

CLARK COUNTY PUBLIC TRANSPORTATION
BENEFIT AREA

COMPREHENSIVE **A**NNUAL **F**INANCIAL **R**EPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2000

Department of Finance & Administration
Frederick W. Bateman, Director

**Clark County Public Transportation
Benefit Area**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended December 31, 2000**

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INTRODUCTORY SECTION



June 29, 2001

Board of Directors and
Executive Director/CEO
Clark County PTBA
PO Box 2529
Vancouver, WA 98668-2529

Transmitted herewith is the Comprehensive Annual Financial Report of the Clark County Public Transportation Benefit Area (PTBA) for the fiscal year ended December 31, 2000. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the PTBA. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and the results of operations of the PTBA. All disclosures necessary to enable the reader to gain an understanding of the PTBA's financial activities have been included.

The Comprehensive Annual Financial Report is presented in three sections:

- 1) Introductory Section includes this transmittal letter, 1999 Certificate of Achievement for Excellence in Financial Reporting, the PTBA's organizational chart, and a directory of the principal officials of the agency;
- 2) Financial Section includes the financial statements with accompanying notes and the auditor's report on the financial statements; and
- 3) Statistical Section includes selected summarized financial and operating data relating to the PTBA on a multi-year basis, as well as information relating to the sales activity and demographics of Clark County.

Clark County PTBA is a transportation authority organized pursuant to Chapter 36.57A of the Revised Code of Washington. Clark County PTBA's taxing authority was granted by the voters in the general election of 1980. The PTBA commenced operating a public transportation system January 1, 1981, by first assuming the employees and equipment from the City of Vancouver's Transit System, and later expanding service throughout Clark County and into the Portland, Oregon, city center.

The PTBA utilizes a fleet of 109 vehicles to provide fixed route service on 229 route miles.

In 1981 the PTBA began funding demand response services for persons with disabilities in the form of a dial-a-ride system. On July 1, 1999, the PTBA began directly providing demand response services, utilizing its own vehicles, and currently provides 50 vehicles for this type of service.

In 1988 the PTBA began to provide vanpool service. This is utilized by prearranged groups of residents who have the same trip destination and travel in vans provided by the PTBA. The riders provide a driver and pay a monthly fare. A maximum of 18 vehicles were leased during 2000 to provide this service.

The PTBA is governed by a Board of Directors whose 2000 membership was composed of three members selected from the Vancouver City Council, three Clark County Commissioners, one council member representing the Cities of Camas and Washougal, one council member representing the City of Battle Ground and Town of Yacolt, and one council member representing the Cities of Ridgefield and La Center. The PTBA has separate legal standing from other local governments and is also fiscally independent of them.

The PTBA's operation is accounted for under a single enterprise fund which uses the same accrual accounting method as private enterprise. Under revenue recognition and matching principles of the accrual accounting method, revenues are recorded when earned, and expenses are recorded as soon as they result in liabilities for benefits provided.

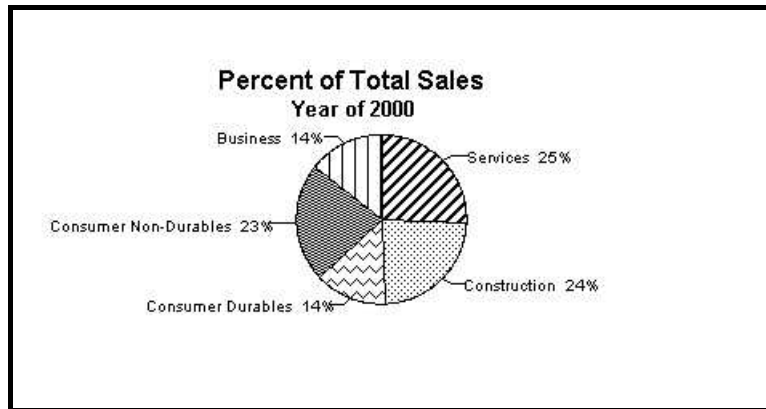
ECONOMIC CONDITION AND OUTLOOK

Clark County is part of the six-county Portland, Oregon Washington Primary Metropolitan Statistical Area (PMSA). The 2000 census population of this PMSA was 2,265,223, and it is the 23rd largest metropolitan area in the United States. This is an increase of 26.3 percent since the 1990 census. Clark County has a population of 345,238 or 45 percent more than 1990. Thus, Clark County grew at a faster rate than the rest of the PMSA, which in turn, is one of the fastest growing metropolitan areas in the county. Of the six counties that comprise the primary metropolitan statistical area, Clark County had the highest rate of growth in the 1990s.

Employment in Clark County grew by 1.4 percent during 2000. Of all the job sectors, manufacturing and finance saw the most declines as a result of a slowing economy. Construction employment was flat. Services, such as health care and social services, had the most growth in 2000. Transportation issues continue to be a major concern in the county. With only two interstate bridges over the Columbia River in the urban area, traffic counts continue to increase and now exceed 250,000 vehicles per day. A bi-state I-5 task force is studying ways to alleviate congestion. Any relief will likely require substantial state and local funding which has not been identified at this time.

The PTBA's main source of revenue is the sales tax, which also serves as an economic barometer. During 2000, retail sales grew by 3.3 percent over 1999. The various business categories which collect a sales tax may be summarized into five categories. The following table shows the growth rate during 2000 and the percent of the total of each category.

Percent of Growth 2000 compared to 1999	
Services	5.5 %
Construction	0.7
Consumer Durables	5.4
Consumer Non-Durables	6.1
Business	(2.0)
Total	3.3 %



MAJOR INITIATIVES

For The Year:

In the 1999 general election, the Washington state voters approved Initiative 695 which repealed the value-based motor vehicle excise tax (MVET). MVET provided approximately 40 percent of the PTBA's revenue, and revenue from this source ceased July 1, 2000. The major focus of the first half of 2000 was to develop a plan to deal with the loss of this revenue. Extensive public outreach was held, and a service plan was developed. With the appropriation of MVET "bridge" funds from the Washington state legislature, as well as the possibility of future state funding, some commuter and evening service scheduled for elimination was restored. In order to improve efficiency, the service change also incorporated the best elements of the Comprehensive Systems Analysis. Thus the most major service change since the PTBA began providing county-wide service in 1981 was implemented in July 2000.

As a part of the service change, service was provided to the newly opened Fisher's Landing Transit Center. This facility, which was built on land purchased by the PTBA several years previously, represents an investment of \$5.6 million in improving east county services. It was funded, in part, by \$3.3 million of Federal Transit Administration (FTA) funds. It provides transfer facilities, 560 parking spaces, an indoor waiting area, a customer service office and a community meeting room, named in honor of Rose F. Besserman who served as a board member from the PTBA's inception in 1980 through 1999. Use of this facility during the first year of operation increased rapidly and averages 80 to 90 percent of the available parking spaces.

With the opening of Fisher's Landing, attention was directed to the pressing need for additional park & ride spaces in the I-5 corridor. A potential site has been identified in the 99th Street corridor, and the process to acquire this site was begun. Upon completion of the planning process and approval by the FTA, one site was acquired during 2000, with the remaining site to be acquired in 2001. The goal of this acquisition will be to provide approximately 500 parking spaces.

For The Future:

Attention will be devoted to continuing to obtain land and federal funding for the 99th Street I-5 Park & Ride facility. In order to maximize the effectiveness of the reduced service hours the PTBA has available, the results of the service change will be closely analyzed, and service hours redeployed where needed. Coordination is also underway with Tri-Met, the transit operator across the Columbia River in Portland, to provide some connection with the MAX light rail line which will be operating

in the I-205 corridor to the airport and is scheduled to open in the fall of 2001. Additional coordination is underway with Tri-Met as the Interstate Avenue MAX line is constructed in the I-5 corridor.

In order to chart a course that will lead to improved organization and operational performance and provide financial stability while meeting the transportation needs of the community, a strategic plan is being developed and deployed. This plan's development will involve a substantial number of the PTBA employees in all classifications and will be shaped by the area's elected officials, the employees, customers, and the community as a whole, in order to develop the areas of focus for the PTBA in the future.

FINANCIAL INFORMATION

The responsibility for establishing and maintaining an internal control structure designed to ensure the assets of the PTBA are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles, rests with the management of the PTBA. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: 1) the cost of control should not exceed the benefits likely to be derived, and 2) the valuation of cost and benefits require estimates and judgments by management. Internal control development and evaluation occur within these guidelines.

Single Audit: As a recipient of federal capital grants from the FTA, the PTBA is also responsible for having an adequate internal control structure in place to ensure compliance with applicable laws and regulations related to these grants. This internal control structure is subject to periodic evaluation by management.

The PTBA is required to undergo a single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-128, Audits of State and Local Governments.

