphed the agency name will be listed but with no values shown.

Loss Rate

is a financial figure determined by taking the financial loss data (paid losses plus reserves) for a mode, multiplied by 1,000 miles and divided by the actual miles traveled by that mode. The result is a dollar amount of incurred losses per 1,000 miles traveled.

Loss Rate Formula			
Losses Capped	x	1,000 Miles	= Loss Rate
Miles Traveled			

Loss Frequency

is the number of claims experienced for a mode, divided by the actual miles traveled by that mode and multiplied by 100,000 miles. The result is the number of claims incurred per 100,000 miles traveled.

Loss Frequency Formula			
Number of claims	x	100,000 Miles	= Loss Frequency
Miles Traveled			

Loss Severity

is a financial figure determined by taking the financial loss data (paid losses plus reserves) for a mode, divided by the number of claims experienced for that mode. The result is a dollar amount reflecting the average financial loss of a claim for that mode.

Loss Severity Formula		
Losses Capped	=	Loss Severity
Number of claims		

For the years 2015 - 2019

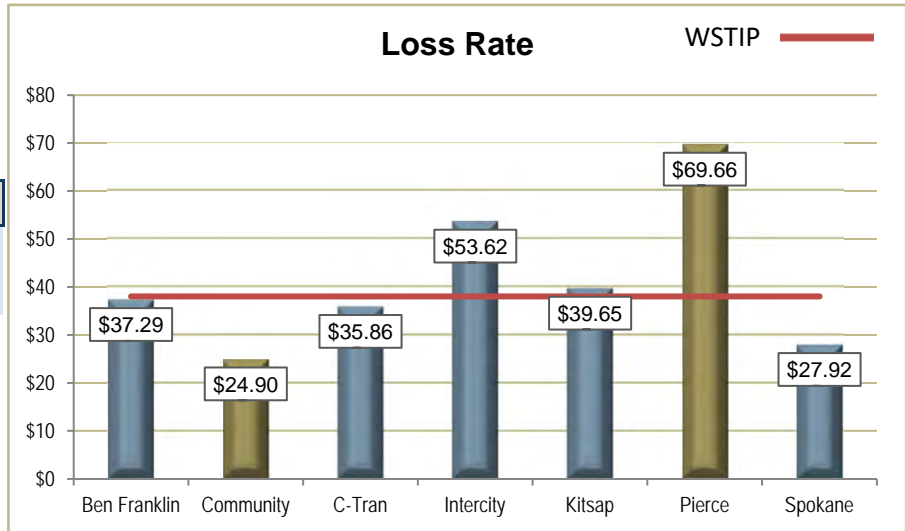
Fixed Route

Ben Franklin had capped losses of \$486,760, traveled 13,052,641 miles, equating to an average loss rate of \$37.29 per 1,000 miles traveled.

Loss Rate Formula	
$\frac{486,760}{13,052,641} \times 1,000$	= \$ 37.29

The WSTIP combined average loss rate was \$38.05.

Ben Franklin's loss rate is 2% less than the WSTIP average.

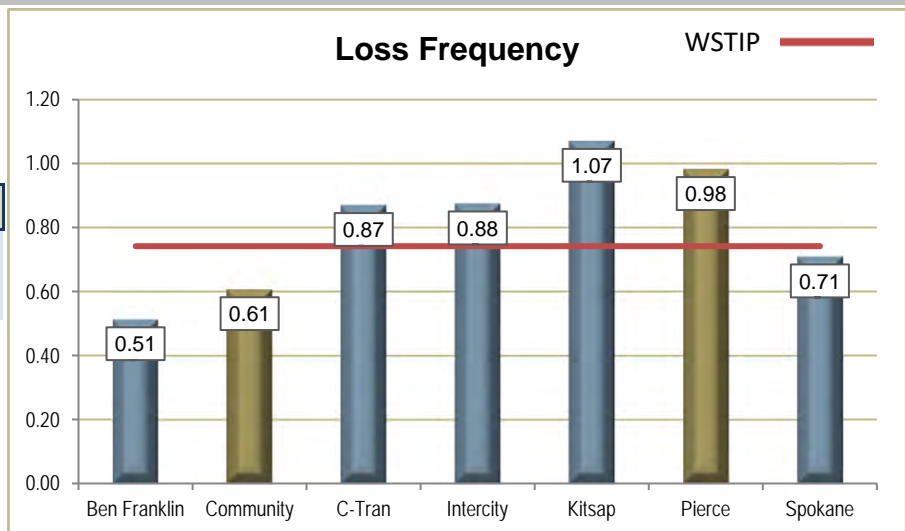


Ben Franklin had 67 claims, traveled 13,052,641 miles, equating to an average loss frequency of 0.51 claims incurred per 100,000 miles traveled.

Loss Frequency Formula	
$\frac{67}{13,052,641} \times 100,000$	= 0.51

The WSTIP combined average loss frequency was 0.74.

Ben Franklin's loss frequency is 31% less than the WSTIP average.

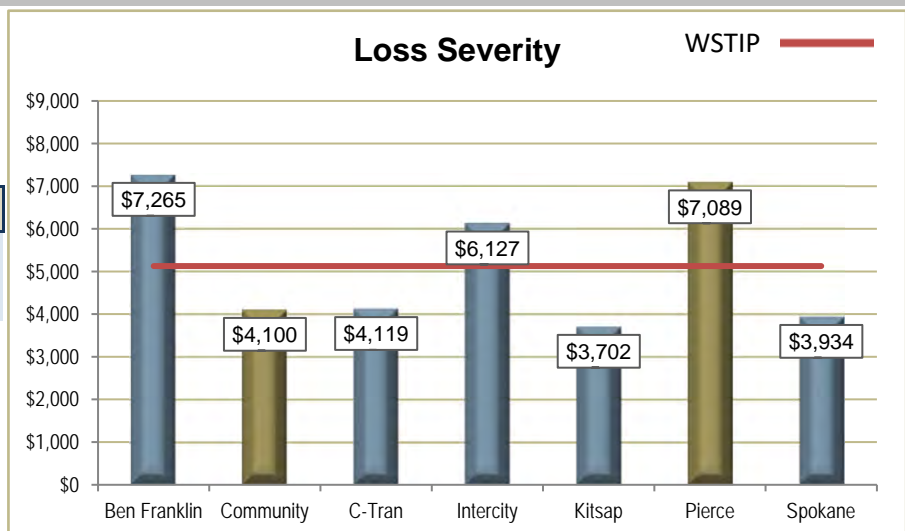


Ben Franklin had capped losses of \$486,760 and had 67 claims, equating to an average loss severity of \$7,265 per claim made.

Loss Severity Formula	
$\frac{486,760}{67}$	= \$ 7,265

The WSTIP combined average loss severity was \$5,129.

Ben Franklin's loss severity is 42% more than the WSTIP average.



For the years 2015 - 2019

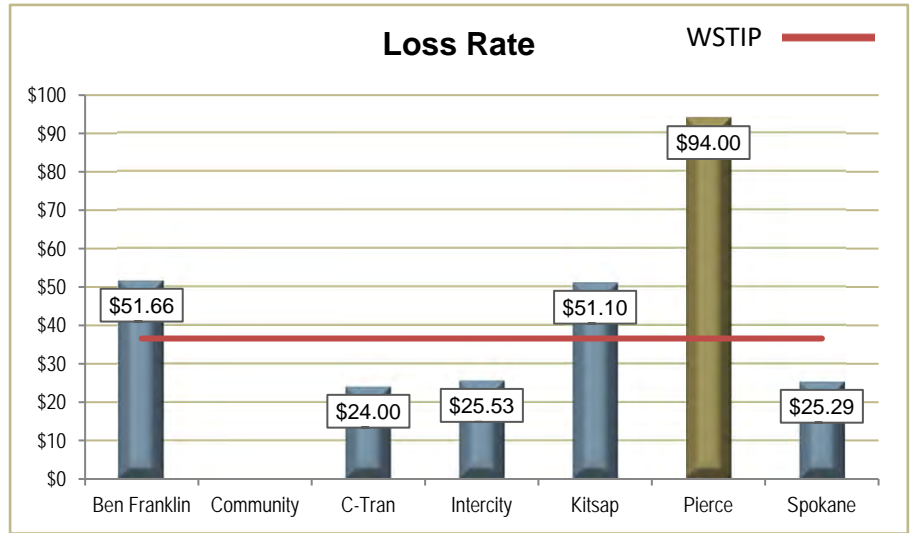
Paratransit / Demand Response

Ben Franklin had capped losses of \$623,721, traveled 12,073,511 miles, equating to an average loss rate of \$51.66 per 1,000 miles traveled.

Loss Rate Formula	
$\frac{623,721}{12,073,511} \times 1,000$	= \$ 51.66

The WSTIP combined average loss rate was \$36.60.

Ben Franklin's loss rate is 41% more than the WSTIP average.

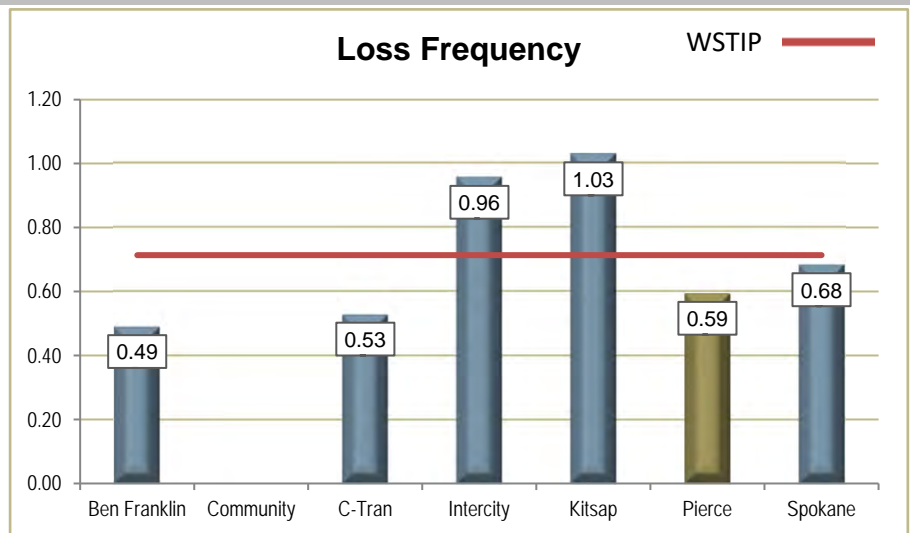


Ben Franklin had 59 claims, traveled 12,073,511 miles, equating to an average loss frequency of 0.49 claims incurred per 100,000 miles traveled.

Loss Frequency Formula	
$\frac{59}{12,073,511} \times 100,000$	= 0.49

The WSTIP combined average loss frequency was 0.71.

Ben Franklin's loss frequency is 32% less than the WSTIP average.

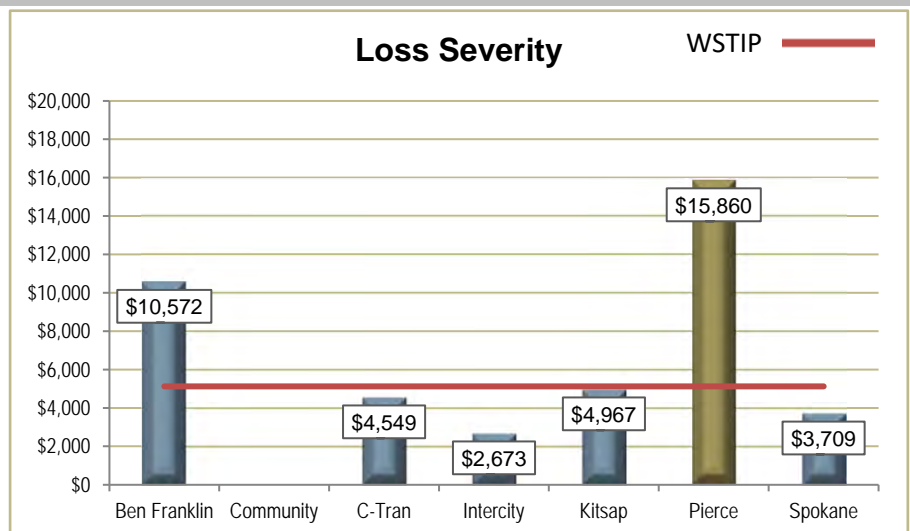


Ben Franklin had capped losses of \$623,721 and had 59 claims, equating to an average loss severity of \$10,572 per claim made.

Loss Severity Formula	
$\frac{623,721}{59}$	= \$ 10,572

The WSTIP combined average loss severity was \$5,126.

Ben Franklin's loss severity is 106% more than the WSTIP average.



For the years 2015 - 2019

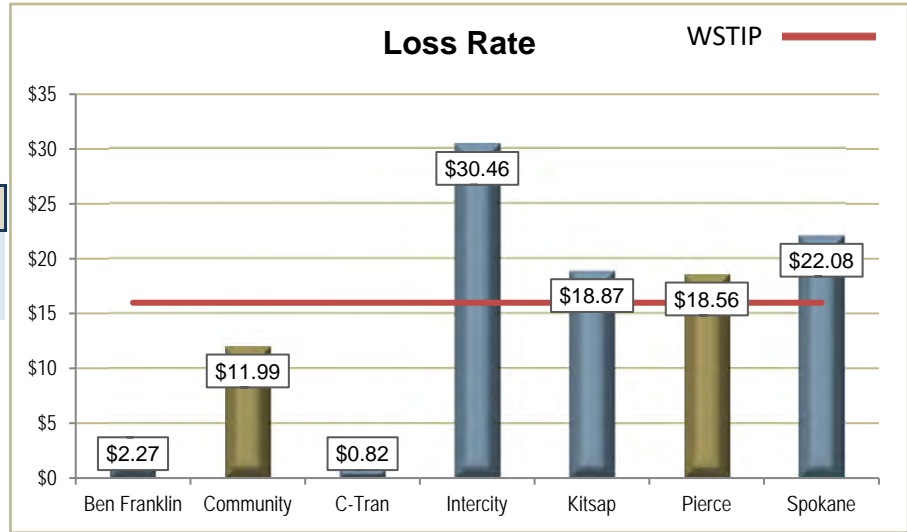
Ben Franklin had capped losses of \$41,545, traveled 18,327,159 miles, equating to an average loss rate of \$2.27 per 1,000 miles traveled.

Loss Rate Formula	
$\frac{41,545}{18,327,159} \times 1,000$	= \$ 2.27

The WSTIP combined average loss rate was \$15.99.

Ben Franklin's loss rate is 86% less than the WSTIP average.

Vanpool

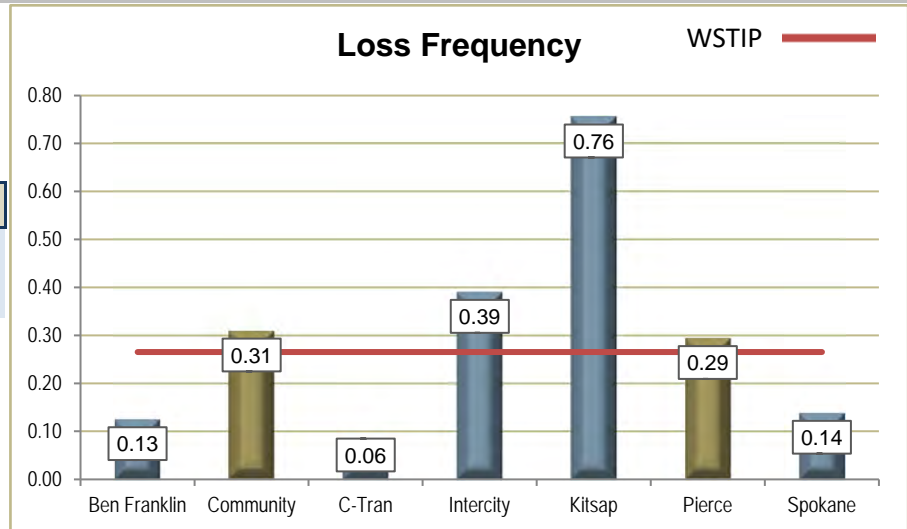


Ben Franklin had 23 claims, traveled 18,327,159 miles, equating to an average loss frequency of 0.13 claims incurred per 100,000 miles traveled.

Loss Frequency Formula	
$\frac{23}{18,327,159} \times 100,000$	= 0.13

The WSTIP combined average loss frequency was 0.27.

Ben Franklin's loss frequency is 53% less than the WSTIP average.

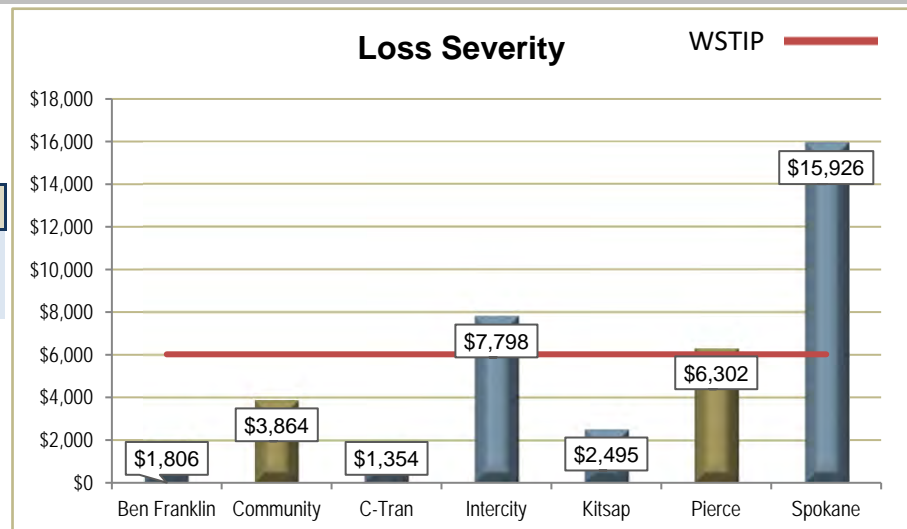


Ben Franklin had capped losses of \$41,545 and had 23 claims, equating to an average loss severity of \$1,806 per claim made.

Loss Severity Formula	
$\frac{41,545}{23}$	= \$ 1,806

The WSTIP combined average loss severity was \$6,025.

Ben Franklin's loss severity is 70% less than the WSTIP average.



For the years 2015 - 2019

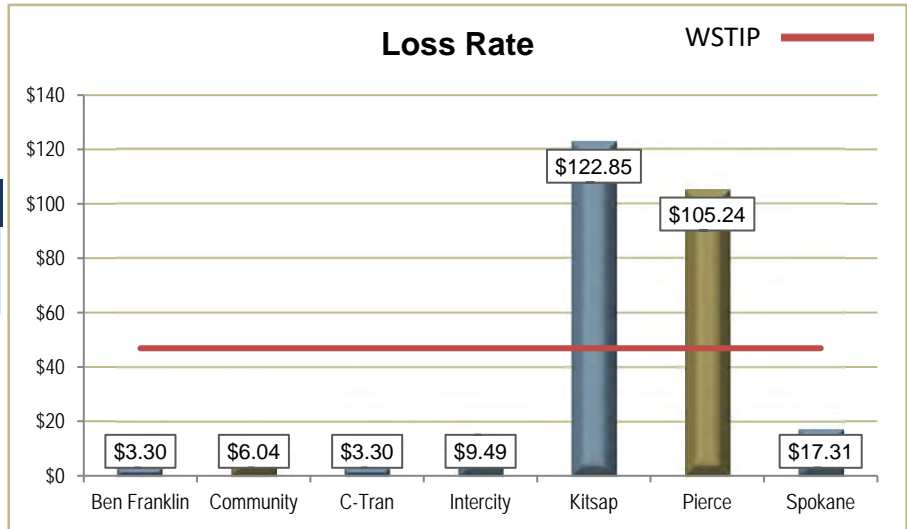
Administrative / Maintenance

Ben Franklin had capped losses of \$4,910, traveled 1,488,455 miles, equating to an average loss rate of \$3.30 per 1,000 miles traveled.

Loss Rate Formula	
$\frac{4,910}{1,488,455} \times 1,000$	= \$ 3.30

The WSTIP combined average loss rate was \$46.86.

Ben Franklin's loss rate is 93% less than the WSTIP average.

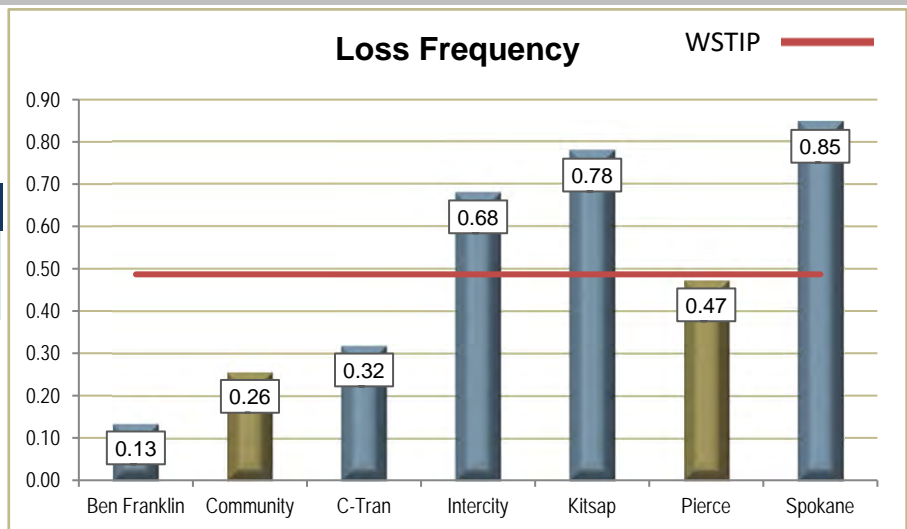


Ben Franklin had 2 claims, traveled 1,488,455 miles, equating to an average loss frequency of 0.13 claims incurred per 100,000 miles traveled.

Loss Frequency Formula	
$\frac{2}{1,488,455} \times 100,000$	= 0.13

The WSTIP combined average loss frequency was 0.49.

Ben Franklin's loss frequency is 72% less than the WSTIP average.

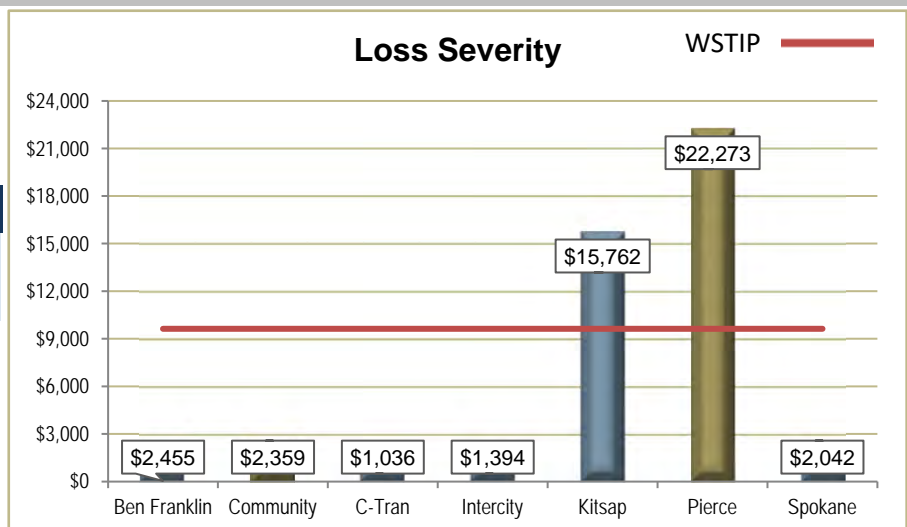


Ben Franklin had capped losses of \$4,910 and had 2 claims, equating to an average loss severity of \$2,455 per claim made.

Loss Severity Formula	
$\frac{4,910}{2}$	= \$ 2,455

The WSTIP combined average loss severity was \$9,627.

Ben Franklin's loss severity is 74% less than the WSTIP average.



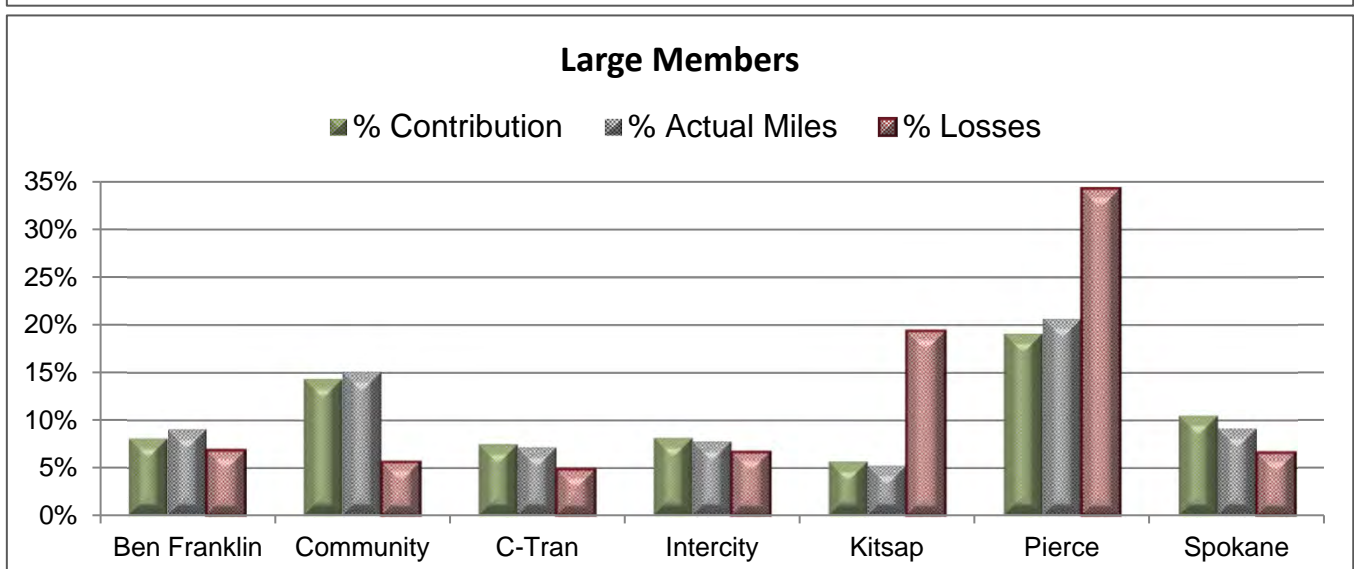
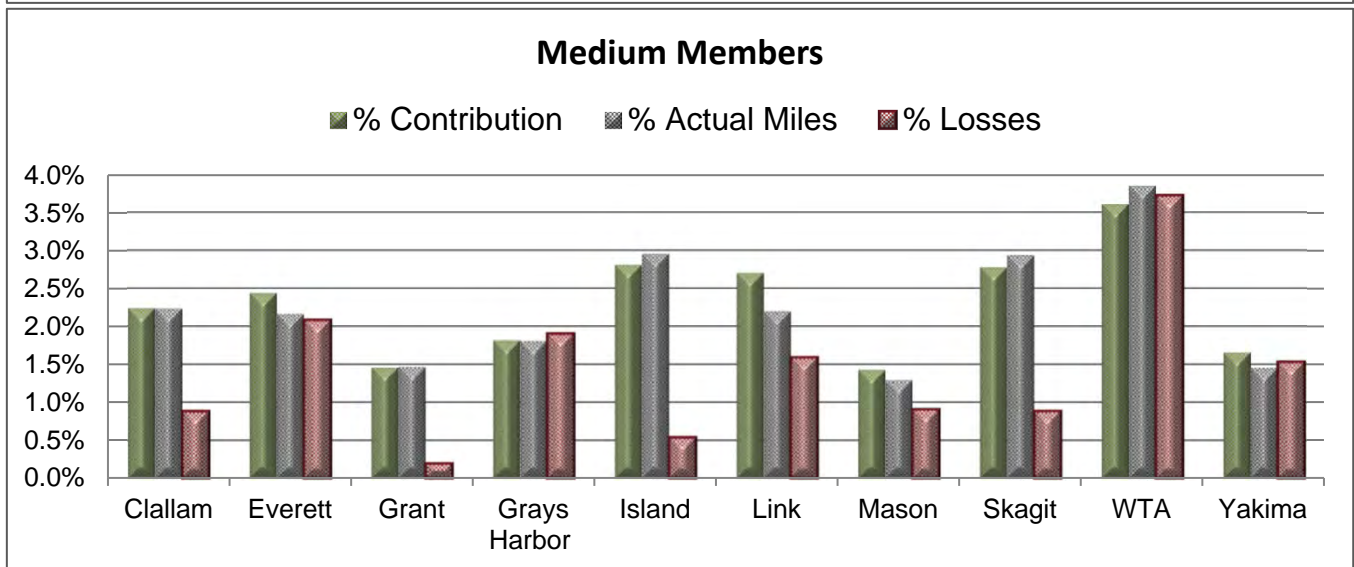
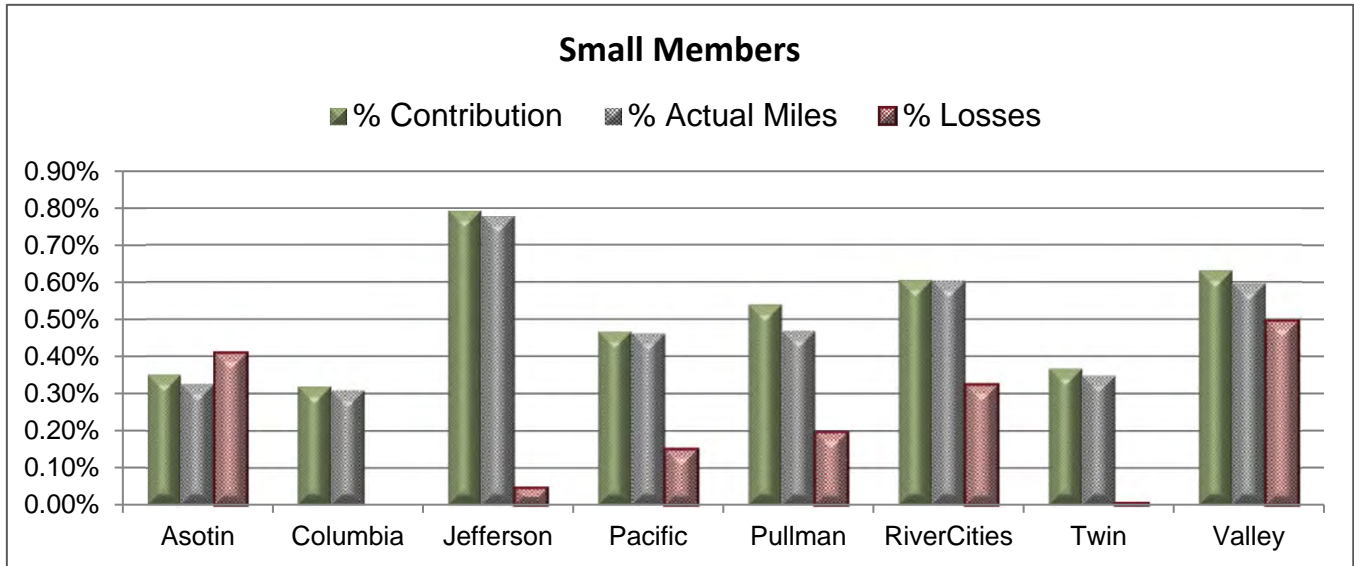
Exposure to Loss Table: Auto Liability Uncapped (paid loss + reserves)

This table shows contributions for auto liability, miles traveled and auto liability losses for the years 2015 - 2019. Column H compares a members % of loss to their % of miles to WSTIP as a whole (or 100% of the Pool).