As a part of the PTBA's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to the federal financial assistance programs, as well as to determine the PTBA has complied with applicable laws and regulations. The results of the PTBA's single audit for the fiscal year ended December 31, 2000, and disclosed no conditions of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Service and Financial Plan: At least once each year the PTBA updates its Service and Financial Plan. This Plan shows the service hours by mode of service which are estimated to occur in the current and future years. Fare revenues are based upon productivity goals for ridership and average fare per passenger. Tax revenues based upon reasonable long-term growth rates and interest income based upon available cash are projected. Operating expenses are segregated into fixed and variable costs; fixed costs are expected to remain constant within given current service levels, and variable costs are directly affected by a change in service levels. From this segregation of costs, expense projections can be made for future periods considering service hour changes.

Fixed asset purchases are divided between replacement and expansion categories. Replacement purchases are projected upon the completion of the existing asset's useful life and are normally funded through amounts accumulated for this purpose during the useful life of the assets. Expansion assets are assets purchased to support increased levels of service or additional public amenities, such as transit centers and park and ride lots. Funding for these purchases comes from net income, FTA, and other capital grants.

With use of the Service and Financial Plan, current year expenditure controls can be developed while also projecting the PTBA's financial condition in future years from service changes approved or contemplated during the current year.

Discussion of Financial Changes: The following table sets forth, for the periods indicated, the percentage relationship to total operating expenses of certain income statement data. Also, data on the percent of operating expenses where by mode is provided.

	YEARS ENDED		
	<u>Dec. 31, 2000</u>	<u>Dec. 31, 1999</u>	<u>Dec. 31, 1998</u> (Restated)
<u>OPERATING REVENUE</u>			
Passenger Fares	12.4%	9.2%	9.2%
<u>OPERATING EXPENSES</u>			
Transit Services	47.8%	47.7%	48.1%
Maintenance	23.7	22.5	22.7
Administration	16.6	20.0	18.4
Depreciation	<u>11.9</u>	<u>9.8</u>	<u>10.8</u>
TOTAL OPERATING EXPENSES	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>
OPERATING LOSS	<u>87.6%</u>	<u>90.8%</u>	<u>90.8%</u>
<u>NON-OPERATING REVENUES (EXPENSES)</u>			
Sales Tax	45.4%	41.4%	42.9%
Motor Vehicle Excise Tax	27.5	41.4	42.9
Interest Income	20.5	10.6	17.6
Commuter Reduction Grants	.1	.6	.4
State Assistance	18.7	.0	.0
Contributions to Road Projects	(.4)	(1.5)	.0
Other	<u>.1</u>	<u>.1</u>	<u>.0</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>111.9%</u>	<u>92.6%</u>	<u>103.8%</u>
NET INCOME	<u>24.3%</u>	<u>2.2%</u>	<u>13.1%</u>

	YEARS ENDED		
	<u>Dec. 31, 2000</u>	<u>Dec. 31, 1999</u>	<u>Dec. 31, 1998</u>
<u>OPERATING EXPENSES BY MODE:</u>			
Fixed Route	82.8%	80.7%	79.8%
Demand Response	15.7	17.3	18.6
Vanpool	1.0	1.1	.6
Rideshare	<u>0.5</u>	<u>0.9</u>	<u>1.0</u>
TOTAL OPERATING EXPENSES	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

Revenues: Total revenues for 2000 were \$32,534,469. Total revenues increased by \$3,375,098 or 11.57 percent from 1999. The following table presents a summary of revenues for the fiscal year ended December 31, 2000, and the amounts and percentages of increases and decreases in relation to the prior year's revenues.

<u>REVENUES</u>	<u>2000 AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>1999 AMOUNT</u>	<u>INCREASE (DECREASE) FROM 1999</u>	<u>PERCENT INCREASE (DECREASE)</u>
Passenger Fares	\$ 3,227,198	9.92%	\$ 2,611,353	\$ 615,845	23.58%
Interest Income	5,350,765	16.45	2,988,909	2,361,856	79.02
Sales Tax	11,853,310	36.43	11,699,532	153,778	1.31
Motor Vehicle Excise Tax	7,173,943	22.05	11,699,532	(4,525,589)	(38.68)
Planning Grants	40,254	0.12	155,365	(115,111)	74.09
State Assistance	4,885,564	15.02	0	4,885,564	0
Miscellaneous	3,435	0.01	4,680	(1,245)	(26.60)
TOTAL REVENUE	<u>\$32,534,469</u>	<u>100.00%</u>	<u>\$29,159,371</u>	<u>\$ 3,375,098</u>	<u>11.57%</u>

Passenger fares increased in 2000 due to increased rates effective December 1999. Interest income increased due to higher market values. Sales tax revenue grew at slightly over 1 percent and reflects a slowing economy. MVET revenue ceased effective July 1, 2000. Planning grant funds received in 2000 were for commute trip reduction. State Assistance revenue was an appropriation payment to transit systems to "bridge them over the loss of MVET.

Operating Expenses: Total operating expenses for the fiscal year ended December 31, 2000, were \$26,095,627. These expenses decreased by \$2,147,754 or 7.60 percent over 1999. Total expenses for the year were \$26,195,202 and decreased by \$2,439,019 or 8.52 percent over 1999. The following schedule presents a summary of expenses by mode of service and other non-operating expenses and the amounts and percentages of increases and decreases in relation to the prior year's expenses.

<u>MODE</u>	<u>2000 AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>1999 AMOUNT</u>	<u>INCREASE (DECREASE) FROM 1999</u>	<u>PERCENT INCREASE (DECREASE)</u>
Fixed Route	\$21,613,481	82.51%	\$22,784,148	\$(1,170,667)	(5.14)%
Demand Response	4,078,401	15.57	4,898,119	(819,718)	(16.74)
Vanpool	265,618	1.01	316,704	(51,086)	(16.13)
Rideshare	138,127	0.53	244,410	(106,283)	(43.49)
Total Operating Expenses	<u>\$26,095,627</u>	<u>99.62%</u>	<u>\$28,243,381</u>	<u>\$(2,147,754)</u>	<u>(7.60)%</u>
Road Contributions	113,415	0.43	418,083	(304,668)	(72.87)
Loss on Sale of Fixed Assets	(13,840)	(0.05)	(27,171)	13,331	(49.06)
TOTAL EXPENSES	<u>\$26,195,202</u>	<u>100.00%</u>	<u>\$28,634,293</u>	<u>\$(2,439,091)</u>	<u>(8.52)%</u>

Operating expenses are directly affected by changes in service hours. The following schedule presents a summary of service hours by mode of services and the amounts and percentages of increases and decreases compared to the prior year.

<u>SERVICE HOURS</u>	<u>2000 AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>1999 AMOUNT</u>	<u>INCREASE (DECREASE) FROM 1999</u>	<u>PERCENT INCREASE (DECREASE)</u>
Fixed Route	284,431	80.3%	309,491	(25,060)	(8.10)%
Demand Response	62,275	17.6	74,693	(12,418)	(16.63)
Vanpool	<u>7,485</u>	<u>2.1</u>	<u>7,743</u>	<u>(258)</u>	<u>(3.33)</u>
TOTAL PLATFORM HOURS	<u>354,191</u>	<u>100.0%</u>	<u>391,927</u>	<u>(37,736)</u>	<u>(9.63)%</u>

Since the service change occurred in July 2000, approximately half of the impact will occur in 2000 with the balance in 2001. Fixed route expenses decreased slightly more than 5 percent due to an 8 percent cut in service hours. The savings due to decreased service hours were offset by significant increases in fuel prices and the cost of operating the Fisher's Landing Transit Center. Demand response expenses decreased at almost the same rate as the decrease in service hours. Vanpool expenses decreased due to a 3 percent decrease in hours plus a reallocation of staff resources. Rideshare expenses were partially offset by grants for commute trip reduction.

The following schedule presents the amount of expenses by department for the fiscal year ended December 31, 2000, and the amounts and percentages of increases and decreases in relation to the prior year's expenses:

<u>DEPARTMENT</u>	<u>2000 AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>1999 AMOUNT</u>	<u>INCREASE (DECREASE) FROM 1999</u>	<u>PERCENT INCREASE (DECREASE)</u>
Transit Services	\$ 12,469,654	47.60%	\$ 13,482,851	\$ (1,013,197)	(7.51)%
Maintenance	6,197,716	23.66	6,345,505	(147,789)	(2.33)
Administration	1,252,929	4.78	1,776,589	(523,660)	(29.48)
Planning & Development	843,976	3.22	1,550,038	(706,062)	(45.55)
Com. Rel. & Marketing	1,298,556	4.95	1,762,287	(463,731)	(26.31)
Human Resources	1,044,871	3.99	980,970	63,901	6.51
Depreciation	<u>3,087,500</u>	<u>11.80</u>	<u>2,736,053</u>	<u>351,447</u>	<u>12.85</u>
TOTAL EXPENSES	<u>\$ 26,195,202</u>	<u>100.00%</u>	<u>\$ 28,634,293</u>	<u>\$ (2,439,091)</u>	<u>(8.52)%</u>

The 2000 expenses reflect the service and staffing reductions effective July 2000. The decrease in expenses in the Transit Services Department matches the decrease in service hours offset by cost of living increases. Savings in the Maintenance Department were offset by increases in fuel prices. Decreases in the Administration, Planning and Development, and Community Relations and Marketing Departments were due to unfilled positions and staff layoffs. The decreases in the Human Resources Department were offset by the return of the Training and Development Administrator from the Administration Department where he served on a one-time assignment.