A **favorable loss trend** is less than 100% of the Pool and indicates the member's performance is better than of the WSTIP average (and therefore helping the Pool). An **unfavorable loss trend** is more that 100% of the Pool and indicates the member's performance is worse than WSTIP average.

	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	
Members	Member Contribution	% of Total	Miles Traveled	% of Total	Auto Liab Losses (Uncapped)	% of Total	[E] / [C] Losses per Mile	% of Total	[F] / [D] (Loss% / Miles%)
Small									
Asotin	\$ 183,798	0.35%	1,624,165	0.33%	\$ 108,341	0.41%	\$ 0.067	6.74%	126.14%
Columbia	166,848	0.32%	1,537,226	0.31%	-	0.00%	-	0.00%	0.00%
Jefferson	415,076	0.79%	3,882,933	0.78%	12,626	0.05%	0.003	0.33%	6.15%
Pacific	244,291	0.47%	2,303,765	0.46%	40,022	0.15%	0.017	1.75%	32.85%
Pullman	282,571	0.54%	2,336,947	0.47%	52,172	0.20%	0.022	2.25%	42.22%
RiverCities	317,006	0.61%	3,010,401	0.60%	85,834	0.33%	0.029	2.88%	53.92%
Twin	191,911	0.37%	1,736,941	0.35%	1,662	0.01%	0.001	0.10%	1.81%
Valley	330,511	0.63%	2,973,433	0.60%	131,135	0.50%	0.044	4.45%	83.40%
Medium									
Clallam	1,170,295	2.23%	11,140,846	2.23%	233,571	0.88%	0.021	2.12%	39.64%
Everett	1,276,539	2.44%	10,772,221	2.16%	550,562	2.09%	0.051	5.16%	96.65%
Grant	761,843	1.45%	7,292,032	1.46%	51,954	0.20%	0.007	0.72%	13.47%
Grays Harbor	949,414	1.81%	9,002,187	1.80%	502,168	1.90%	0.056	5.63%	105.48%
Island	1,469,839	2.81%	14,732,739	2.95%	142,182	0.54%	0.010	0.97%	18.25%
Link	1,414,350	2.70%	10,963,564	2.20%	420,515	1.59%	0.038	3.87%	72.53%
Mason	746,705	1.43%	6,442,627	1.29%	239,800	0.91%	0.037	3.76%	70.38%
Skagit	1,453,694	2.78%	14,642,093	2.93%	234,146	0.89%	0.016	1.61%	30.24%
WTA	1,889,812	3.61%	19,204,627	3.85%	982,982	3.72%	0.051	5.17%	96.79%
Yakima	864,983	1.65%	7,240,208	1.45%	404,895	1.53%	0.056	5.65%	105.75%
Large									
Ben Franklin	4,213,933	8.04%	44,941,766	9.00%	1,801,838	6.83%	0.040	4.05%	75.81%
Community	7,487,069	14.29%	74,994,566	15.03%	1,479,190	5.60%	0.020	1.99%	37.30%
C-Tran	3,897,473	7.44%	35,397,990	7.09%	1,275,069	4.83%	0.036	3.64%	68.11%
Intercity	4,245,761	8.11%	38,524,774	7.72%	1,753,650	6.64%	0.046	4.60%	86.08%
Kitsap	2,944,818	5.62%	26,006,263	5.21%	5,105,739	19.34%	0.196	19.83%	371.25%
Pierce	9,999,230	19.09%	103,078,482	20.65%	9,048,797	34.28%	0.088	8.86%	166.00%
Spokane	5,465,999	10.43%	45,332,374	9.08%	1,736,018	6.58%	0.038	3.87%	72.41%
WSTIP	\$ 52,383,769	100.0%	499,115,170	100.0%	\$ 26,394,869	100.0%	\$ 0.053	100.0%	

Exposure to Loss Graphs: For the years 2015 - 2019.







RESILIENCE

2020 ANNUAL REPORT

WASHINGTON STATE
TRANSIT INSURANCE POOL

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Resilience in the Face of Adversity

A MESSAGE FROM 2020 PRESIDENT OF THE BOARD, SHONDA SHIPMAN

Twenty-twenty started out as a year of possibility that quickly turned into a year of challenge. However, challenge gave us an opportunity for change and WSTIP seized that opportunity. A colleague recently shared these words from author Paulo Coelho: “When we least expect it, life sets us a challenge to test our courage and willingness to change; at such a moment, there is no point in pretending that nothing has happened or in saying that we are not yet ready. The challenge will not wait. Life does not look back.”

Little did we know when the new Executive Committee met for its retreat in January that our desire to plan for a three-year strategic plan would be so beneficial considering a pandemic. The retreat set the stage for what could be possible in 2020 and beyond. However, once challenged, we did not wait for things to get better to act. We adapted, we persevered and accomplished most of what we envisioned in January. There are four key areas I wish to highlight:

New Mission & Vision Statements

As times change, we are influenced, impacted and gain new perspectives. In 2020 these new perspectives led WSTIP to adopt new Mission and Vision statements. These are:

MISSION: To promote risk reduction with our partners.

VISION: To be the transformative and collaborative leader in transit safety and risk management.
Our destination. . . zero losses!

Bylaws & Policy Revisions

WSTIP regularly reviews its Bylaws, and annually reviews the governance policies. We do this to stay aware of our operational environment and to ensure appropriate governance policies are guiding WSTIP. In 2019, the Governance Policy Committee noted areas where our governance policies were starting to stretch the authority or guidance of the Bylaws. To correct this, we took on the challenge in 2020 of updating the Bylaws. Enacting change in the Bylaws is tedious work, done without much fanfare, requiring facilitative dialog and time for discussion. In a year where it might have been easier to not have Bylaws on the plate, I am grateful that so many people took a vested interest in getting the updated Bylaws to the finish line. We also revised 11 of our 34 policies and adopted four new policies. It felt like we ran a (virtual) policy and Bylaw marathon!

Strategic Plan

The Pool adopted a three-year Strategic Plan to establish priorities for the Board and Staff with goals and objectives that are both actionable and achievable over the years 2020-2022. The Strategic Plan focuses on five value areas to the Members:

- (1) Member Engagement, Retention and Satisfaction;
- (2) Risk and Loss Management;
- (3) Financial Stability, Coverage and Costs;
- (4) Innovation and Technology; and,
- (5) Value-Added Products and Services.

Staff provided action for the five strategies and activity immediately commenced in all areas.

Coverage Document Update


Besides the foundational documents above, we also polished off 2020 by revising the General Liability and Public Officials Liability Coverage Documents. We presented updates to the Property Coverage Document too, but those updates will not be implemented until 2021.

Continuity of Leadership

While many things changed in 2020, some things (fortunately) remained the same. WSTIP's Board of Directors approved a new contract for its Executive Director, Tracey Christianson, to ensure a continuity of leadership through December 31, 2023.

We concluded 2020 with a new mission and vision, revised Bylaws and governance policies, a three-year Strategic Plan, and continuity of our executive leadership.

I am grateful we had the courage and willingness to change and that we charted a course, undeviated by all that was happening around us. It is a testament to all that is ideal with Pooling. I am honored to have served as your Board President and I am grateful to the WSTIP Staff and fellow Board Members for their contributions to the Pool this year.



We were challenged
and tested but we did
not wait for things to
get better to act.

2020 Board of Directors

Asotin County PTBA

Jenny George, General Manager

Alt: Greg Gill, Operations Manager

Ben Franklin Transit

Rob Orvis, Interim Administrative Services Manager/Jeff Lubeck, Administrative Services Director

Alt: Jim Thoecke, Safety and Security Manager

Central Transit

Josh Mattson, Assistant City Engineer/Betsy Dunbar, Transit Manager

Alt: Terry Weiner, City Attorney/Ryan Lyyski, Public Works and Utilities Director

Clallam Transit

Kevin Gallacci, General Manager

Alt: Dunyale Mason, Finance Manager

Columbia County Public Transportation

David Ocampo, General Manager

Alt: Steve Mertens, Finance Manager

Community Transit

Geri Beardsley, Director of Administration

Alt: Emmett Heath, Chief Executive Officer/SuziAnna Scheidegger, Accounting Supervisor

Alt: Don Burr, Risk Manager

C-Tran

Scott Deutsch, Manager of Safety & Risk

Alt: Laura Merry, Deputy Director of Human Resources

Everett Transit

Tom Hingson, Transportation and Transit Services Director

Alt: Michael Schmieder, Transit Operations

Program Manager

Alt: Chris Muth-Schulz, Risk Manager

Grant Transit

Brandy Heston, Administrative Services Manager

Alt: Greg Wright, General Manager

Grays Harbor Transit

Ken Mehin, General Manager

Alt: Jean Braaten, Finance Manager

Intercity Transit

Heather Stafford-Smith, Director of Administrative Services

Alt: Suzanne Coit, Finance Manager

Alt: Emily Bergkamp, Operations Director

Island Transit

Staci Jordan, Program Coordinator

Alt: Todd Morrow, Executive Director

Jefferson Transit

Sara Crouch, Finance Manager

Alt: Tammi Rubert, General Manager

Kitsap Transit

Paul Shinnors, Finance Director

Alt: Brian Rojo, Accounting Supervisor

Link Transit

Nick Covey, Finance Manager/Justin Brockwell, Data Analyst

Alt: Lynn Bourton, Administrative Services Manager/Shawn Larson, Safety Officer

Mason Transit

Danette Brannin, General Manager

Alt: LeeAnn McNulty, Administrative Services Manager

Pacific Transit

Richard Evans, Director

Alt: Audrey Olson, Operations/HR Supervisor

Pierce Transit

Amy Cleveland, Executive Director of Administration

Alt: Bill Kessler, Risk Manager

Alt: Brett Freshwaters, Executive Director of Finance

Alt: Tara Schaak, Employee Services Manager

Pullman Transit

Wayne Thompson, Transit Manager

Alt: Mike Urban, Finance Director

River Cities Transit

Amy Asher, Transit Manager

Alt: Tabitha Hayden, Transit Supervisor

Alt: Elizabeth Halili, Administrative Secretary

Skagit Transit

Joe Macdonald, Safety Supervisor

Alt: Dale O'Brien, Executive Director

Spokane Transit

Monique Liard, Director of Finance & Information Services

Alt: Nancy Williams, Director of Human Resources and Labor Relations

Alt: Mike Toole, Manager Safety and Security

Alt: E. Susan Meyers, Chief Executive Officer

Twin Transit

Joe Clark, General Manager

Alt: Aaron Rollins, Operations Manager

Valley Transit

Jesse Kinney, Deputy General Manager

Alt: Briana Malmquist, Human Resources Manager

Alt: Lowell Nee, Operations Supervisor

Whatcom Transportation Authority

Pete Stark, General Manager

Alt: Shonda Shipman, Director of Finance

Yakima Transit

Greg Story, Transit Assistant Manager

Alt: Scott Schafer, Public Works Director

The Year in Review

**A MESSAGE FROM EXECUTIVE
DIRECTOR, TRACEY CHRISTIANSON**

I agree with Shonda's sentiment that challenges rarely wait until one is ready. However, WSTIP was able to transcend the adversity posed by the pandemic because (1) we were (at least marginally) prepared, (2) we have a culture that supports and embraces change, and (3) we are adaptive to all kinds of risk.

Being Prepared

In 2019 WSTIP implemented a Business Continuity Plan (BCP) to prepare for interruptions of business operations. The BCP was tested in late 2019 and again early in 2020 before the pandemic began. Those early tests provided opportunity to adjust to a whole Staff working remotely. Our efforts paid off when the March 26 Stay Home and Stay Healthy order was issued by the Governor. Staff bravely ventured to their home offices, and there they have stayed, working remotely. Having some experience in working from a home office gave Staff an ability to quickly embrace the change and continue to focus on the Members and the business at hand.

Adaptations

WSTIP quickly learned during our first remote meetings that we needed to improve the remote environment for our Executive Committee and Board. We decided to move to Zoom for better video quality and easier recording options. Staff further leveraged this change and learned all kinds of tips and tricks to make the remote meeting environment a more pleasant experience. One such "trick" was to make more videos on Board topics for distribution

with the Board packet. The Board feedback was so overwhelmingly positive that by the end of 2020, the Board's former in-person work session was completely replaced by pre-recorded videos and live Q&A during the Board meeting.

Building on four surveys we completed in 2020, Staff moved up the timeline to select a new website platform. In record time, Staff selected a new vendor, created a new site, moved into it, and launched in December. Our revised website addressed the feedback we were given in the surveys by providing a robust search engine for the entire site, and a special search function for the ASK Transit service.

Still Addressing Risk

Along with topics presented from the pandemic, Staff addressed risk by implementing significant changes to our training programs and updating one Best Practice:

OPERATOR DEVELOPMENT COURSE

Staff continued with updating the Operator Development Course: Fixed Route Edition while safely navigating the challenges of producing (filming and editing) content in the continued evolution of the pandemic. The Operator Development Course: Fixed Route Edition was delivered to the Members in June and work started in July for updating the Operator Development Course: Paratransit/ Demand Response Edition. The Paratransit Edition met with



Helping all our Members navigate the changes to their service, figuring out how protect the public as well as their employees, and living the same crisis at the same time has been a rewarding experience not yet over and not soon forgotten.

unfortunate delays (due to the pandemic) and its final production was delayed until 2021.

ONLINE REFRESHER TRAINING PROGRAM FOR VANPOOL DRIVERS

We were not as fortunate in our plans to update the online refresher training for vanpool drivers. Although we were able to work with our vanpool coordinators on the content, we were delayed in updating the content from the vendor side. However, momentum did start at the end of 2020 and we are confident this product will be available in early 2021.

WSTIP'S OWN TRAINING GOES REMOTE

Many in-person training programs were cancelled due to the pandemic. Even though in-person training was not an option, Staff adapted by transitioning training to remote learning. Staff converted a conference room to a new production studio for long-distance learning. Staff provided 35 trainings, 10 of which were Reasonable Suspicion (Drug and Alcohol) Training for Supervisors, to the WSTIP membership using our new studio and/or Zoom.

BEST PRACTICE

Reduction in Force – Staff worked with the Summit Law Group to update their 2010 work on the topic of Reduction in Force. The new Best Practice was distributed in April.

Claims Management

A bright spot for 2020 was a significant reduction in claims activity. This allowed our claims Staff to focus energy on older open claims resulting in all claims/litigation prior to 2014 to close. The Staff settled 369 claims, denied 136 claims, and closed 288 subrogation claims with \$925,538 in subrogation recoveries. However, there is a growing challenge for the claims Staff and that is the backlog of cases in the court system from the pandemic. Because of this backlog, Staff expect the number of litigated files to increase because older cases are not moving at the same pace through the court system.

Staff Changes

In May, Matthew Branson, in cooperation with our contract CPA and with the assistance of Accounting and Payroll Specialist, Karey Thornton, took over WSTIP's financial management. The team adopted a new financial system, moved from QuickBooks Enterprise to QuickBooks Online, revised monthly and quarterly financial reporting, completed our banking transition to the Thurston County Treasurer's Office, and selected a new payroll

and timekeeping system (payroll/timekeeping to be implemented January 1, 2021).

At the beginning of December, we said good-bye to long-time employee Andrea Powell. Andrea worked at WSTIP for close to 13 years, providing services in IT, finance, and administration. We wish her well in her future endeavors.

Resilience in the Face of Adversity

It has been a heck of a year, and one I am more than willing to place in our rear-view mirror. However, I know I can speak for the entire Staff when I say how proud we are to be part of the transit family. Helping all our Members navigate the changes to their service, figuring out how to protect the public as well as their employees, and living the same crisis at the same time has been a rewarding experience not yet over and not soon forgotten.

I am so thankful for my awesome, amazing, I can't say enough good things about, Staff. They continue to make it possible for us to serve the Members even as we collectively navigate the hardships of this pandemic. I so appreciate the support WSTIP has from our Members who continually embody the WSTIP Core Value of Ownership: We're all in this together. And lastly, I am thankful to have a Board that is invested in being transformative and collaborative as such values, clearly exercised with regularity in 2020, will be even more important in our future.