The following schedule presents a summary of expenses by object and the amounts and percentages of increases and decreases in relation to the prior year's expenses:

<u>OBJECT</u>	<u>2000 AMOUNT</u>	<u>PERCENT OF TOTAL</u>	<u>1999 AMOUNT</u>	<u>INCREASE (DECREASE) FROM 1999</u>	<u>PERCENT INCREASE (DECREASE)</u>
Wages and Benefits	\$ 17,113,104	65.33%	\$ 17,373,505	\$ (260,401)	(1.50)%
Services	1,536,611	5.86	2,824,821	(1,288,210)	(45.60)
Supplies and Materials	2,837,117	10.83	2,930,970	(93,853)	(3.20)
Utilities	362,409	1.38	345,021	17,388	5.04
Casualty and Liability	319,802	1.22	329,165	(9,363)	(2.84)
Taxes	12,885	0.05	12,313	572	4.65
Transit Services	124,465	0.48	1,055,463	(930,998)	(88.21)
Miscellaneous	224,479	0.86	418,388	(193,909)	(46.35)
Leases	576,830	2.20	608,594	(31,764)	(5.22)
Depreciation	<u>3,087,500</u>	<u>11.79</u>	<u>2,736,053</u>	<u>351,447</u>	<u>12.85</u>
TOTAL EXPENSES	<u>\$ 26,195,202</u>	<u>100.00%</u>	<u>\$ 28,634,293</u>	<u>\$(2,439,091)</u>	<u>(8.52)%</u>

Most object classifications were affected by service hour and staff reductions effective July 2000. Decreases in Wages and Benefits were offset by annual wage adjustments and the increased cost of health care insurance. Additional decreases in Services were due to budget reduction and fewer transit-related road construction projects. Decreases in Supplies and Materials were offset by increased fuel prices while decreases in Utilities were offset by the increased cost of natural gas.

Decreases in Casualty and Liability were offset by providing insurance for the paratransit service for a complete year in 2000 compared to six months in 1999. Transit Services shows a large decrease as the 1999 total reflects the half-year of purchased paratransit service. This service was brought in-house in July 1999; costs for 2000 are included in other object classifications.

Miscellaneous costs were reduced primarily through cutbacks in training and advertising. Leases decreased due to a fewer number of vanpool vans in service.

Cash Management: Available cash was invested during the year in demand deposits, U.S. Treasury Notes, and with the Washington State Treasurer's Local Government Investment Pool. The return on investments during the year was 7.3 percent. This return is an increase from the 4.1 percent return of 1999 and is a result of the decrease in interest rates and the resulting increase in market value of the treasury notes. All deposits are protected by collateral held on behalf of the Washington Public Deposit Protection Commission. The operating rules of the Washington State Treasurer's Local Government Investment Pool require the full collateralization of all repurchase agreements and deposits.

The use of intermediate term Treasury Notes permitted the PTBA to earn a higher rate of return without an increase in risk, as the PTBA intends to hold all investments until maturity. A ladder portfolio strategy was employed. At year end 2000, 62 percent of investments were available on a daily basis. Five percent have an original maturity (when purchased) of two years or less, 32 percent have an original maturity of five years, and 1 percent has an original maturity of ten years. The weighted average maturity of the portfolio at December 31, 2000, was 9 months or, excluding the pooled investments, 23 months.

Asset Replacement: A large portion of the original cost of the PTBA's assets was provided by capital grants from the FTA. Recognizing that federal support for mass transit as a percent of costs is declining, especially for the replacement of assets, the Board of Directors approved the designation of investments to accumulate funds for the replacement of assets while such assets are still in service. An amount is approved in each year's Service and Financial Plan as a percent of depreciation expense. An allocation of interest on the balance in the account is also added. In 2000, \$1,858,700 in interest income was earned. At December 31, 2000, the account had received 50 percent of the accumulated depreciation, and it had approximately 35 percent of the current replacement cost of assets. The account was funded at \$28,219,736 on December 31, 2000.

Risk Management: The PTBA has retained a \$15,000,000 excess liability insurance policy which affords coverage for claims in excess of \$2,000,000. All other risks arising from vehicle accidents are retained by the PTBA. Total risk management costs of \$428,280 were more than the prior year as a result of higher insurance premiums and directly operating demand response vehicles for the last year. During the first half of 1999, this cost had been included in the third party contractor's expense. The Board of Directors has authorized the designation of \$3,000,000 of investments for retained risks.

The PTBA's fleet of vehicles is insured for nonliability claims with a deductible of \$60,000 per occurrence. Facilities are insured against all perils for their estimated replacement cost.

The PTBA also retains all liability for unemployment compensation claims as administered by the Washington State Employment Security Department. Workers' compensation claims are insured with the Washington State Department of Labor and Industries.

OTHER INFORMATION

Independent Audit: Pursuant to Article 3, Section 20, of the Washington State Constitution and further prescribed by the Revised Code of Washington (RCW) 43.09.190 through 43.09.280, the Office of State Auditor (SAO) is mandated to be the auditor for all local governments in Washington State including the PTBA. As the PTBA's auditor, SAO performs a single audit required by the U.S. Office of Management and Budget Circular A-128. The Auditor's Report on the financial statements is included in the financial section of this report. For further information on the scope and results of the single audit, the reader is referred to the Report of Examination of the State Auditor.

Awards: The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the PTBA for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 1999. This was the twelfth continuous year the PTBA has received this prestigious award. In order to be awarded a Certificate of Achievement, the PTBA published an easily readable and efficiently organized comprehensive annual report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgments: It takes a great variety of skills to provide the quality of services for which the PTBA is known. The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Administration Department throughout the year, to whom I express my appreciation for their efforts.

Special appreciation is also extended to the Office of State Auditor which provided a timely audit and opinion so this Comprehensive Annual Financial Report could be submitted to the GFOA for their review and evaluation in accordance with that organization's program.

Finally, special appreciation is expressed to the Board of Directors and the Executive Director/CEO without whose leadership and support the preparation of this report would not have been possible.

Sincerely,

Clark County PTBA

Frederick W. Bateman, Director
Finance & Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Clark County Public
Transportation Benefit Area
Authority, Washington

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

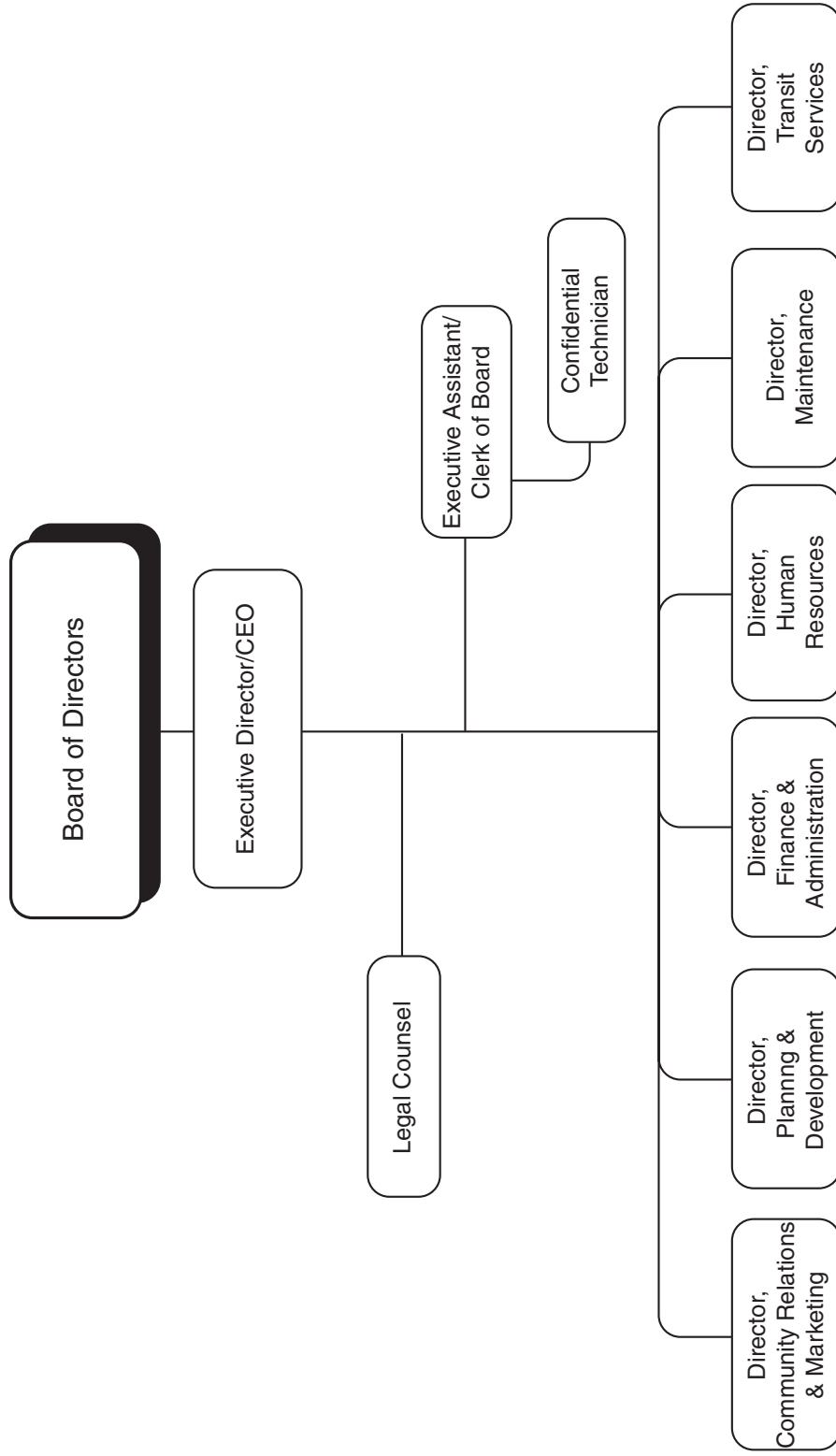


Anne Spray Kinney
President

Jeffrey L. Esser
Executive Director

C-TRAN ORGANIZATION STRUCTURE

December 31, 2000



CLARK COUNTY PUBLIC TRANSPORTATION BENEFIT AREA DIRECTORY OF OFFICIALS

Board Member	Affiliation	Term	Expires
Jack Burkman	Vancouver City Council	2 yrs.	2/28/02
Elizabeth Cerveney (From Jan. 2001)	La Center Mayor	2 yrs.	12/31/02
Gladys Doriot (To Dec. 2000)	Ridgefield City Council	1 yr.	12/31/00
Bill Ganley (Chair)	Battle Ground Mayor	3 yrs.	12/31/02
Helen Gerde (Vice Chair)	Camas City Council	3 yrs.	12/31/02
Jeanne Harris (From Apr. 2000)	Vancouver City Council	3 yrs.	2/28/03
Pat Jollota (To Mar. 2000)	Vancouver City Council	1 yr.	2/28/00
Betty Sue Morris	Clark County Commissioner	4 yrs.	12/31/04
Royce Pollard	Vancouver Mayor	1 yr.	2/28/01
Craig Pridemore	Clark County Commissioner	4 yrs.	12/31/02
Judie Stanton	Clark County Commissioner	4 yrs.	12/31/04
Dan Tonkovich (From Mar. 2001)	Vancouver City Council	1 yr.	2/28/02

APPOINTED

Executive Director/CEO (To May 2000)	Keith T. Parker
Executive Director/CEO (From Nov. 2000)	Lynne Griffith
Executive Assistant/Clerk of the Board	June Berry
Director, Community Relations & Marketing	Gail Spolar
Director, Finance & Administration	Frederick W. Bateman
Director, Human Resources	Arlene S. Doern
Director, Maintenance	John Hoefs
Director, Planning & Development	Deb Wallace
Director, Transit Services	Lynn Halsey
Legal Counsel	Steve Horenstein

MAILING ADDRESS

Clark County PTBA, PO Box 2529, Vancouver, Washington 98668-2529
Mr. Steve Horenstein, Legal Counsel, Miller Nash
PO Box 694, Vancouver, Washington 98666-0694

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**FINANCIAL
SECTION**



Legislative Building
PO Box 40021
Olympia, Washington 98504-0021

Washington State Auditor
Brian Sonntag

(360) 902-0370
FAX (360) 753-0646
TDD Relay 1-800-833-6388
<http://www.sao.wa.gov>

INDEPENDENT AUDITOR'S REPORT

May 10, 2001

The Honorable Chairman and Members
of the Board of Commissioners
Clark County Public Transportation Benefit Area Authority
Vancouver, Washington

We have audited the financial statements of Clark County Public Transportation Benefit Authority, Clark County, Washington, as of and for the years ended December 31, 2001 and 1999, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were performed pursuant to the Revised Code of Washington 43.09.260, under which a full report on the results of this audit will be issued. This report may include findings and recommendations on compliance matters, internal control procedures, and questionable costs or contingencies that would not be material in relation to the Authority's financial statements.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of Clark County Public Transportation Benefit Authority, Clark County, at December 31, 2000 and 1999, and the results of its operations and cash flows for the years then ended, in conformity with generally accepted accounting principles.

The other data included in this report, designated as the statistical section in the table of contents, has not been audited by us and, accordingly, we express no opinion on such data.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Sonntag".

BRIAN SONNTAG, CGFM
STATE AUDITOR

CLARK COUNTY PTBA

COMPARATIVE BALANCE SHEET December 31, 2000 and 1999

ASSETS	2000	1999
Current Assets:		
Cash and Cash Equivalents	\$ 44,378,868	\$ 41,674,425
Investments	500,000	0
Receivables (net): (Net of Allowance for Uncollectibles of \$913 and \$1,396)		
Accounts	137,577	140,212
Interest	19,750	12,725
Due from Other Governments	2,338,539	2,136,786
Total Receivables	2,495,866	2,289,723
Inventories	1,240,488	1,427,637
Prepaid Expenses	241,883	257,270
Total Current Assets	48,857,105	45,649,055
Restricted Assets:		
Cash & Cash Equivalents:		
Held for Asset Replacement	2,767,236	3,070,592
Investments		
Held for Asset Replacement	25,452,500	23,304,688
Held for Retained Risk	3,000,000	3,000,000
Total Restricted Assets	31,219,736	29,375,280
Fixed Assets:		
Vehicles	28,018,099	29,199,098
Buildings	5,419,015	4,747,663
Equipment and Furnishings	9,103,223	8,643,071
Land Improvements	8,090,183	7,136,995
Land	12,070,804	10,243,748
Less Accumulated Depreciation	(26,927,503)	(25,014,910)
Total Fixed Assets Net	35,773,821	34,955,665
Other Noncurrent Assets:		
Prepaid Leases	39,094	48,886
Total Other Noncurrent Assets	39,094	48,886
TOTAL ASSETS	\$ 115,889,756	\$ 110,028,886

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

CLARK COUNTY PTBA

COMPARATIVE BALANCE SHEET December 31, 2000 and 1999

LIABILITIES AND EQUITY	2000	1999
Current Liabilities:		
Accounts Payable	\$ 818,705	\$ 1,564,781
Accrued Wages and Benefits	2,244,901	2,339,682
Prepaid Fares	77,627	68,289
Revenues Received in Advance	0	218,608
Other Payables	11,149	22,582
Total Current Liabilities	3,152,382	4,213,942
Long-Term Liabilities:		
Provision for Uninsured Claims	433,521	502,021
Total Long-Term Liabilities	433,521	502,021
TOTAL LIABILITIES	3,585,903	4,715,963
Equity:		
Contributed Capital	16,497,745	17,258,467
Unreserved Retained Earnings	95,806,108	88,054,456
TOTAL EQUITY	112,303,853	105,312,923
TOTAL LIABILITIES AND EQUITY	\$ 115,889,756	\$ 110,028,886

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

CLARK COUNTY PTBA

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND CHANGES IN EQUITY For The Fiscal Years Ended December 31, 2000 and 1999

	2000	1999
Operating Revenues:		
Passenger Fares	\$ 3,227,198	\$ 2,611,353
Other Transit Revenue	1,905	363
Total Operating Revenues	3,229,103	2,611,716
Operating Expenses:		
Operations	12,469,654	13,482,851
Maintenance	6,197,716	6,345,505
Administration	4,326,917	5,651,801
Depreciation	3,101,340	2,763,224
Total Operating Expenses	26,095,627	28,243,381
Operating Income (Loss)	(22,866,524)	(25,631,665)
Nonoperating Revenues (Expenses):		
Sales Tax	11,853,310	11,699,532
Motor Vehicle Excise Tax	7,173,943	11,699,532
Interest Income	5,350,765	2,988,909
Other Nonoperating Revenues	1,530	4,317
Commuter Reduction Grants	40,254	155,365
State Assistance	4,885,564	0
Contributions to Road Projects	(113,415)	(418,083)
Gain on Sale of Fixed Assets	13,840	27,171
Total Nonoperating Revenues (Expenses)	29,205,791	26,156,743
Net Income	6,339,267	525,078
Add: Depreciation on Portion of Fixed Assets Acquired with Capital Grants	1,412,385	1,975,823
Increase in Retained Earnings	7,751,652	2,500,901
Retained Earnings, January 1	88,054,456	85,553,555
Retained Earnings, December 31	95,806,108	88,054,456
Contributed Capital, January 1	17,258,467	15,784,138
Add: Capital Grants	651,663	5,218,613
Less: Refunds of Capital Grants	0	(1,768,461)
Less: Depreciation on Portion of Fixed Assets Acquired with Capital Grants	(1,412,385)	(1,975,823)
Contributed Capital, December 31	16,497,745	17,258,467
Total Equity, December 31	\$ 112,303,853	\$ 105,312,923