2020 Staff Members

TRACEY CHRISTIANSON, EXECUTIVE DIRECTOR
Responsible for oversight of all operations, purchasing, and placement of insurance, and Board relations.

MATTHEW BRANSON, MEMBER SERVICES MANAGER
Responsible for Member communications, loss prevention programs and training, manages best practice compliance and updates and the driver record monitoring program.

CEDRIC ADAMS, CLAIMS MANAGER
Coordinates the management of claims and lawsuits incurred by WSTIP Members. Supervises the claims staff and manages independent adjusters, litigation managers, and attorneys assigned to WSTIP files.

ANDREA POWELL, ADMINISTRATIVE SERVICES MANAGER
Responsible for finance, facilities and technical services. Manages administrative services in regard to budget, purchasing, and vendor contracting. Also serves as WSTIP's Public Records Officer and WSTIP's Audit Liaison to the state auditor.

ANNA BROADHEAD, BOARD RELATIONS
Serves as the Clerk of the Board, provides overall administrative support to staff, and accomplishes special projects for Members and staff.

KAREY THORNTON, ACCOUNTING & PAYROLL SPECIALIST
Responsible for payroll, accounts receivable, accounts payable, prepares financial documents, helps coordinate the annual budget, underwriting, and provides administrative support to Administrative Services Manager.

LAURA JUELL, RISK AND TRAINING COORDINATOR
Provides administrative support for Transit Risk Consultant and Serious Loss Analysis Team. Coordinates registration, set up, and facilitation of WSTIP training activities and provides backup to Finance Specialist.

CHRISTIAN DEVOLL, TRANSIT RISK CONSULTANT
Conducts loss prevention reviews by meeting with Members, reviewing operations, and making recommendations for compliance with Best Practices and state and federal regulations.

BRANDY RHODES, ADMINISTRATIVE ASSISTANT
Coordinates facilities maintenance and Wellness Committee events; provides administrative support services for WSTIP training activities, the claims department and assists the Public Records Officer. Performs general support for all staff.

ROBYN GALINDO, CLAIMS SPECIALIST
Performs support functions for the claims department including auditing and monitoring the database and claim files, assists with data-entry of initial claims, managing and maintaining diaries from multiple claims.

JOEL LAMBERT, CLAIMS ASSOCIATE
Responsible for administering the various auto liability, un/underinsured motorist, medical-pay, and auto physical damage claims, as well as adjusting the same. Recovers damages, on behalf of the Members, from other parties incurred during auto accidents (aka subrogation).

CHRISTINE ROUSE, APPLICATION SUPPORT SPECIALIST
Provides Origami Risk system support to Members including the development of customized Member solutions. Supports staff including help desk related tasks.

Service Providers

BROKER SERVICES: Alliant Insurance Services, Newport Beach, CA

GENERAL COUNSEL: Law Office of Richard L. Hughes, Lacey, WA

ACTUARIAL SERVICES: PricewaterhouseCoopers, Seattle, WA

ACCOUNTING SERVICES: StraderHallett, PS, Lacey, WA

TREASURY SERVICES: Thurston County Treasurer, Olympia, WA

2020 Awards

Safety Stars Award

WSTIP recognizes the long-term dedication and commitment to safety with the annual Safety Stars awards. This award recognizes Members that maintain impressive and stable safety records in each WSTIP rating category (large, medium, and small). Winners of this award are consistently good performers in terms of auto liability losses to the organization. Each winner receives a monetary award to utilize for employee recognition. The 2020 winners are based on claims data for 2015-2019:

Community Transit

Grant Transit Authority

Columbia County Public Transportation

Above & Beyond Award

WSTIP recognizes individual employees that go Above & Beyond their expressed job responsibilities during a significant event, demonstrating courage and heroism, or other extraordinary acts deserving recognition, resulting in a saved life or lives, and/or minimizing the impact of a loss to the agency or the public. Award winners each receive \$250.

There were no awards in 2020.

Jeffrey S. Ristau Continuing Education Scholarship Fund

The WSTIP Board established a scholarship program in 2014 to honor founding and longtime Board Member Jeffrey S. Ristau for his years of dedicated service. In 2020, WSTIP awarded a combined total of \$9,000 in scholarships to the following individuals:

John Bender, Jefferson Transit Authority

Agustin Ortega, Everett Transit

Moges Girmay, Community Transit

Susan Dickinson, Whatcom Transportation Authority

Cara Brocx, Community Transit

Melissa Lang-Stewart, Link Transit

SuziAnna Scheidegger, Community Transit

Jessica Bennett, Link Transit

Usame Dahir, Pierce Transit

Brandy Rhodes, WSTIP

These scholarships are available to WSTIP-Member employees pursuing education and training that furthers the vision, mission, ethical practices, safety and/or reduction of the cost of risk for public transportation in Washington State.

Driver Recognition Awards

Vehicle accidents represent the greatest risk to the transit agencies and WSTIP. As such, for every year a driver is accident-free, the savings to the transit agency and to WSTIP are substantial. Through the Driver Recognition Program WSTIP recognizes drivers for their 20 or more years of consecutive and/or cumulative accident-free years of driving transit. In 2020, WSTIP awarded \$5,650 recognizing a total of 30 employees from Intercity Transit, Mason Transit Authority, Pierce Transit and Whatcom Transportation Authority.

2020 Coverages

WSTIP LIABILITY COVERAGES

Coverages provided by WSTIP are a combination of self-insurance, coverage purchased from a captive insurance pool, and commercial market insurance. The following shows the amount of coverage available to WSTIP Members including all layers. Some Members purchase umbrella coverage above the limits listed in this table.

General Liability	Member Deductibles	Self-Insured Retention	Reinsurance/Excess Limits
Bodily Injury & Property Damage	No deductible	\$2 million	\$25 million
Personal Injury & Advertising Injury	No deductible	\$2 million	\$25 million
Contractual Liability	No deductible	\$2 million	\$25 million
Vanpool Driver Medical Expense Protection	No deductible	\$35,000	None
Underinsured Motorist (UIM) ¹	No deductible	\$60,000	None
Permissive Use of a Member-Owned Motor Vehicle	No deductible	\$100,000 per occurrence ²	None
Public Officials Errors and Omissions	\$5,000	\$2 million	\$25 million
Employment Practice Liability	\$5,000	\$2 million	\$25 million
Crime/Blanket Employee Dishonesty	\$10,000	None	\$1 million

[1] UIM is mandatory for all vanpool programs, but the Member may elect to purchase UIM on other modes.

[2] \$100K per occurrence for property damage, \$300K per occurrence for bodily injury

Property³	Member Deductibles	Self-Insured Retention	Reinsurance/Excess Limits
Building and Contents	Varies by Member ⁵	\$250,000	\$500 million
Boiler and Machinery	Varies by unit size ⁴	None	\$100 million
Auto Physical Damage (APD)			
Vehicles valued at or below \$250,000 or more than 10 years old	Varies by Member ⁵	\$250,000	Fair market value, up to \$250,000 per vehicle
Vehicles valued over \$250,000 and fewer than 10 years old	Varies by Member ⁵	\$250,000	Replacement Cost, up to \$1.35 million per vehicle
Flood⁶			
Flood Zones A&V	\$500,000	\$250,000	\$10 million
Flood Zones except A&V	\$500,000	\$250,000	\$50 million
Earthquake	5% subject to \$500,000 minimum per occurrence per unit	None	\$25 million
Combined Business Interruption, Rental Income, and Tuition Income	Varies by Member ⁵	\$250,000	\$100 million

[3] Central Transit, Everett Transit and Pullman Transit do not purchase property coverage through WSTIP.

[4] Boiler & Machinery deductible: \$250,000,000 for units under 750hp, 25,000 KW/KVA/Amp, or Boilers over

[5] Members may select a higher deductible for property and auto physical damage. Deductibles for 2020 were:

C-Tran \$10,000; Pierce Transit and Spokane Transit \$25,000; all other Members \$5,000.

[6] Annual Aggregate

Cyber Liability & First Party Computer Security⁷	Member Deductibles	Self-Insured Retention	Reinsurance/Excess Limits
Cyber Liability and First Party Computer Security	\$5,000	None	\$25 million**, \$2 million*
Breach Response Costs	\$5,000	None	\$500,000*
First Party Loss			
Business Interruption			
Security Breach	\$5,000	None	\$2 million*
Dependent Business Loss Resulting from Security Breach	\$5,000	None	\$750,000*
System Failure	\$5,000	None	\$500,000*
Dependent Business Loss Resulting from System Failure	\$5,000	None	\$100,000*
Cyber Extortion Loss	\$5,000	None	\$2 million*
Data Recovery Costs	\$5,000	None	\$2 million*
Liability			
Data & Network Liability	\$5,000	None	\$2 million*
Regulatory Defense and Penalties	\$5,000	None	\$2 million*
Payment Card Liabilities & Costs	\$5,000	None	\$2 million*
Media Liability	\$5,000	None	\$2 million*
eCrime			
Fraudulent Instruction	\$5,000	None	\$75,000*
Funds Transfer Fraud	\$5,000	None	\$75,000*
Telephone Fraud	\$5,000	None	\$75,000*
Criminal Reward	\$5,000	None	\$25,000*
Consequential Reputational Loss	\$5,000	None	\$50,000*
Computer Hardware Replacement Costs	\$5,000	None	\$75,000*
Invoice Manipulation	\$5,000	None	\$100,000*

[7] Central Transit, Everett Transit, Pullman Transit, and Yakima Transit do not purchase Cyber Liability/First Party Computer Security

* per Member aggregate

** the \$25M applies to all insureds that purchase the policy

Excess Insurance Contracts/Reinsurance

COVERAGE	CARRIER	LAYER
Liability	GEM Re	\$3 million in excess of \$2 million
	Munich Re	\$10 million in excess of \$5 million
	Hallmark Insurance Company	\$5 million in excess of \$15 million
	Allied World Assurance Co.	\$5 million in excess of \$20 million
Crime	National Union Fire	\$1 million
Blanket Pollution	Beazley Eclipse	\$1 million
Underground Storage Tank (UST)	Great American	\$1 million per storage tank incident
		\$1 million aggregate per location
All Risk Property	Alliant Public Entity Property Program (APIP)	\$500 million per occurrence for all Members combined with various sublimits
Auto Physical Damage	Evanston	Fair Market Value for vehicles valued at or below \$250,000 or more than 10 years old
		Replacement Cost for vehicles valued over \$250,000 and fewer than 10 years old
Cyber Liability	Beazley	\$25 million aggregate for all Beazley insureds
		\$25 million aggregate per Member

Three-Year Comparative Summary

	As of December 31		
	2020	2019	2018
ASSETS			
Current Assets	\$55,462,326	\$41,263,876	\$28,670,698
Capital Assets, Net	425,588	473,811	473,605
Noncurrent Assets	7,024,243	11,976,257	16,413,255
TOTAL ASSETS	\$62,912,157	\$53,713,944	\$45,557,558
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows - Pension	91,863	83,724	80,361
Deferred Outflows - OPEB	1,382	-	-
TOTAL DEFERRED OUTFLOWS	\$93,245	\$83,724	\$80,361
TOTAL ASSETS & DEFERRED OUTFLOWS	\$63,005,402	\$53,797,668	\$45,637,919
LIABILITIES			
Current Liabilities	\$ 7,353,921	\$8,047,571	\$8,234,826
Noncurrent Liabilities	19,823,494	12,658,690	13,094,075
TOTAL LIABILITIES	\$27,177,416	\$20,706,261	\$21,328,901
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows - Pension	106,100	221,243	198,738
TOTAL LIABILITIES & DEFERRED INFLOWS	\$27,283,516	\$20,927,504	\$21,527,639
NET POSITION			
Investment in Capital Assets, Net	425,588	473,811	473,605
Unrestricted Net Position	35,296,298	32,396,353	23,636,675
TOTAL NET POSITION	\$35,721,886	\$32,870,164	\$24,110,280
TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION	\$63,005,402	\$53,797,668	\$45,637,919

*At the time of publishing, 2020 financial statements had not been audited.

For the years ended December 31

	2020	2019	2018
OPERATING REVENUES			
Member Assessments (All Types)	\$15,422,586	\$17,117,113	\$15,116,159
Other Operating Revenues	87,452	217,588	530,113
TOTAL OPERATING REVENUES	\$15,510,038	\$17,334,701	\$15,646,272
OPERATING EXPENSES			
Claims & Loss Adjustments	7,218,651	4,447,418	9,146,284
Insurance Services	3,703,765	2,910,591	2,324,298
General & Administrative	2,967,660	2,751,930	3,316,281
TOTAL OPERATING EXPENSES	\$13,890,076	\$10,109,939	\$14,786,863
TOTAL OPERATING INCOME	\$1,619,962	\$7,224,762	\$859,409
OTHER INCOME (EXPENSE)			
Interest Income	\$1,231,761	\$1,039,514	\$ 815,808
Change in Equity in GEMRe	-	495,608	162,622
TOTAL OTHER INCOME (EXPENSE)	\$1,231,761	\$1,535,122	\$978,430
TOTAL CHANGE IN NET POSITION	\$2,851,722	\$8,759,884	\$1,837,839

*At the time of publishing, 2020 financial statements had not been audited.

Comparative Statement of Net Position

As of December 31

	2020	2019		2020	2019
ASSETS			LIABILITIES		
CURRENT ASSETS			CURRENT LIABILITIES		
Deposits and Investments	\$54,477,245	\$40,539,335	Accounts Payable	\$138,058	\$56,927
Accounts Receivable	28,410	7,589	Compensated Absences	154,513	99,660
Interest Receivable	87,937	23,497	Unearned Revenues	146,586	123,905
Prepaid Insurance	823,299	676,689	Unpaid Claims Liability	6,912,000	7,764,007
Prepaid Expense	45,435	16,766	OPEB Liability	2,764	3,072
TOTAL CURRENT ASSETS	\$55,462,326	\$41,263,876	TOTAL CURRENT LIABILITIES	\$7,353,921	\$8,047,571
NONCURRENT ASSETS			NONCURRENT LIABILITIES		
Capital Assets, Net	425,588	473,811	Compensated Absences	21,543	9,916
Long-Term Investments	4,978,775	9,930,717	Due to Risk Pool Leadership Development Program	1,458	1,530
Equity in Government Entity Mutual	2,044,010	2,044,010	Due to Members	3,782,992	-
Deposits Held For Risk Pool Leadership Development Program	1,458	1,530	Unpaid Claims Liability - Reserves	6,202,347	3,327,431
TOTAL NONCURRENT ASSETS	\$7,449,831	\$12,450,068	Unpaid Claims Liability - IBNR	8,057,784	7,903,820
TOTAL ASSETS	\$62,912,157	\$53,713,944	Unpaid Claims Liability - ULAE	844,000	734,000
DEFERRED OUTFLOWS OF RESOURCES			OPEB Liability	571,944	355,879
Deferred Outflows - Pension	91,863	83,724	Net Pension Liability	341,426	326,114
Deferred Outflows - OPEB	1,382	-	TOTAL LONG-TERM LIABILITIES	\$19,823,494	\$12,658,690
TOTAL DEFERRED OUTFLOWS	\$93,245	\$83,724	TOTAL LIABILITIES	\$27,177,416	\$20,706,261
TOTAL ASSETS & DEFERRED OUTFLOWS	\$63,005,402	\$53,797,668	DEFERRED INFLOWS OF RESOURCES		
			Deferred Inflows - Pension	106,100	221,243
			TOTAL LIABILITIES & DEFERRED INFLOWS	\$27,283,516	\$20,927,504
			NET POSITION		
			Investment in Capital Assets	425,588	473,811
			Unrestricted Building Reserve	29,166	4,166
			Unrestricted Technology Grant Reserve	424,468	179,093
			Unrestricted Net Position	34,842,664	32,213,094
			TOTAL NET POSITION	\$35,721,886	\$32,870,164
			TOTAL LIABILITIES, DEFERRED INFLOWS & NET POSITION	\$63,005,402	\$53,797,668

*At the time of publishing, 2020 financial statements had not been audited.

Comparative Statement of Revenues, Expenses and Changes in Net Position

As of December 31, 2020

	For the years ended December 31	
	2020	2019
OPERATING REVENUES		
Member Assessments	\$18,407,525	\$16,654,015
Other Insurance Products	896,258	814,451
Prior Period Assessment Audit (PPAA)	(3,881,197)	(351,353)
Other Operating Revenues	87,452	217,588
TOTAL OPERATING REVENUES	\$15,510,038	\$17,334,701
OPERATING EXPENSES		
Claims & Loss Adjustments	\$7,218,651	\$4,447,418
Purchased Insurance - Liability	1,893,472	1,439,376
Purchased Insurance - Property	1,358,092	1,039,398
Other Insurance Products	452,200	431,817
Payroll & Benefits	1,717,732	1,152,457
Contracted Services	494,289	442,159
Risk & Loss Prevention	219,645	252,168
Training & Education	43,390	159,885
Technical & Subscription Services	281,025	295,776
General & Administrative	156,845	428,858
Depreciation	27,550	20,627
Capital Asset Audit Adjustment Expense	27,183	-
TOTAL OPERATING EXPENSES	\$13,890,076	\$10,109,939
TOTAL OPERATING INCOME	\$1,619,962	\$7,224,762
OTHER INCOME (EXPENSE)		
Interest Income	\$1,231,761	\$1,039,514
Change in Equity in GEM	-	495,608
TOTAL OTHER INCOME (EXPENSE)	\$ 1,231,761	\$ 1,535,122
TOTAL CHANGE IN NET POSITION	\$ 2,851,722	\$ 8,759,884

*At the time of publishing, 2020 financial statements had not been audited.

Comparative Statement of Cash Flows

As of December 31, 2020

	For the years ended December 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash from Member assessments	\$19,225,684	\$17,122,463
Cash from Members and others	101,565	198,045
Cash paid for claims	(4,931,778)	(4,453,910)
Cash paid for excess/reinsurance	(3,573,685)	(2,699,243)
Cash paid for employee wages and benefits	(1,504,092)	(1,412,623)
Cash paid for contracted services	(440,912)	(386,634)
Cash paid for general and administrative expenses	(1,116,065)	(1,783,181)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$7,760,717	\$6,584,917
CASH FLOWS FROM CAPITAL ACTIVITIES		
Cash paid to acquire or improve capital assets	(6,510)	(20,834)
NET CASH PROVIDED (USED) BY CAPITAL ACTIVITIES	\$(6,510)	\$(20,834)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash from maturing securities	\$5,000,000	\$5,000,000
Cash from interest on investments	1,183,703	971,859
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	\$6,183,703	\$5,971,859
NET INCREASE (DECREASE) IN CASH & CASH EQUIVALENTS	\$13,937,910	\$12,535,942
BALANCES - BEGINNING OF THE YEAR	\$40,539,335	\$28,003,393
BALANCES - ENDING OF THE YEAR	\$54,477,245	\$40,539,335

*At the time of publishing, 2020 financial statements had not been audited.

Department of Enterprise Services Schedule of Expenses

For the years ended December 31

	2020	2019
OPERATING EXPENSES		
Claims & Loss Adjustments	\$7,218,651	\$4,447,418
Insurance Services		
Purchased Insurance - Liability	\$1,893,472	\$1,439,376
Purchases Insurance - Property	1,358,092	1,039,398
Other Insurance Products	452,200	431,817
TOTAL INSURANCE SERVICES	\$3,703,765	\$2,910,591
CONTRACTED SERVICES		
Actuarial	\$82,750	\$82,900
Audit Expenses	11,197	13,013
Brokerage Fees	109,950	101,200
Legal Fees	109,460	78,037
State Risk Manager	11,720	11,720
Accounting Services	31,743	38,368
IT Services	88,807	70,929
Other Consultant Fees	48,663	45,992
TOTAL CONTRACTED SERVICES	\$494,289	\$442,159
GENERAL & ADMINISTRATIVE EXPENSES		
Payroll & Benefits	\$1,717,732	\$1,152,457
Risk & Loss Prevention	219,645	252,168
Training & Education	43,390	159,885
Technical & Subscription Services	281,025	295,776
Board Expenses	40,426	169,262
Staff Travel & Professional Development	29,289	93,222
Occupancy	95,063	93,919
Administrative	(7,933)	72,454
TOTAL GENERAL & ADMINISTRATIVE EXPENSES	\$2,418,637	\$2,289,144
DEPRECIATION	\$27,550	\$20,627
CAPITAL ASSET AUDIT ADJUSTMENT EXPENSE	\$27,183	-
TOTAL OPERATING EXPENSES	\$13,890,076	\$10,109,939

*At the time of publishing, 2020 financial statements had not been audited.

Claims Development Information

For the years ended December 31

The table on the next page illustrates how WSTIP's earned revenues (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by WSTIP as of the end of each of the last ten years. The table of rows are defined as follows:

1. This line shows the total of each fiscal year's earned contribution revenues and investment revenues.
2. This line shows each fiscal year's other operating costs of WSTIP including overhead and claims expenses not allocated to individual claims.
3. This line shows WSTIP's incurred claims and allocated claim adjustment expense (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred (called policy year). The *incurred* (accrued) portion shown represents the combination of unpaid claims liability—reserves and unpaid claims liability—IBNR. The *ceded* portion includes excess insurance premiums, ceded incurred loss and ceded IBNR loss reserves.
4. This section shows the cumulative amounts paid as of the end of successive years for each policy year.
5. This section shows how each policy year's incurred claims increased or decreased as of the end of successive years. This annual re-estimation results from new information received on known claims, reevaluation of existing information on known claims, as well as emergence of new claims not previously known.
6. This line compares the latest re-estimated incurred claims amount to the amount originally established (line 3) and shows whether this latest estimate of claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and re-estimated amounts is commonly used to evaluate the accuracy of incurred claims currently recognized in less mature policy years.
7. This line shows the increase (decrease) in estimated net incurred claims and expenses for end of the policy year.

Columns of the table show data for successive policy years.

Fiscal and Policy Year Ended (in Thousands of Dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
1. Member contribution and investment revenues										
Gross	11,217	10,933	11,439	11,785	12,521	13,198	14,779	15,932	17,842	16,437
Ceded	1,793	1,904	2,166	2,206	1,999	2,150	2,215	2,324	2,573	3,252
Net earned	9,424	9,029	9,273	9,579	10,522	11,048	12,564	13,608	15,269	13,185
2. Unallocated operating expenses										
	2,272	2,223	2,433	2,500	3,058	3,142	2,735	2,781	2,983	2,880
3. Estimated losses & expenses end of policy year										
Incurred	5,727	4,994	5,470	7,047	5,764	5,395	8,106	9,068	8,998	5,969
Ceded	4,411	180	202	408	521	547	361	837	788	804
Net Incurred	1,316	4,814	5,268	6,639	5,243	4,848	7,745	8,231	8,210	5,165

* At policy year end 2010 our actuary started calculating estimated ceded ultimate loss.

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
4. Paid (cumulative) as of:										
End of policy year	1,077	927	1,075	983	1,086	805	1,870	1,115	1,097	773
One year later	2,774	1,828	2,172	2,050	2,270	2,056	2,819	2,808	2,633	
Two years later	3,744	2,692	3,141	3,815	4,814	3,231	3,344	3,805		
Three years later	4,910	4,348	3,827	5,730	5,662	3,878	4,235			
Four years later	7,000	4,855	4,951	5,993	6,267	4,105				
Five years later	7,087	4,906	6,191	6,020	6,644					
Six years later	7,494	4,924	6,278	6,023						
Seven years later	7,589	4,912	6,350							
Eight years later	7,580	4,910								
Nine years later	7,580									
5. Re-estimated ceded losses & expenses	8,779	1,237	58	3,120	815	58	160	522	692	
6. Re-estimated net incurred claims and expenses:										
End of policy year	5,727	4,994	5,470	7,047	5,764	5,395	8,106	9,068	4,806	
One year later	6,783	4,320	5,052	7,640	5,735	6,214	6,605	8,337	10,215	
Two years later	8,144	4,755	5,448	7,340	7,320	5,668	6,170	8,794		
Three years later	9,075	4,858	6,220	6,470	9,868	4,691	6,603			
Four years later	8,473	4,976	6,918	6,262	7,725	4,286				
Five years later	8,295	5,065	6,753	6,145	7,444					
Six years later	7,671	5,000	6,222	6,062						
Seven years later	7,589	4,912	6,368							
Eight years later	7,580	4,910								
Nine years later	7,580									
7. Increase (decrease) in estimated net incurred claims and expenses for end of the policy year	6,264	96	1,100	(577)	2,201	(562)	(1,142)	563	2,005	(5,165)



PO Box 11219 | Olympia, WA 98508
(360) 786-1620 | www.wstip.org

Memorandum

Date: August 12, 2021
To: Board of Directors
From: Gloria Boyce, General Manager
RE: Sales Tax Reduction Request

Background

On June 11, 2021, letters to the Ben Franklin Transit Board of Directors were received from Franklin County Administrator Keith Johnson and Benton County Administrator Jerrod MacPherson on behalf of their respective Boards of Commissioners. Each letter suggested that the Ben Franklin Transit Board of Directors place a referendum on the November 2, 2021, ballot to reduce the amount of local transit sales tax revenue from 0.6 percent to 0.5 percent.

After discussion of the Commissioners' requests at its June 10, 2021 Board meeting, the Ben Franklin Transit Board of Directors requested staff present information on the impact of a 0.1 percent sales tax revenue reduction on the transit agency. At the July 8, 2021 Board meeting, staff provided three scenarios showing the impact of a sales tax reduction if: 1) the reduction was taken from transit services; 2) the reduction was taken from the Capital Improvement Program; and 3) the reduction was taken from a blend of transit services and the Capital Improvement Plan. At the July meeting, the Board also decided to table a response to the County Commissioners requests until its August meeting, allowing time for them to share the sales tax information with their respective Councils and Commissions, peers, and constituents. Subsequently, the sales tax presentation has been shared with the Prosser City Council on July 13, 2021; and the Kennewick City Council on July 27, 2021.

BFT's Board adopted Strategic Plan is based on the sustainable expansion of transit services and transit facilities as well as the realigning of existing routes to better serve our growing community. Any action taken by the Board of Directors to reduce local transit sales tax revenue would need to be planned for by first modifying the Strategic Plan.

Recommendation

Staff's recommendation is to decline the Benton County and Franklin County suggestion of placing a referendum on the November 2, 2021, ballot reducing the amount of local transit sales tax revenue from 0.6 percent to 0.5 percent as the action does not align with BFT's current Strategic Plan.

Forwarded as presented:

Gloria Boyce, General Manager

**BEN FRANKLIN TRANSIT
RESOLUTION 45-2021**

A RESOLUTION DECLINING TO PLACE A REFERENDUM ON THE NOVEMBER 2, 2021, BALLOT REDUCING THE AMOUNT OF LOCAL TRANSIT SALES TAX REVENUE FROM 0.6 PERCENT TO 0.5 PERCENT.

WHEREAS, the Ben Franklin Transit Board of Directors received letters on June 11, 2021, from Benton and Franklin County Commissioners requesting BFT Board members place a referendum on the November 2, 2021, ballot reducing the amount of local transit sales tax revenue from 0.6 percent to 0.5 percent; and

WHEREAS, BFT Board of Directors requested staff present information on the potential impact of a 0.1 percent local transit sales tax revenue reduction on the transit agency for their consideration; and

WHEREAS, the local transit sales tax revenue reduction does not align with the Ben Franklin Transit Strategic Plan, which includes the expansion of service and facilities, that would not be possible with a reduction in funding.

NOW, THEREFORE, BE IT RESOLVED BY THE BEN FRANKLIN TRANSIT BOARD OF DIRECTORS THAT:

The Board of Directors declines the suggestion to place a referendum on the November 2, 2021, ballot reducing the amount of local transit sales tax revenue from 0.6 percent to 0.5 percent as requested by the Benton and Franklin County Commissions in their letters dated June 11, 2021.

APPROVED AT A REGULAR BEN FRANKLIN TRANSIT BOARD OF DIRECTORS meeting held August 12, 2021, 1000 Columbia Park Trail, Richland, Washington.

ATTEST:

Janet Brett, Clerk of the Board

Richard Bloom, Chairman

APPROVED AS TO FORM BY:

Jeremy J. Bishop, Legal Counsel



2nd Quarter 2021

Agency Performance

Q2 2021 Ridership

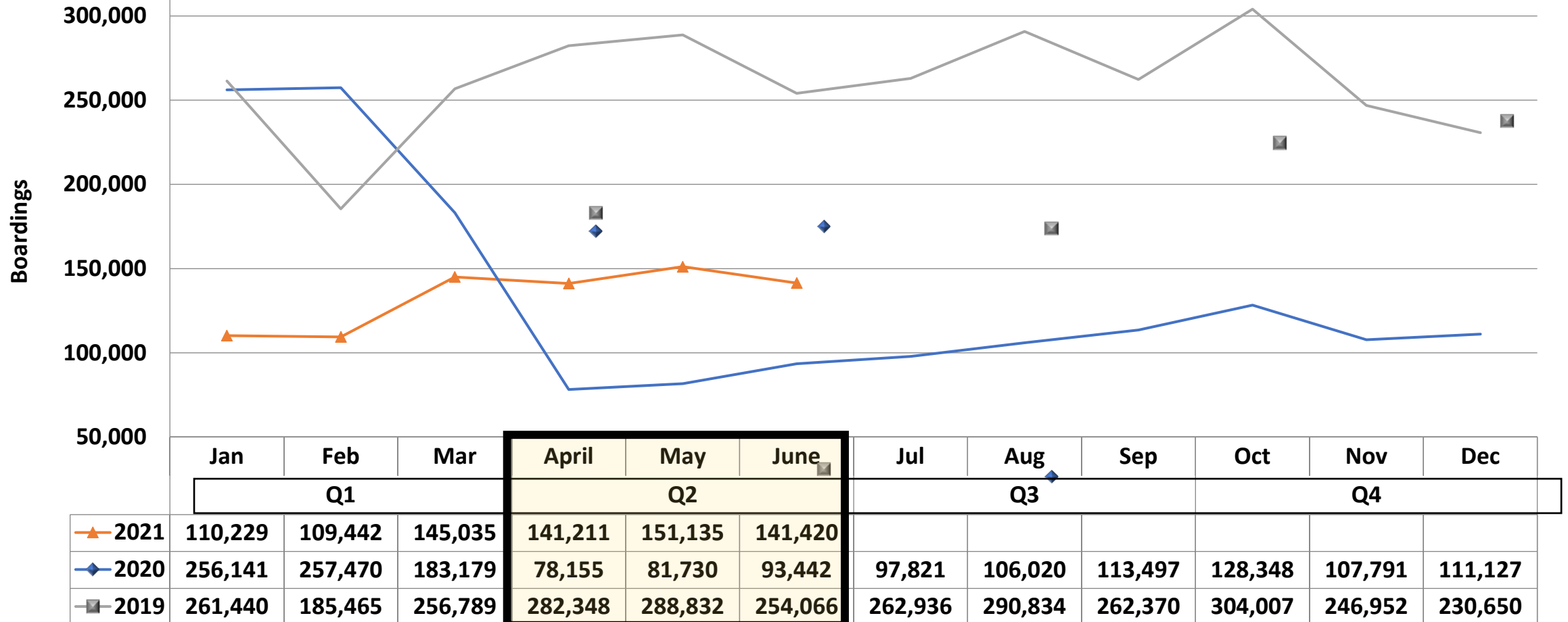
Annual Total System Boardings

2021 YTD
798,472

2020 YTD
950,117

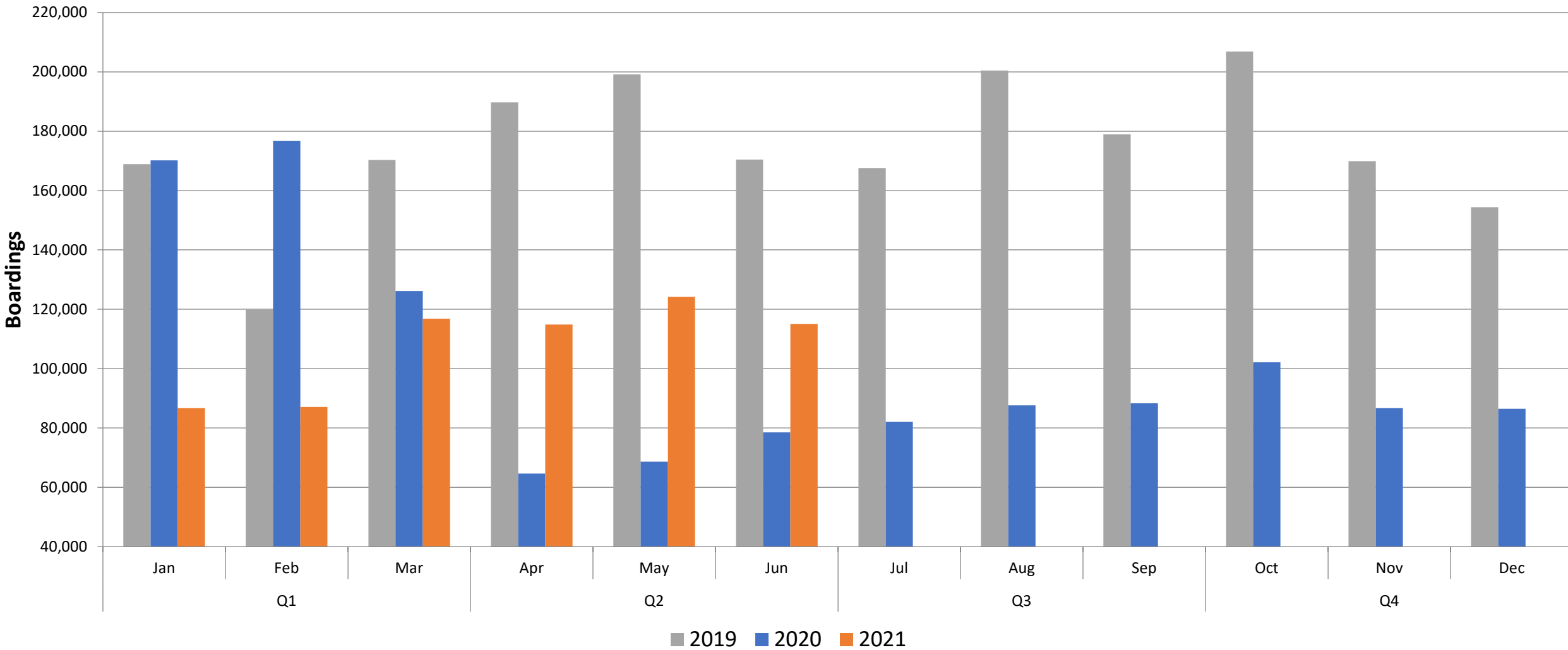
Q2 Highlight:
Steady signs of Recovery

System Total has reached 56% of it's 95% of normal ridership goal for Q2 2021.



Ridership Trends: Up 71.2% in Q2

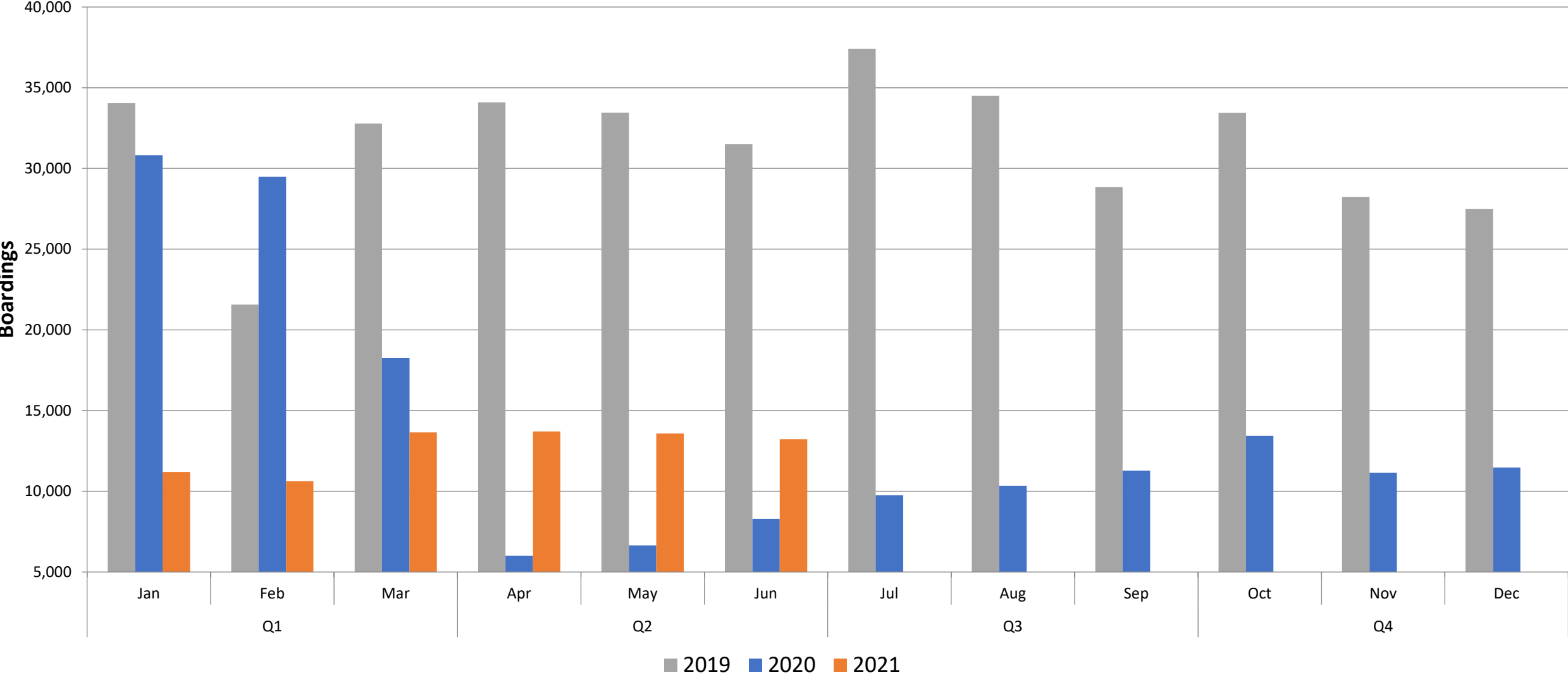
Fixed Route Performance



Ridership Trends:

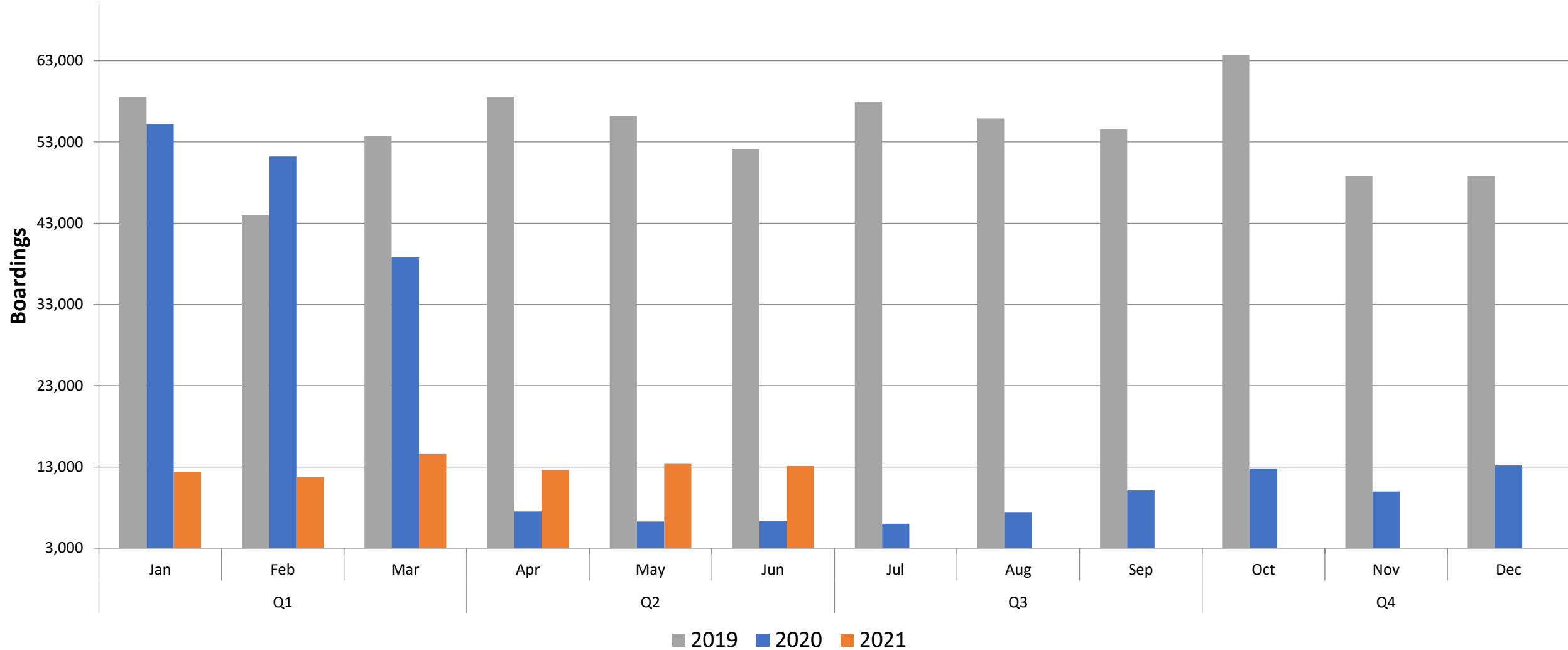
Up 67.2% in Q2

Dial-A-Ride Performance



Ridership Trends: **Up 93.3% in Q2**

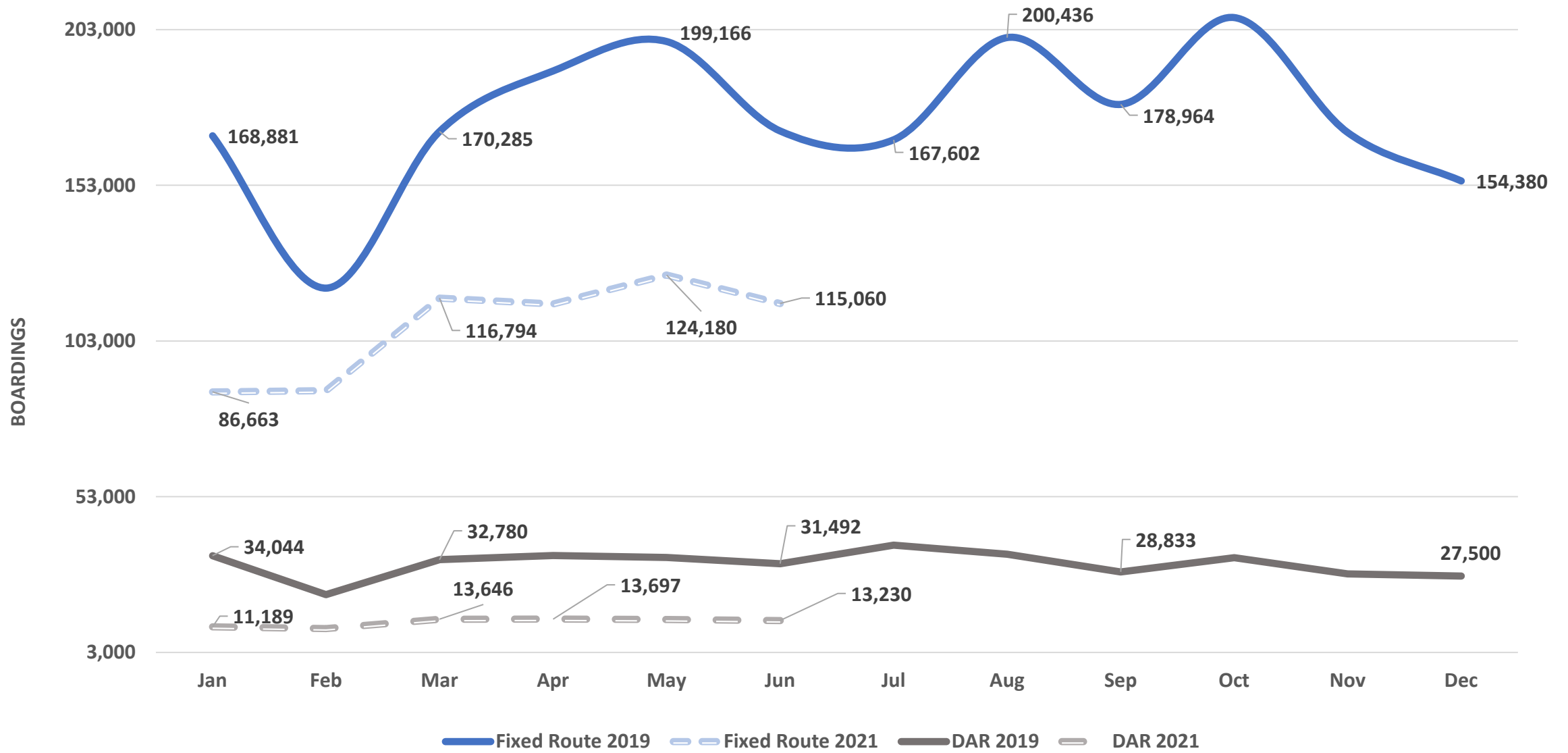
Vanpool Performance



Ridership Trends:

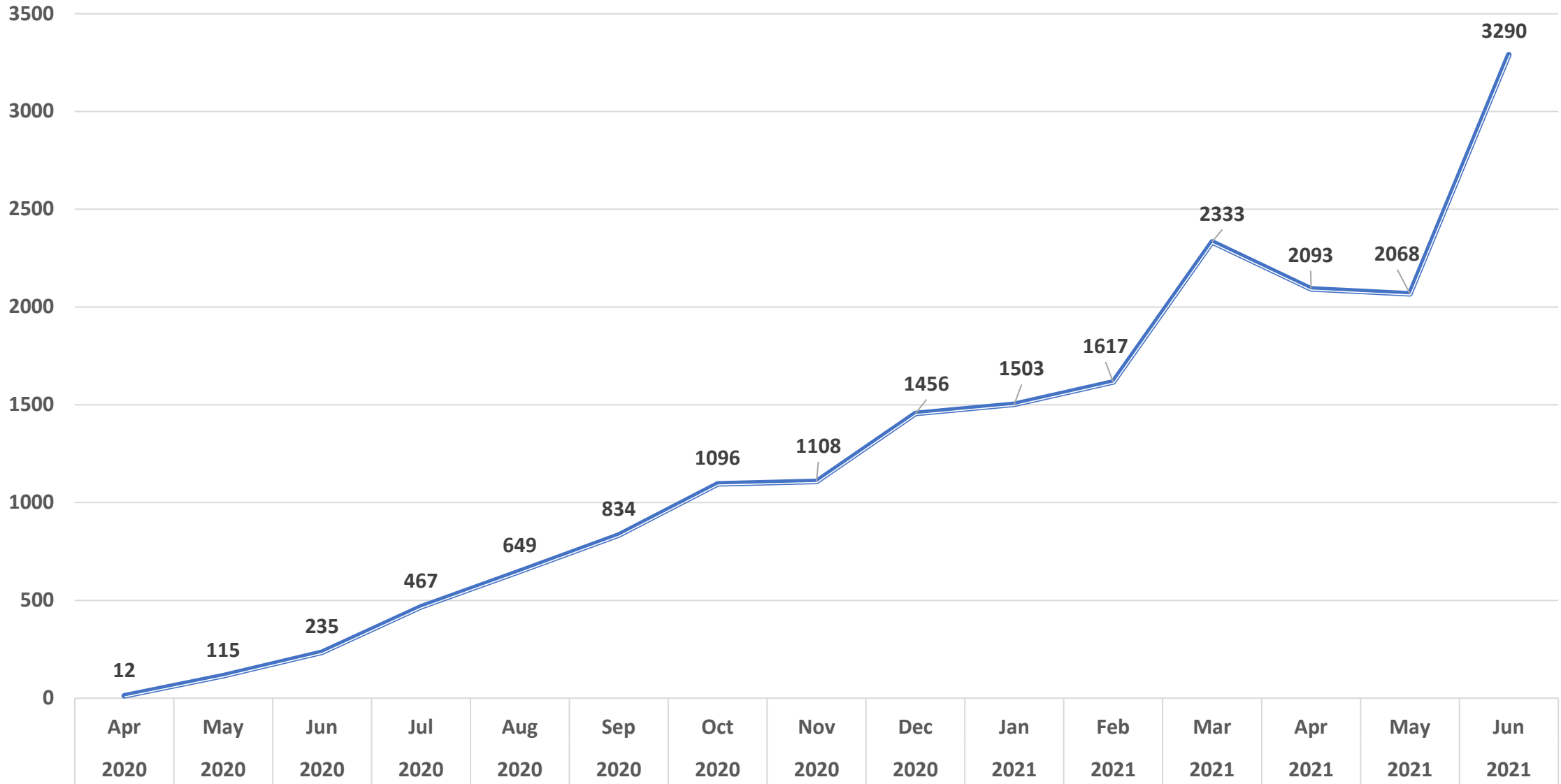
Up 93.9% in Q2

Covid-19 Ridership Recovery Trends



CONNECT Ridership Trends

Connect Boardings



Marketing + Outreach

COVID-19 Response + Recovery

June System Changes

Employee Recognition Event



COVID-19 Communications

SAFETY MEASURES

Federal Mask Mandate

Guidance + Requirements

Disinfection

Fares + Entry Points

VACCINE TRANSPORTATION

BFT Service Adjustment Reminders



RIDER SAFETY



**FACE MASKS
REQUIRED**



**NO FARES UNTIL
FURTHER NOTICE**



**MAINTAIN A SAFE
DISTANCE**



STAY HOME IF SICK

bft.org/Safety

June System Changes

2021 MODIFIED ANNUAL SERVICE PLAN

Press Release

Website Content

Social Media Posts + Reminders

Print + Digital + Radio + TV Ads

Map + Signage Updates

Electronic System Guide

Outreach Literature

Internal Communications



NOW EVERY 15 MINUTES BEGINNING JUNE 21!

METRO BUS SERVICE

Frequent service routes every 15 minutes across expanded geography



METRO Route 1:
Combines portions of Routes 120, 126, 150, and 160 with service every 15 minutes between Pasco, Kennewick, and Richland.



METRO Route 3:
Combines portions of Routes 150 and 160 with direct service every 15 minutes between Kennewick and Pasco.

NEW ROUTES... EVERY 30 MINUTES OR LESS



Route 20:
Replaces portions of Route 120 between West Richland and Richland with service every 30 minutes.



Route 26:
Service every 20 minutes during peak hours and every 30 minutes during off-peak hours between Knight Street Transit Center and North Richland via George Washington Way.



Route 40:
Replaces portions of Route 160 and adds new service along Olympia Street. Increases service to every 30 minutes.



INCREASED SATURDAY SERVICE

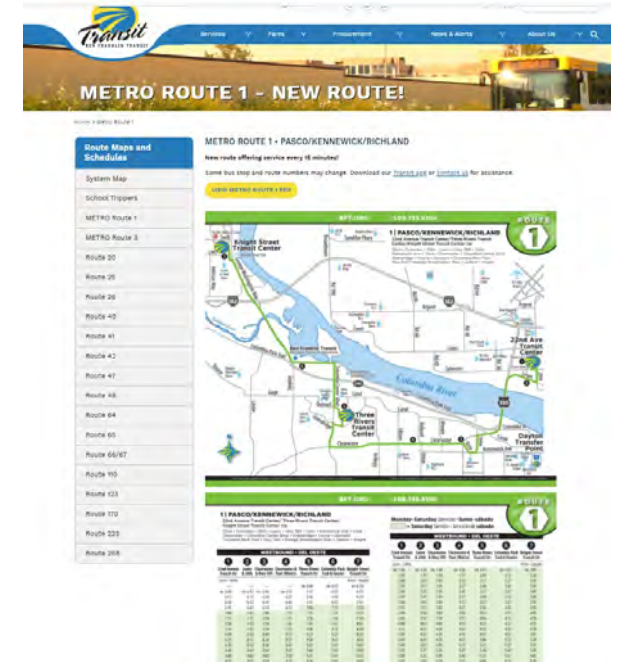
Routes 42 and 47 will increase in frequency from every 60 minutes to every 30 minutes.

MORE INFORMATION:
bft.org/NewPlaces
509.735.5100

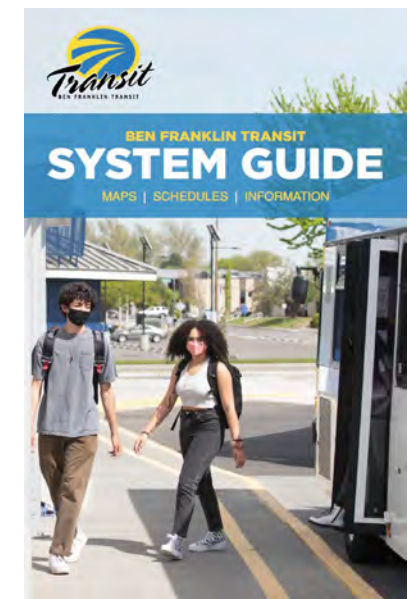
Find your bus
& plan your trip
in real time on
the Transit app.



NEWSPAPER



WEBSITE





¡NUEVO SERVICIO DE AUTOBÚS DE METRO CADA 15 MINUTOS!



METRO Ruta 1:

Combina partes de las rutas 120, 126, 150 y 160 con servicio cada 15 minutos entre Pasco, Kennewick y Richland.



METRO Ruta 3:

Combina partes de las rutas 150 y 160 con servicio directo cada 15 minutos entre Kennewick y Pasco.

NUEVAS RUTAS ... CADA 30 MINUTOS O MENOS



Obtenga más información y vea todos los cambios: bft.org/NewPlaces

LOOK!

Discover new routes & more frequent stops!



BUSES

Marketing & Outreach

– Social & Digital Media Analytics



Twitter

68,630 impressions

10 new followers



Facebook

394,155 total reach

55,787 organic & **338,368** paid

91 new page Likes | **73** new followers

– Website Analytics

- 34,495 users
- 56,536 total sessions
- 142,707 page views

Social Media Performance



 **Ben Franklin Transit**
May 10 · 🌐

Today we celebrate the 39-year anniversary of our first rider!
On May 10, 1982, Gwendolyn Williams rode the bus as BFT's very first passenger! Ms. Williams soon after became a Coach Operator for BFT. Our buses look a lot different than they did nearly 40 years ago, but our commitment to serving this community has stayed the same.
Thank you to our riders and community for your continued support!
#Transit #BFTeam




 **Get More Likes, Comments and Shares**
When you boost this post, you'll show it to more people.


1,351 People Reached **129** Engagements [Boost Post](#)

   Josefina Barboza, Denise Sommer and 44 others 2 Comments 10 Shares


 Like  Comment  Share 


 **Ben Franklin Transit**
April 30 · 🌐

REMINDER: BFT offers transportation options to local COVID-19 vaccination sites.
SENIORS + MOBILITY CHALLENGED INDIVIDUALS
Seniors and mobility challenged individuals, regardless of ADA (Dial-A-Ride) eligibility, can now schedule trips with BFT to and from vaccine sites.
... See More







VACCINE TRANSPORTATION SUPPORT

 Visit the COVID-19 Information Center for vaccine resources.
[Get Vaccine Info](#)

 **Get More Likes, Comments and Shares**
When you boost this post, you'll show it to more people.

2,121 People Reached **59** Engagements [Boost Post](#)

 Margaret Shaw, Solomon Torelli and 3 others 9 Shares

 Like  Comment  Share 

2021 Goals & Initiatives

BFT STRATEGIC PLAN OBJECTIVES

- 1 Address Community Growth
- 2 Maximize Community Outreach & Involvement
- 3 Implement Succession Planning & Staff Development
- 4 Address Community Demographics
- 5 Participate in Economic Development
- 6 Plan for Paratransit Demographic Shifts
- 7 Integrate Technology
- 8 Pursue Environmentally Friendly Buses

2021 Goals & Initiatives	1	2	3	4	5	6	7	8
Safety First	✓	✓	✓	✓	✓	✓	✓	✓
Ridership Restoration/Growth	✓	✓		✓	✓	✓	✓	✓
Strategic Planning	✓	✓	✓	✓	✓	✓	✓	✓
Implementation of Operational Technology	✓	✓		✓	✓	✓	✓	✓
Agency Modernization	✓	✓	✓	✓	✓	✓	✓	✓
Alternative Fuels		✓		✓	✓		✓	✓
Labor Relations	Contractual Requirement							

2021 Goals & Initiatives Progress

Q1	Q2	2021 Goals & Initiatives	Start	End
Safety First				
		Transit Operations Accident Prevention - Vanpool	1/2/21	12/31/21
		Major Preventable Accidents at Less than .75 per 100,000 Miles	1/2/21	12/31/21
		Update Public Transportation Agency Safety Plan (PTASP)	1/2/21	12/31/21
		Maintain a Safe Work Environment – Facilities/Maintenance	1/2/21	12/31/21
Ridership Restoration/Growth				
		Restore Fixed Route Ridership	1/2/21	12/31/22
		Performance Monitoring and Reporting	1/2/21	12/31/21
		Community Outreach to Key Demographics	1/2/21	12/31/21
		Implement and Refine Group Travel Training Curriculum	1/2/21	12/31/21
		Frequent Service Corridor Implementation	1/2/20	6/5/21
		Contracted Services	1/2/21	12/31/21
		Develop a Program Recovery Plan for Post-Pandemic Vanpool Operation	9/1/20	12/31/21
Strategic Planning				
		Develop 2021-2026 Transit Development Plan	2/1/20	9/1/21
		Long-Range Service Plan and Vision	3/1/21	6/30/22
		Prosser/Benton City Service Analysis	1/2/20	12/31/21
		Conduct Comprehensive Fare Policy Study	3/1/21	3/21/22
		Organizational Infrastructure	1/2/20	12/31/21

2021 Goals & Initiatives Progress (continued)

Q1	Q2	2021 Goals & Initiatives	Start	End
Implementation of Operational Technology				
		Fixed Route	1/2/20	6/30/23
		Implement Asset Management Module to Track Facilities Maintenance per TAM	1/2/19	6/30/21
		Performance Monitoring and Reporting	1/2/20	12/31/21
		Identify Operational & Financial Metrics and Indicators	1/2/21	12/31/21
		Implementation of Document Control System	1/2/21	12/31/21
		IT Infrastructure Improvements	9/1/20	12/31/22
		Evaluate & Upgrade HRIS System	1/2/20	12/31/22
Agency Modernization				
		Agency Brand Enhancement	1/2/21	6/30/22
		Facilities Upgrades	9/3/19	3/31/22
		New Transit Facilities	10/1/19	12/31/22
		System Amenities	10/1/19	12/31/22
Alternative Fuels				
		Complete Alternative Fuels Plan	1/2/21	12/31/21
Labor Relations				
		Fixed Route Operators	1/2/21	12/31/21
		DAR Drivers/Reservationists	1/2/21	12/31/21
		Administrative Assistants	1/2/20	3/31/21

QUESTIONS?

Staff Report August 12, 2021 Summary

YTD Operating as of June 30, 2021	2021 Budget Year to Date	Actual to Date June 30	Variance – Better/(Worse)	% Budget YTD
Operating Revenues				
Fares	1,036,486	260,999	(775,487)	-74.8%
Local Sales Tax	18,921,878	22,109,418	3,187,541	16.8%
Operating Grants	25,000	25,000	-	0.0%
CARES Act Funds	4,007,678	4,007,678	-	0.0%
Miscellaneous	250,000	634,888	384,888	154.0%
Total Operating Revenues	\$24,241,041	\$ 27,037,983	2,796,942	11.5%
Pro Forma Revenues without CARES Act				
Less: CARES Revenue		(4,007,678)		
Add: 5307 Operating Grants		2,508,721		
Adjusted Revenue without CARES		25,539,026	1,297,985	5.4%
Operating Expenditures				
Bus Operations	\$ 8,747,388	\$ 8,622,826	124,562	-1.4%
Dial-A-Ride Operations	5,793,303	4,895,260	898,043	-15.5%
General Demand Operations	236,016	195,174	40,842	-17.3%
Vanpool Operations	849,915	621,472	228,443	-26.9%
Maintenance	1,293,101	1,239,956	53,144	-4.1%
Paratransit - ARC	711,700	99,071	612,629	-86.1%
Contracted Services (Via)	1,050,000	289,066	760,934	-72.5%
Human Resources	866,948	808,741	58,207	-6.7%
Safety / Training	476,538	549,636	(73,098)	15.3%
Executive / Administrative Services	2,420,732	2,096,977	323,755	-13.4%
Marketing / Customer Service	1,091,159	663,371	427,787	-39.2%
Planning / Service Development	704,243	540,873	163,370	-23.2%
Total Operating Expenditures	\$24,241,041	\$ 20,622,424	\$ 3,618,617	-14.9%

Ben Franklin Transit
Comparison Revenue & Expenditures to Budget
For the Period Ending June 2021

	2021 Total Budget	2021 Budget Year to Date	Actual To Date June 2021	% Budget YTD	Actual To Date June 2020	2021 vs 2020
Operating Revenues						
Bus Passes	\$ 594,260	\$ 297,130	\$ 65	-100.0%	\$ 173,607	-100.0%
Bus Cash	329,000	164,500	-	0.0%	77,548	-100.0%
Dial-A-Ride	258,647	129,324	(25)	-100.0%	67,297	-100.0%
General Demand (Prosser)	15,200	7,600	-	0.0%	4,218	-100.0%
Vanpool	588,094	294,047	260,959	-11.3%	493,607	-47.1%
Contracted Paratransit	-	-	-	0.0%	-	0.0%
Contracted Services (Via)	287,771	143,886	-	0.0%	-	0.0%
Fares	2,072,972	1,036,486	260,999	-74.8%	816,277	-68.0%
Local Sales Tax	37,843,755	18,921,878	22,109,418	16.8%	17,014,520	29.9%
Operating Grants	50,000	25,000	25,000	0.0%	2,258,430	-98.9%
CARES Act Funds	8,015,355	4,007,678	4,007,678	0.0%	-	0.0%
Miscellaneous	500,000	250,000	634,888	154.0%	274,180	131.6%
Total Operating Revenues	\$ 48,482,082	\$ 24,241,041	\$ 27,037,983	11.5%	\$ 20,363,406	32.8%
Pro Forma Revenues without CARES Act Revenue						
Less: CARES Act Revenue			(4,007,678)			
Add: 5307 Operating Grants	\$ 5,017,442		2,508,721			
Adjusted Revenues without CARES Act			25,539,026	5.4%		25.4%
Operating Expenditures						
Directly Operated Transportation						
Fixed Route	\$ 17,494,776	\$ 8,747,388	\$ 8,622,826	-1.4%	\$ 8,158,511	5.7%
Dial-A-Ride	11,586,605	5,793,303	4,895,260	-15.5%	5,118,648	-4.4%
General Demand (Prosser)	472,032	236,016	195,174	-17.3%	220,144	-11.3%
Vanpool	1,699,830	849,915	621,472	-26.9%	799,925	-22.3%
Maintenance	2,586,201	1,293,101	1,239,956	-4.1%	1,292,632	-4.1%
Purchased Transportation						
Paratransit - ARC	1,423,400	711,700	99,071	-86.1%	253,606	-60.9%
Contracted Services (Via)	2,100,000	1,050,000	289,066	-72.5%	90,108	220.8%
Administration						
HR	1,733,895	866,948	808,741	-6.7%	718,156	12.6%
Safety / Training	953,076	476,538	549,636	15.3%	579,294	-5.1%
Executive / Administrative Services	4,841,464	2,420,732	2,096,977	-13.4%	1,990,080	5.4%
Marketing / Customer Service	2,182,317	1,091,159	663,371	-39.2%	736,368	-9.9%
Planning / Service Development	1,408,486	704,243	540,873	-23.2%	351,720	53.8%
* Total Operating Expenditures	\$ 48,482,082	\$ 24,241,041	\$ 20,622,424	-14.9%	\$ 20,834,196	-1.0%
Operating Surplus/(Deficit)	\$ -	\$ -	\$ 6,415,558		\$ (470,790)	
Operating Surplus/Deficit without CARES Act Revenues			4,916,602			
Capital Expenditures						
Local	\$ 2,356,245	\$ 1,178,123	1,317,986	11.9%	\$ 740,085	78.1%
State	600,000	300,000	124,395	-58.5%	762	16224.8%
Federal	2,768,923	1,384,462	-	0.0%	1,813,400	-100.0%
Total Capital Expenditures	\$ 5,725,168	\$ 2,862,584	\$ 1,442,381	-49.6%	\$ 2,554,247	-43.5%