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

CLARK COUNTY PTBA

Exhibit C
Page 1 of 2

COMPARATIVE STATEMENT OF CASH FLOWS For the Fiscal Years Ended December 31, 2000 and 1999

(Comparative Statement Cash Flows - 1 of 2)

	2000	1999
Cash Flows from Operating Activities:		
Cash Received from Customers	\$ 3,289,670	\$ 2,703,798
Cash Received from Grant for Commute Trip Reduction	108,516	102,674
Cash Payments to Suppliers for Goods & Services	(10,374,912)	(12,400,632)
Cash Payments to Employees for Services	(13,386,077)	(13,172,451)
Other Cash Receipts	3,435	4,680
Net Cash Provided (Used) by Operating Activities	20,359,368	(22,761,931)
Cash Flows from Noncapital Financing Activities:		
Sales Tax Received	11,721,310	11,479,532
Motor Vehicle Excise Tax Received	6,955,335	12,354,322
State Assistance Received	4,885,564	0
Net Cash Provided (Used) by Noncapital and Related Financing Activities	23,562,209	23,833,854
Cash Flows from Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(4,109,795)	(8,214,655)
Capital Grants and Contributions	513,648	5,313,711
Refund of Prior Grants	0	(1,768,461)
Proceeds From Sale of Equipment	98,465	51,972
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,497,682)	(4,617,433)
Cash Flows from Investing Activities:		
Purchase of Investment Securities	(11,500,000)	(2,500,000)
Proceeds From Maturities of Investment Securities	9,500,000	9,000,000
Interest on Investments	4,695,928	4,213,641
Net Cash Provided (Used) by Investing Activities	2,695,928	10,713,641
Net Increase (Decrease) in Cash and Cash Equivalents	2,401,087	7,168,131
Cash and Cash Equivalents at Beginning of Year	44,745,017	37,576,886
Cash and Cash Equivalents at End of Year	\$ 47,146,104	\$ 44,745,017

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

CLARK COUNTY PTBA

COMPARATIVE STATEMENT OF CASH FLOWS For the Fiscal Years Ended December 31, 2000 and 1999

	2000	1999
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities		
Operating Loss	\$ (22,866,524)	\$ (25,631,665)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation Expense	3,101,340	2,763,224
Noncapital Grant Proceeds	108,516	102,674
Nonoperating Expenses	(113,415)	(418,083)
Miscellaneous Nonoperating Revenue	1,530	4,317
(Decrease)Increase in Provision for Uncollectible Accounts	(483)	33
Change in Assets and Liabilities		
Decrease (Increase) in Accounts Receivable	3,118	7,387
Decrease (Increase) in Inventories	187,149	(50,804)
Decrease (Increase) in Prepaid Expenses	15,387	(23,135)
Decrease (Increase) in Prepaid Lease	9,792	9,792
Increase (Decrease) in Warrants Payable	0	(43,379)
Increase (Decrease) in Accounts Payable	(640,402)	76,527
Increase (Decrease) in Wages and Benefits Payable	(94,781)	233,749
Increase (Decrease) in Prepaid Fares	9,338	25,058
Increase (Decrease) in Other Payables	(11,433)	5,874
Increase (Decrease) in Provision for Uninsured Claims	(68,500)	176,500
Total Adjustments	2,507,156	2,869,734
Net Cash Provided (Used) by Operating Activities	\$ (20,359,368)	\$ (22,761,931)

The PTBA had accounts payable for capital expenditures of \$237,822 at December 31, 1999 and \$132,148 at December 31, 2000.

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

CLARK COUNTY PUBLIC TRANSPORTATION BENEFIT AREA

NOTES TO THE FINANCIAL STATEMENTS

January 1, 2000 through December 31, 2000

NOTE 1. BACKGROUND

Clark County Public Transportation Benefit Area (PTBA) is a special-purpose district formed pursuant to Chapter 36.57A of the Revised Code of Washington (RCW). This agency, doing business under the name of C-TRAN, provides transit services throughout Clark County, Washington, with service into Portland, Oregon. A demand response service, C-VAN, provides paratransit services for those people who are unable to use the fixed route service. The PTBA was authorized by the voters in 1980 to levy a sales and use tax commencing January 1, 1981, at the rate of 0.3 percent (three-tenths of one percent). The sales and use tax is collected by the Washington State Department of Revenue, along with the city, county, and state sales tax, and is remitted to the PTBA monthly.

The sales tax is matched by a local levy of a portion of the motor vehicle excise tax (MVET) that is collected by the state within Clark County. Additional funding is provided through bus fares, interest income, planning grants, and federal transit capital grants.

NOTE 2. A SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the PTBA conform to generally accepted accounting principles (GAAP) applicable to governmental enterprise units. The following summary of the more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies should be viewed as an integral part of the accompanying financial statements.

A. Reporting Entity

In evaluating how to define the entity for financial reporting purposes, management considered whether the PTBA is a component unit of another primary government and all potential component units of the PTBA. The PTBA is a special-purpose district organized to provide public transportation services for Clark County and provides both fixed route public transportation services under the name of C-TRAN and demand response services under the name of C-VAN. Clark County PTBA's general-purpose financial statements include the financial position and results of operations of the PTBA. A review of other units of local government, using the criteria set forth in generally accepted accounting principles,

indicates there are no additional entities or funds for which the PTBA has reporting responsibilities. Management has determined the PTBA should not be considered a part of any unit of local government for reporting purposes for the following reasons:

1. The PTBA has separate legal standing from all other units of government.
2. No primary government appoints the voting majority of the PTBA's Board of Directors. The PTBA's Board consists of nine members: three of which are appointed from and by the City Council of Vancouver; one member is appointed jointly from the City Councils of Camas and Washougal by the mayors of these cities; one member is appointed from the City Council of Battle Ground and Town Council of Yacolt by the two mayors of these cities; and one member is appointed from the City Councils of LaCenter and Ridgefield by the two mayors. In addition, all three Clark County Commissioners serve on the Board during their term of office.
3. The PTBA is fiscally independent of all other units of local government. The PTBA's Board of Directors has the sole authority to determine financial programs, levy taxes, establish fares, and issue bonded debt.
4. The financial statements of other units of local government would not be misleading or incomplete without the inclusion of the PTBA's financial statements.

B. Basis of Accounting

The PTBA is a single-enterprise fund and uses the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recognized as soon as they result in liabilities for the benefits provided. Fixed assets are capitalized, and liabilities current and noncurrent are recorded.

Capital grants are accrued, if they represent reimbursements of capital expenditures that are liabilities, as of the end of the accounting year. Supply items, including fuel, tires, and repair parts, are accounted for in inventory asset accounts and are expensed as they are issued from inventory.

The PTBA has not elected to apply all Financial Accounting Standards Board (FASB) statements and interpretations issued after November 30, 1989.

The accounting records of the PTBA are maintained in accordance with the methods prescribed by the Federal Transit Administration (FTA) and the Washington State Auditor under the authority of RCW 43.09. The authority for FTA to prescribe an accounting and reporting system is found in Section 15 of the Federal Transit Act of 1992, as amended.

The PTBA has prepared an annual report to FTA in the Section 15 format and a summary report to the Washington State Department of Transportation (WSDOT), both issued under separate cover. These reports require specific information and are not prepared on the basis of generally accepted accounting principles.

C. Measurement Focus

The PTBA's capital maintenance measurement focus used for financial reporting purposes is the calendar year ending December 31. Total assets and total liabilities associated with the PTBA's operations are included in the balance sheet. The PTBA's equity (total net assets) is segregated into contributed capital and retained earnings. The operating statements present increases and decreases in the total net assets and include depreciation as a cost of operation.

D. Financial Controls

In order to be eligible to receive distributions of motor vehicle excise tax, the PTBA is required by state law to estimate the matching local sales tax. The PTBA also develops a Financial and Service Plan for its own administrative use.

E. Cash and Cash Equivalents

Cash equivalents are composed of all highly liquid investments with an original maturity of three months or less. Investments purchased with an original maturity of more than three months are classified as investments.

F. Investments

PTBA investments are stated at fair value. Fair value on marketable securities are based on the bid price as published in the *Wall Street Journal* as of December 31. Changes in fair value for the year are reflected in current income. See Note 3 for further information on investments.

G. Receivables

Accounts receivable consist mainly of bus passes and claims for damaged property. Receivables due from other governments include taxes and grants.

H. Inventory

Inventory consists of fuel, tires, repair parts, and supplies. No general and administrative expenses are included in the inventory valuation. Expenses are recorded as the materials are consumed. Inventory is valued on the moving, weighted-average cost method.

I. Fixed Assets

Fixed assets are capitalized at total acquisition cost provided that such cost exceeds \$500 and has an expected useful life of at least three years. Depreciation expense is recorded on all depreciable fixed assets on a straight-line basis. See Note 6 for further details on fixed assets.

J. Vacation and Sick Leave Benefits

Certain employees of the PTBA are represented under the following union agreements:

Amalgamated Transit Union (ATU), Local #757
International Association of Machinists and Aerospace Workers (IAMAW),
Local #1374

Management and supervisory employees are not represented by a bargaining group.

Depending upon the number of years of service and bargaining group status, employees earn from 6 to 33 days of vacation leave annually. Also, depending upon years of service and the bargaining group, the maximum accumulation of vacation leave upon termination ranges from 6 to 70 days. Normally, upon termination, an employee will be compensated for unused vacation leave. Vacation leave, along with an allowance of 15 percent for benefits on this leave, is expensed as it is earned. Adjustments to the liability are made when pay increases are granted. As of December 31, 2000, a liability exists for accrued vacation leave and benefits in the amount of \$566,313.

Depending upon bargaining group status, employees earn 12 to 15 days of sick leave. The maximum accumulation of sick leave is 128 days. Sick leave may be used only while employed, and there is no payoff when employment ceases. Therefore, sick leave is expensed as used, and no liability has been recorded for this non-vested leave.

NOTE 3. DEPOSITS AND INVESTMENTS

The PTBA operates under the provisions of RCW 36.57A.130, which provides that the PTBA may appoint its own auditor and treasurer. Clark County PTBA's investment policy was adopted by the Board of Directors on July 22, 1986. Allowable investments are limited as follows:

Obligations of the United States Treasury
 Obligations of agencies of the federal government
 Deposits with commercial banks and thrift institutions that are qualified public depositories of the State of Washington Public Deposit Protection Commission
 Local Government Investment Pool, which is maintained by the Washington State Treasurer
 Pooled investments with the Clark County Treasurer in accordance with Clark County's investment policy

All investments made and held by the PTBA were in compliance with the investment policy.

A. Following is a summary of cash and cash equivalents at December 31, 2000:

Cash on Hand	\$ 29,049
Bank Demand Deposits	22,380
Money Market Deposits	209
Pooled Investments	<u>47,094,466</u>
Total Cash and Cash Equivalents	<u>\$47,146,104</u>

The cash and cash equivalents at December 31, 2000 were held as follows:

Current Assets	\$44,378,868
Restricted Assets	<u>2,767,236</u>
Total Cash and Cash Equivalents	<u>\$47,146,104</u>

B. Deposits

At December 31, 2000, the carrying amounts and the bank balances of the PTBA's deposits were as follows:

	Carrying <u>Amount</u>	Bank <u>Balance</u>
Included in Cash and Cash Equivalents		
Bank Demand Deposit	\$ 22,380	\$ 201,437
Money Market Deposits	209	209
Included in Investments		
Certificate of Deposit	<u>500,000</u>	<u>500,000</u>
Total Deposits	<u>\$ 522,589</u>	<u>\$ 701,646</u>

All of the bank balances were insured by federal depository insurance (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC).

C. Investments

The composition of investments at December 31, 2000, was:

Current Assets Pooled Investments	\$ 44,327,230
Restricted Assets Pooled Investments	<u>2,767,236</u>
Total Pooled Investments	\$ 47,094,466
Restricted Assets Investments	<u>28,452,500</u>
Total Investments	<u>\$ 75,546,966</u>

Investments held by the PTBA are categorized to indicate the risk assumed at year-end. Category 1 includes investments that are either insured, registered, or held by the PTBA or its agent in the PTBA's name. Category 2 includes uninsured and unregistered investments which are held by the counterparty's trust department or agent in the PTBA's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent, but not in the PTBA's name. The pooled investments are not categorized because the PTBA does not own identifiable securities.

Type	Category 1	Category 2	Category 3	Carrying Amount	Fair Value
U.S. Government Securities	<u>\$ 28,452,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	\$ 28,452,500	<u>\$ 28,452,500</u>
Total	<u>\$ 28,452,500</u>	<u>\$ 0</u>	<u>\$ 0</u>	\$ 28,452,500	\$ 28,452,500
Investments not subject to categorization:					
Washington State Local Government Investment Pool				<u>47,094,466</u>	<u>47,094,466</u>
Total Investments				<u>\$ 75,546,966</u>	<u>\$ 75,546,966</u>

All U.S. Government securities are in the form of U.S. Treasury notes through Treasury Direct of the Federal Reserve Bank. These notes have maturities in 2001 through 2005 and carry interest rates of 4.75 to 7.25 percent.

The operations of the Washington State Treasurer's Local Government Investment Pool (LGIP) are governed by the State Finance Committee, whose composition and responsibilities are established by state statute. The LGIP is a 2a7-like pool (i.e., not SEC registered but operating in a manner consistent with the SEC's rule 2a7 of the Investment Company Act of 1940) and uses amortized cost rather than fair value to

report net assets. The LGIP publishes an annual report which is available from the Office of the State Treasurer, Legislative Building, 2nd Floor, Olympia, WA 98504-0200, phone: (360) 902-9000, e-mail: watreas@tre.wa.gov.

As of the most recent report date, June 30, 2000, fair value equaled amortized cost. It is the policy of the LGIP to permit participants to withdraw their investments on a daily basis; therefore, the PTBA's investment balance in the pool is equal to fair value. The net annualized rate of return for the month of December 2000, was 6.45 percent.

NOTE 4. RECEIVABLES DUE FROM OTHER GOVERNMENTS

Receivables due from other governments at December 31, 2000 and 1999, are as follows:

	December 31, 2000	December 31, 1999
Sales Tax-November and December Collections due in January and February of the following year	\$ 2,172,000	\$ 2,040,000
Capital Grants from FTA	138,015	0
Planning Grants from Clark County	<u>28,524</u>	<u>96,786</u>
Total Receivables Due From Other Governments	<u>\$ 2,338,539</u>	<u>\$ 2,136,786</u>

NOTE 5. DESIGNATION OF INVESTMENTS

Investments have been designated by the Board of Directors for the following purposes and amounts:

Purpose	<u>2000 ACTIVITY</u>			Investment Balance Dec. 31, 2000
	Investment Balance Jan. 1, 2000	Replacement Purchases	Interest Earnings	
Designated for Asset Replacement	\$ 26,375,280	\$ (14,244)	\$ 1,858,700	\$ 28,219,736
Designated for Retained Risks	<u>3,000,000</u>	<u>0</u>	<u>0</u>	<u>3,000,000</u>
Total Designated	<u>\$ 29,375,280</u>	<u>\$ (14,244)</u>	<u>\$ 1,858,700</u>	<u>\$ 31,219,736</u>

The designation for asset replacement originally was funded with a portion of the annual depreciation expense, plus interest earnings. Currently only interest earnings are contributed. The non-grant-funded portion of equipment replacement is deducted.

The following table shows accumulated net contributions and interest, as well as the percent of accumulated depreciation for the last two years:

Year Ended Dec. 31	Net Contributions to Date	Total Interest Credited	Total	Accumulated Depreciation at Dec. 31	Percent of Contributions to Accumulated Depreciation
1999	\$ 13,562,894	\$ 12,812,386	\$ 26,375,280	\$ 25,014,910	54%
2000	\$ 13,548,650	\$ 14,671,086	\$ 28,219,736	\$ 26,927,503	50%

The designation of investments for retained risks remained at \$3,000,000 throughout the year. This designation provides the retention on the excess liability policy (\$2,000,000) and meets the self-insured requirements for the underground storage tank farm (\$1,000,000).

NOTE 6. FIXED ASSETS

A summary of changes in fixed assets during 2000 is as follows:

Description	Balance January 1	Additions	Retire-ments	Balance December 31
Vehicles	\$29,199,098	\$ 41,189	\$1,222,188	\$28,018,099
Buildings and Structures	4,747,663	671,352	0	5,419,015
Equipment and Furnishings	8,643,071	511,336	51,184	9,103,223
Land Improvements	7,136,995	953,188	0	8,090,183
Land	10,243,748	1,827,056		12,070,804
Total	<u>\$59,970,575</u>	<u>\$4,004,121</u>	<u>\$1,273,372</u>	<u>\$62,701,324</u>

A summary of fixed assets at December 31, 2000, is as follows:

Description	Balance December 31	Accumulated Depreciation	Net	Years of Useful Life	
				Min	Max
Vehicles	\$28,018,099	\$16,298,712	\$11,719,387	5	17
Buildings and Structures	5,419,015	1,826,408	3,592,607	10	50
Equipment and Furnishings	9,103,223	6,267,746	2,835,477	5	20
Land Improvements	8,090,183	2,534,637	5,555,546	5	40
Land	12,070,804	0	12,070,804	N/A	N/A
Total	<u>\$62,701,324</u>	<u>\$26,927,503</u>	<u>\$35,773,821</u>		

NOTE 7. LEASE COMMITMENTS

The PTBA is committed under various leases for space and equipment. All leases are considered operating leases for accounting purposes because the PTBA does not acquire any equity interests in the property. Lease expense for the year ended December 31, 2000, totaled to \$576,830. Future minimum rental commitments for these leases are as follows:

<u>Year</u>	<u>Amount</u>
2001	\$ 348,938
2002	164,801
2003	150,995
2004	82,329
2005	70,534
Thereafter	<u>5,062</u>
Total	<u>\$ 822,659</u>

The terms of the lease of 7th Street for the Vancouver Transit Center provided the PTBA would pay to the City of Vancouver, in advance, a one-time payment of \$195,796. This amount is being amortized over the life of the lease at a rate of \$9,792 per year. The balance of prepaid leases of \$39,094 at December 31, 2000, represents approximately four remaining years of lease for 7th Street.