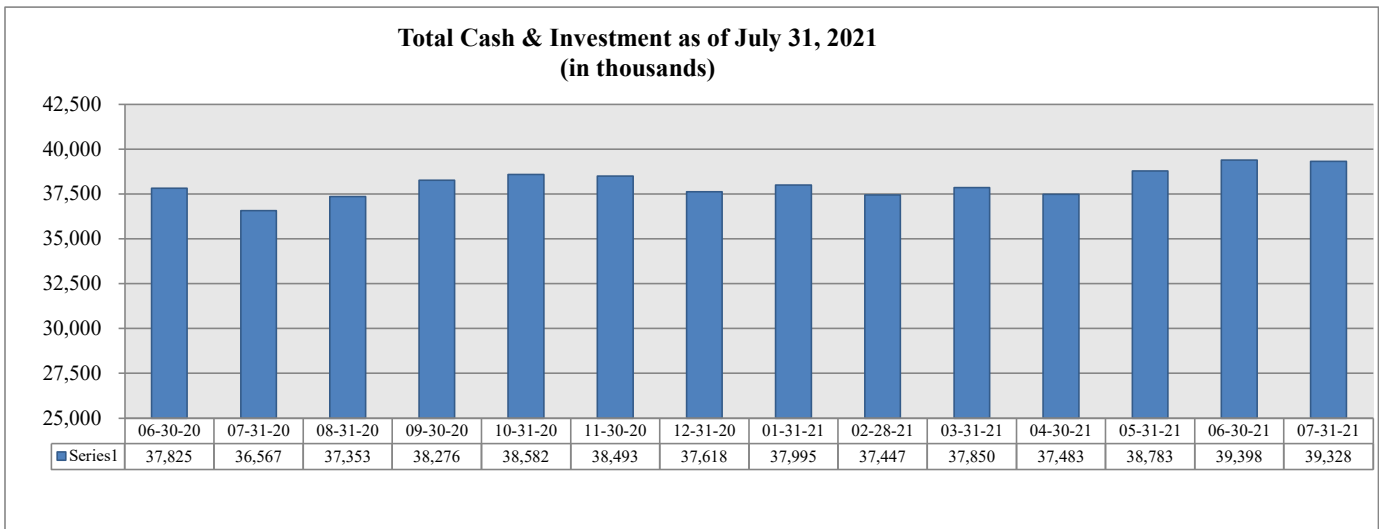
* Excludes budgeted GASB 68 year-end pension adjustment.

Ben Franklin Transit Treasurer's Report

Date: August 12, 2021
 To: Ben Franklin Transit Board of Directors
 From: Jeff Lubeck, Financial Services Director
 Subject: Treasurer's Report - As of Jul 31, 2021

The Investment Position of Ben Franklin Transit as of the Close of Business on Jul 31, 2021 is as follows:

ITEM	DATE OF PURCHASE	RATE	MATURITY	COST	% OF TOTAL
WA State Government Investment Pool		0.1783%	Open	\$ 28,232,733	71.8%
US Bank Commercial Paper Sweep Acct		0.0000%	Open	5,686,963	14.5%
Subtotal Investments				33,919,695	86.3%
Check Book Balance, Petty Cash, & Travel Account				* 5,408,803	13.8%
					<u>100.0%</u>
Total Cash and Equivalents on Hand				\$ 39,328,498	
Less Reserve Funds					
Operating Reserves				(12,120,000)	
Fuel Reserves				(1,400,000)	
Fleet Replacement Reserves				(2,640,400)	
Non-Fleet Capital Reserves				(3,365,000)	
Total Reserves				(19,525,400)	
Local Funds for Current Capital Projects				(16,975,861)	
Fleet Vehicles			(2,904,768)		
Facilities - Transit Centers & Amenities			(6,358,974)		
Facilities - MOA Campus			(2,889,152)		
Technology			(3,419,918)		
Other			(1,403,049)		
Net Funds Available				\$ 2,827,237	



Fares and Cost per Boarding

Effective with the March 2020 report, the Fare and Cost per Boarding charts will be substantially skewed compared to prior reports due to the drastic changes in responding to COVID-19.



Ben Franklin Transit
Comparison Revenue & Expenditures to Budget
For the Period Ending June 2021

The table below showing Actual Cost Per will be significantly skewed due to COVID-19 which dramatically impacted ridership and fares.

Directly Operated Transportation

2021 YTD Actual Allocated Cost Per(s)	General Demand				Contracted Paratransit	Contracted Services (Via)	Combined
	Fixed Route	Dial-A-Ride	(Prosser)	Vanpool			
Fares	\$ 65	\$ (25)	\$ -	\$ 260,959	\$ -	\$ -	\$ 260,999
Direct Cost	\$ 8,622,826	\$ 4,895,260	\$ 195,174	\$ 621,472	\$ 99,071	\$ 289,066	\$ 14,722,869
Allocated Cost	\$ 3,303,751	\$ 2,188,735	\$ 88,493	\$ 318,576	\$ -	\$ -	\$ 5,899,555
Depreciation - Local (Vehicle only)	\$ 222,377	\$ 44,325	\$ 105	\$ 74,101	\$ 3,686	\$ -	\$ 344,595
Cost for Farebox Recovery Ratio	\$ 12,148,954	\$ 7,128,319	\$ 283,772	\$ 1,014,150	\$ 102,758	\$ 289,066	20,967,019
Boarding	648,975	75,093	2,303	76,757	\$ 2,599	\$ 12,550	818,277
Revenue Miles	1,479,511	622,284	30,199	552,425	\$ 17,084	\$ 149,748	2,851,251
Revenue Hours	94,079	36,350	1,034	11,947	\$ 736	\$ 7,011	151,157
Cost per Boarding	\$ 18.72	\$ 94.93	\$ 184.00	\$ 13.21	\$ 39.54	\$ 23.03	\$ 25.62
Cost per Rev Mile	\$ 8.21	\$ 11.46	\$ 9.40	\$ 1.84	\$ 6.01	\$ 1.93	\$ 7.35
Cost per Rev Hour	\$ 129.14	\$ 196.10	\$ 274.44	\$ 84.89	\$ 139.62	\$ 41.23	\$ 138.71
Farebox Recovery	0.0%	0.0%	0.0%	25.7%	0.0%	0.0%	1.2%

Directly Operated Transportation

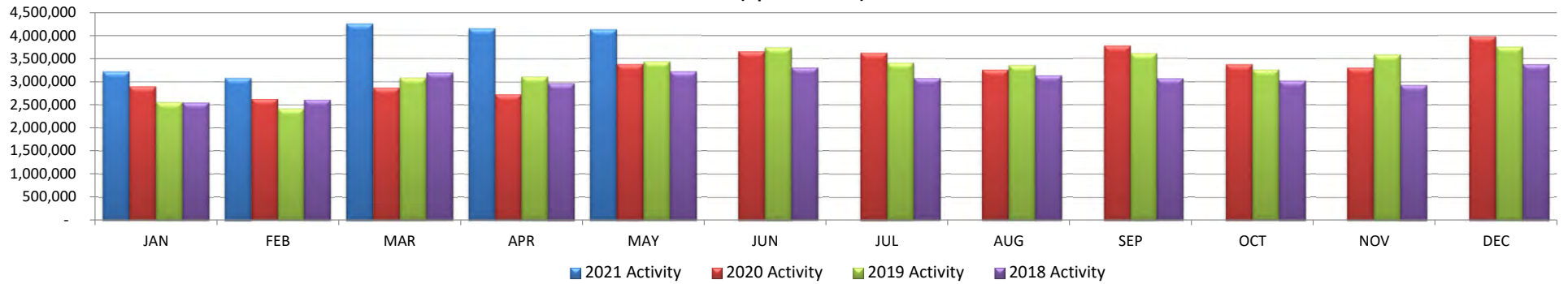
2021 YTD Budgeted Allocated Cost Per(s)	General Demand				Contracted Paratransit	Contracted Services (Via)	Combined
	Fixed Route	Dial-A-Ride	(Prosser)	Vanpool			
Fares	\$ 461,630	\$ 129,324	\$ 7,600	\$ 294,047	\$ -	\$ 143,886	\$ 1,036,486
Direct Cost	\$ 8,747,388	\$ 5,793,303	\$ 236,016	\$ 849,915	\$ 711,700	\$ 1,050,000	\$ 17,388,322
Allocated Cost	\$ 3,837,523	\$ 2,542,359	\$ 102,791	\$ 370,047	\$ -	\$ -	\$ 6,852,720
Depreciation - Local (Vehicle only)	\$ 229,472	\$ 93,673	\$ 5,825	\$ 99,715	\$ 10,345	\$ -	\$ 439,029
* Cost for Farebox Recovery Ratio	\$ 12,814,382	\$ 8,429,335	\$ 344,632	\$ 1,319,677	\$ 722,045	\$ 1,050,000	\$ 24,680,070
Boarding	915,000	135,000	10,500	297,500	36,500	72,500	1,467,000
Revenue Miles	1,621,000	912,500	48,000	1,550,000	120,000	375,000	4,626,500
Revenue Hours	103,000	59,500	2,000	37,500	7,500	23,000	232,500
Cost per Boarding	\$ 14.00	\$ 62.44	\$ 32.82	\$ 4.44	\$ 19.78	\$ 14.48	\$ 16.82
Cost per Rev Mile	\$ 7.91	\$ 9.24	\$ 7.18	\$ 0.85	\$ 6.02	\$ 2.80	\$ 5.33
Cost per Rev Hour	\$ 124.41	\$ 141.67	\$ 172.32	\$ 35.19	\$ 96.27	\$ 45.65	\$ 106.15
Farebox Recovery	3.6%	1.5%	2.2%	22.3%	0.0%	13.7%	4.2%

June 2021 Actual vs Budget

Cost per Boarding	\$ 4.72	\$ 32.49	\$ 151.18	\$ 8.78	\$ 19.76	\$ 8.55	\$ 8.80
Cost per Rev Mile	\$ 0.31	\$ 2.22	\$ 2.22	\$ 0.98	\$ (0.00)	\$ (0.87)	\$ 2.02
Cost per Rev Hour	\$ 4.72	\$ 54.43	\$ 102.13	\$ 49.70	\$ 43.34	\$ (4.42)	\$ 32.56

* Excludes budgeted GASB 68 year-end pension adjustment.

**BFT Sales Tax Comparison
2018 to YTD 2021 (April Business)**



	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	YTD
2021 Activity	3,217,469	3,080,269	4,253,848	4,162,484	4,127,491	-	-	-	-	-	-	-	18,841,561	\$ 18,841,561
2020 Activity	2,897,013	2,628,492	2,869,290	2,734,647	3,377,653	3,655,389	3,621,523	3,259,755	3,773,316	3,372,348	3,302,921	3,981,314	39,473,663	\$ 14,507,096
2019 Activity	2,551,215	2,415,542	3,083,917	3,115,786	3,434,191	3,737,774	3,407,206	3,356,617	3,609,415	3,259,950	3,585,466	3,754,832	39,311,911	\$ 14,600,651
2018 Activity	2,548,254	2,608,963	3,197,807	2,973,191	3,217,205	3,305,949	3,074,305	3,132,269	3,064,684	3,014,900	2,927,560	3,377,150	36,442,238	\$ 14,545,420
Chg 21 to 20	320,456	451,777	1,384,558	1,427,837	749,838	-	-	-	-	-	-	-	4,334,466	
Chg 20 to 19	345,798	212,951	(214,627)	(381,139)	(56,538)	(82,385)	214,317	(96,862)	163,901	112,398	(282,544)	226,482	161,752	
Chg 19 to 18	2,961	(193,422)	(113,890)	142,595	216,986	431,826	332,900	224,348	544,731	245,049	657,905	377,682	2,869,673	
Chg 18 to 17	134,393	335,207	370,734	308,520	335,408	(347,319)	246,506	243,277	101,744	297,561	163,773	38,347	2,228,152	
% Chg 21 to 20	11.1%	17.2%	48.3%	52.2%	22.2%								29.9%	
% Chg 20 to 19	13.6%	8.8%	-7.0%	-12.2%	-1.6%	-2.2%	6.3%	-2.9%	4.5%	3.4%	-7.9%	6.0%	0.4%	
% Chg 19 to 18	0.1%	-7.4%	-3.6%	4.8%	6.7%	13.1%	10.8%	7.2%	17.8%	8.1%	22.5%	11.2%	7.9%	
% Chg 18 to 17	5.6%	14.7%	13.1%	11.6%	11.6%	-9.5%	8.7%	8.4%	3.4%	11.0%	5.9%	1.1%	6.5%	
2021 Budget	2,746,574	2,667,953	3,329,812	3,199,984	3,484,955	3,910,393	3,403,113	3,428,179	3,522,917	3,287,186	3,391,233	3,827,701	40,200,000	\$ 15,429,278
2020 Budget	2,627,752	2,488,008	3,176,434	3,209,259	3,537,217	3,849,908	3,166,535	3,226,237	3,156,625	3,105,347	3,015,387	3,478,464	38,037,173	\$ 15,038,670
2019 Budget	2,650,000	2,750,000	3,310,000	3,080,000	3,330,000	3,420,000	3,200,000	3,000,000	3,080,000	2,810,000	2,860,000	3,460,000	36,950,000	\$ 15,120,000
2018 Budget	2,475,000	2,330,000	2,900,000	2,730,000	2,955,000	3,225,000	2,900,000	2,960,000	3,055,000	2,825,000	3,135,000	3,376,317	34,866,317	\$ 13,390,000
Vs. 2021 Budget	470,895	412,316	924,036	962,500	642,536	-	-	-	-	-	-	-	3,412,283	22.1%
Vs. 2020 Budget	269,262	140,484	(307,145)	(474,612)	(159,563)	(194,518)	454,989	33,518	616,691	267,000	287,534	502,850	1,436,490	-3.5%
Vs. 2019 Budget	(98,785)	(334,458)	(226,083)	35,786	104,191	317,774	207,206	356,617	529,415	449,950	725,466	294,832	2,361,911	-3.4%
Vs. 2018 Budget	73,254	278,963	297,807	243,191	262,205	80,949	174,305	172,269	9,684	189,900	(207,440)	833	1,575,921	8.6%