NOTE 8. CONTRIBUTED CAPITAL

As a part of the capital program, the PTBA has received grants from FTA, as well as contributions from the City of Vancouver and private sources. All capital grants and contributions are in the form of cash, which is then used to purchase fixed assets. These grants and donations are recorded as contributed capital when earned. Prior to 1988, the PTBA did not amortize contributed capital over the life of the asset and chose instead to close depreciation expense to retained earnings. Since 1988, depreciation on the portion of fixed assets acquired by contributed capital is closed to contributed capital.

Following is an analysis of the contributed capital activity for 2000:

Source	Balance Jan. 1, 2000	Grants Received	Refunded	Disposed/ Amortized	Balance Dec. 31, 2000
WA-03-0018	\$ 415,795	\$	\$	\$ (372,085)	\$ 43,710
WA-03-0041	4,355,173			(10,039)	4,345,134
WA-03-0042	3,344,404				3,344,404
WA-03-0056	77,997			(34,156)	43,841
WA-05-0015	243,656				243,656
WA-05-0018	715,525				715,525
WA-05-0032	775,651				775,651
WA-90-0006	318,471				318,471
WA-90-0021	61,361				61,361
WA-90-0044	787,227			(194,255)	592,972
WA-90-0049	483,097				483,097
WA-90-0068	440,504			(175,781)	264,723
WA-90-0081	825,195			(14,033)	811,162
WA-90-0093	1,376,800			(115,835)	1,260,965
WA-90-0117	228,896				228,896
WA-90-0129	304,000				304,000
WA-90-0139	2,512,173				2,512,173
WA-90-0150	2,224,343				2,224,343
WA-90-0158	3,967,755				3,967,755
WA-90-0184	1,892,972	471,663			4,364,635
WA-90-0198	499,413				499,413
WA-90-0217	3,197,523				3,197,523
Federal Government	31,047,931	471,663	0	(916,184)	30,603,410
Local Government	495,146	180,000	0	0	675,146
Private Contributions	114,968	(3,750)	0	0	111,218
Total Received	31,658,045	647,913	0	(916,184)	31,389,774
Amortized	(14,399,578)	0	0	(1,412,385)	(15,811,963)
Total Contributed Capital	<u>\$17,258,467</u>	<u>\$ 647,913</u>	<u>\$ 0</u>	<u>\$(2,328,569)</u>	<u>\$ 15,577,811</u>

NOTE 9. PENSION PLANS

Substantially all PTBA 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 (DRS) under cost-sharing multiple-employer defined-benefit public employee retirement plans. The DRS, a department within the primary government of the state of Washington, issues a comprehensive annual financial report containing historical trend information and may be obtained from DRS, Communications Unit, PO Box 48380, Olympia, WA 98504-8380. The following disclosures are made pursuant to GASB Statement 27, Accounting for Pensions by State and Local Government Employers.

A. Public Employees' Retirement System (Plans 1 and 2)

1. Plan Description

The Public Employees' Retirement System (PERS) is a cost-sharing multiple-employer defined-benefit pension plan. Membership in the plan includes

elected officials; state employees; employees of the Supreme, Appeals, and Superior courts (other than judges in a judicial retirement system); employees of legislative committees; college and university employees not in national higher-education retirement programs; judges of district and municipal courts; noncertificated employees of school districts; and employees of local government. The PERS includes two plans. Participants who joined the system by September 30, 1977, are Plan 1 members. Those joining thereafter are enrolled in Plan 2. Retirement benefits are financed from employee and employer contributions and investment earnings. Retirement benefits in both Plan 1 and Plan 2 are vested after completion of five years of eligible service. Retirement benefit provisions are established in state statute and may be amended only by the state legislature.

Plan 1 members are eligible for retirement at any age after 30 years of service, or at age 60 with five years of service, or at age 55 with 25 years of service. The annual pension is 2 percent of the average final compensation per year of service, capped at 60 percent. The average final compensation is based on the greatest compensation during any 24 eligible consecutive months. If qualified, after reaching age 66, a cost-of-living allowance is granted based on years of service credit and is capped at 3 percent annually.

Plan 2 members may retire at age 65 with five years of service or at age 55 with 20 years of service with an allowance of 2 percent per year of service of the average final compensation. Plan 2 retirements prior to age 65 are actuarially reduced. There is no cap on years of service credit, and a cost-of-living allowance is granted, capped at 3 percent annually.

There are 1,205 participating employees in PERS. Membership in PERS consisted of the following at December 31, 1999:

Retirees and Beneficiaries Receiving Benefits	59,280
Terminated Plan Members Entitled To But Not Yet Receiving Benefits	16,133
Active Plan Members Vested	122,795
Active Plan Members Nonvested	<u>73,587</u>
Total	<u>271,795</u>

2. Funding Policy

Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates needed to fully amortize the total costs of the plan. Employee contribution rates for Plan 1 are established by statute at 6 percent and do not vary from year-to-year. The employer and employee contribution rates for Plan 2 are set by the director of the DRS based on recommendations by the Office of the State Actuary to continue to fully fund the plan. All employers are required to contribute at the level established by state law. The methods used to determine the contribution rates are established under state statute in accordance with chapters 41.40 and 41.45 RCW.

The required contribution rates, expressed as a percentage of current year covered payroll as of December 31, 2000, were:

	PERS Plan 1	PERS Plan 2
Employer	4.67% *	4.67% *
Employee	6.00%	2.43%

* The employer rates do not include the employer administrative expense fee currently set at 0.23 percent.

Both the PTBA and the employees made the required contributions. The PTBA's required contributions for the years ended December 31 were:

	PERS Plan 1	PERS Plan 2
2000	\$47,076	\$560,380
1999	\$61,135	\$732,829
1998	\$68,046	\$768,695

B. Deferred Compensation Plan

The PTBA offers employees the option of participating in a deferred compensation plan under the provisions of the Internal Revenue Code Section 457. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. In accordance with the Small Business Job Protection Act of 1996, the assets of the Plan are held in a trust for the exclusive benefit of the participants. Investments are managed by T. Rowe Price or the International City Management Association's Retirement Corporation (ICMA) under one of 15 investment options or a combination thereof. The choice of investment options is made by the participants.

C. Health Insurance

The PTBA provides comprehensive medical and dental insurance coverage for all regular full-time employees and their dependents. The maximum premium cost per employee for this coverage is \$740 per month. The amount the PTBA contributes for employees varies with bargaining group status and employment status and ranges from 70 to 100 percent of the premium. The PTBA's expense for 2000 was \$1,805,944.

The employees have an option of choosing BlueCross BlueShield of Oregon or Kaiser Foundation Health Plan of the Northwest for medical and dental coverage.

The PTBA does not provide any post-retirement insurance benefits at its expense for former employees.

D. Unemployment Insurance and Workers' Compensation

As provided by state law, all PTBA employees are covered under these types of insurance. Total insurance premium expense to the PTBA during 2000 for workers' compensation was \$272,378. This coverage was provided through the Washington State Department of Labor and Industries.

Unemployment claims are reimbursed to the state. The total amount paid during 2000 amounted to \$46,887. A provision, as a current liability, was made for \$330,824 for unemployment claims, based upon hours of work to December 31, 2000.

NOTE 10. INSURANCE

The PTBA carries the following insurance policies with the indicated limits of coverage:

Risk	Carrier	Coverage
Fleet Physical Damage	Fireman's Fund	\$27,671,858 subject to a \$60,000 deductible on transit coaches and \$5,000 deductible on service vehicles
Building and Contents	National Surety	All risk including earthquake coverage on building and contents, with a limit of liability \$9,111,400, and includes \$825,000 of additional expense coverage
Inland Marine	National Surety	\$1,350,933 on radios and other itemized pieces of equipment
Felonious Assault	Hartford	\$100,000 coverage for coach operators and supervisors, covering accidental death and dismemberment
Bond	Aetna	Employee dishonest blanket bond coverage for a maximum of \$50,000 with a \$1,000 deductible
Treasurer's Bond	Aetna	Continuous public official bond in the amount of \$100,000
Money and Securities	Aetna	Coverage for wrongful abstraction of money and securities inside and outside the premises in the amount of \$10,000, with a \$1,000 deductible
Public Liability	National Surety	Combined bodily injury and property damage liability for non-vehicle related claims with an aggregate coverage of \$1,000,000
Excess Liability	Gulf	\$25,000,000 with a \$2,000,000 deductible or for claims in excess of other liability policy limits, whichever is greater

There were no reductions of insurance coverage during 2000. Where commercial insurance was used to manage the risk of loss, no settlements exceeded such insurance coverage during any of the past three years.

Since December 22, 1985, the PTBA has not purchased any auto liability coverage for the fixed route service. As a public transportation operator, most of the PTBA's risk exposure is in the operation of its fleet of transit coaches. The PTBA has attempted to obtain coverage from insurance carriers; however, the price, terms, or financial capacities of the proposed carriers were not reasonable based upon the PTBA's history. Therefore, the PTBA has elected not to purchase auto liability coverage.

Claims expense and related liabilities are established if information indicates that it is probable a liability has been incurred as of the date of the financial statements and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At December 31, 2000, the amount of this liability estimate was \$433,521. This liability is the PTBA's best estimate based upon available information. Changes in the reported liability since January 1, 1999, resulted from the following:

	<u>2000</u>	<u>1999</u>
Unpaid claims and claims adjustment expenses as of January 1	<u>\$502,021</u>	<u>\$325,521</u>
Incurred claims and claims adjustment expenses (including IBNR) as of December 31:		
Provision for current-year events	204,821	304,942
Increases (decreases) in provision for prior years' events	<u>25,881</u>	<u>(2,515)</u>
Total incurred claims & claims adjustment expenses	<u>\$230,702</u>	<u>\$302,427</u>
Payments:		
Claims & claims adjustment expenses attributable to current-year events	86,222	101,002
Claims & claims adjustment expenses attributable to prior years' events	<u>212,980</u>	<u>24,925</u>
Total payments	<u>\$299,202</u>	<u>\$125,927</u>
Total unpaid claims & claims adjustment expenses as of December 31	<u>\$433,521</u>	<u>\$502,021</u>

All liabilities are estimates for which the lowest amount in a range of probable losses has been accrued, because no amount within that range is a better estimate of loss. No further discounting of the estimate is made to account for inflation which may occur prior to settlement. All claims that have been settled have been paid in full thus far. Given the nature of ranges, it is possible the final settlement of all claims may be a multiple of the recorded liability. As discussed in Note 5, as of December 31, 2000, the Board of Directors designated \$3,000,000 of investments to pay these and future claims.

NOTE 11. GRANT ACTIVITY

The PTBA is a recipient of grants from the United States Department of Transportation. All open grants are allocations from Section 9 of the FTA or the Surface Transportation Program (STP). Funds are drawn from these grants for the grant eligible expenditures as they occur. The following table shows the activity of the open grants during 2000:

CFDA No.	Federal ID	Total Award Amount	Balance at Jan. 1, 2000	2000 Awards & Amendments	2000 Grant Revenues & Expenditures	Balance at Dec. 31, 2000
20.507	WA-90-X184	\$ 4,494,460	\$ 599,876	\$ 0	\$ 471,663	\$ 128,213
20.507	WA-90-X217	<u>6,479,422</u>	<u>3,281,899</u>	<u>0</u>	<u>0</u>	<u>3,281,899</u>
TOTAL		<u>\$ 10,973,882</u>	<u>\$ 3,881,775</u>	<u>\$ 0</u>	<u>\$ 471,663</u>	<u>\$ 3,410,112</u>

The PTBA has received grants from state and local agencies as follows:

Grantor Agency	Program Name	Other ID	Total Award Amount	Balance at Jan. 1, 2000	2000 Awards & Amendments	2000 Grant Revenues & Expenditures	Balance at Dec. 31, 2000
Clark County	CTR Planning	Cont. 024	\$ 178,746	\$ 101,111	\$ 0	\$ 40,254	\$ 60,857
WSDOT	Power Washington	GCA-1529	<u>180,000</u>	<u>180,000</u>	<u>0</u>	<u>180,000</u>	<u>\$ 0</u>
TOTAL			<u>\$ 358,746</u>	<u>\$ 281,111</u>	<u>\$ 0</u>	<u>\$ 220,254</u>	<u>\$ 60,857</u>

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**STATISTICAL
SECTION**

**CLARK COUNTY PTBA
OPERATING PROFILE
as of December 31, 2000**

FARES:

	<u>ZONE</u>	<u>ADULT</u>	<u>REDUCED</u>	<u>HONORED CITIZEN</u>	<u>DAY PASS</u>
Cash:	C-Zone	\$ 0.90	\$	\$ 0.45	\$
	All Zone	1.40		0.70	3.00
Monthly Passes:	C-Zone	\$ 26.00	\$ 20.00	\$13.00	
	All Zone	42.00	30.00	21.00	

NOTE: C-Zone is Clark County
All Zone includes trips from Clark County to Portland, Oregon, and beyond
Reduced is 18 or under or low income
No cash fare discount for Reduced
Honored Citizen is 62 or over or disabled
Fares effective December 31, 1999

FACILITIES:

Operating Base:

Combined facility constructed in 1983:

Administration	5,812 square feet
Maintenance	31,793 square feet
Transit Services	3,288 square feet
Revenue Vehicle Capacity	100

Annex: Leased in 1992

Planning & Development and Transit Services	11,961 square feet
Maintenance	7,587 square feet

Transit Centers and Park and Ride Lots:

<u>NAME</u>	<u>LOCATION</u>	<u>YEAR BUILT</u>	<u>REVENUE VEHICLE CAPACITY</u>	<u>PARKING SPACES</u>
7th Street Transit Center	Downtown Vancouver	1984	18	
Vancouver Mall Transit Center	Vancouver Mall	1985	6	
Evergreen Transit Center	18th & 138th Avenue	1990	8	279
Fisher's Landing Transit Center	SE 164th Ave. & SR 14	2000	12	560
Ridgefield Park & Ride	I-5/SR501	1984		42
Salmon Creek Park & Ride	I-5/I-205 Interchange	1985	4	420
Battle Ground Park & Ride	City of Battle Ground	1985	2	28
Washougal Park & Ride	City of Washougal	Unimp.		20
Bonneville Power Admin.	Hazel Dell	NA	4	193

Other:

Passenger Waiting Shelters	233
Bus Stops	1,897

**CLARK COUNTY PTBA
OPERATING PROFILE
as of December 31, 2000**

FLEET ROSTER:

<u>YEAR</u>	<u>LENGTH (Feet)</u>	<u>MANUFACTURER</u>	<u>SEATING CAPACITY</u>	<u>NUMBER</u>
1982	40	General Motors	45	33
1995	40	Gillig	43	13
1998	40	Gillig	40	2
1999	40	Gillig	43	14
1976	35	General Motors	42	1*
1990	35	Gillig	37	12
1995	35	Gillig	37	10
1990	30	Gillig	30	8
1995	30	Gillig	30	17
1993	25	Collins	16	7
1994	25	Eldorado	16	9
1996	25	Eldorado	17	15
1997	25	Eldorado	17	17
1999	25	Eldorado	17	<u>2</u>
Total Fleet				<u>160</u>
Average Fleet Age (Years)				<u>7.7</u>
Weighted Average Fleet Age (Years)				<u>8.9</u>

Weighted average fleet age is based upon seating capacity. This considers the fact that larger coaches are more expensive and generally have longer useful lives than smaller coaches.

*Held in reserve for special events service - not considered in average fleet age.

**CLARK COUNTY PTBA
MISCELLANEOUS STATISTICS**

	<u>2000</u>	<u>Percent Increase (Decrease)</u>	<u>1980</u>
Population Total	345,238	79.6%	192,227
Incorporated	173,475	208.2	56,278
Unincorporated	171,763	26.3	135,949
Age:			
0 4	26,886	64.8%	16,318
5 14	56,275	68.0	33,493
15 19	24,876	45.7	17,071
20 29	44,431	33.0	33,407
30 49	106,894	114.0	49,953
50 64	53,069	115.8	24,593
65+	32,807	88.6	17,392
Licensed Drivers	248,454	110.6%	118,002
Vehicles Total	338,913	97.6	171,474
Passenger Cars	238,753	123.4	106,889
Trucks	75,028	98.1	37,880
Other	25,132	(5.9)	26,705
Education			
Annual Average School Enrollment	62,715 *	59.2%	39,403
Annual School Revenue (Thousands)	\$ 379,840 *	336.9	\$ 86,947
Employment			
Number	172,900	238.9%	51,011
Wages Paid (Thousands)	\$ 3,412,016	348.9	\$ 760,141
Average Wages	30,318	103.5	14,902
Personal Income			
Per Capita	\$ 30,392	210.4%	\$ 9,790
Public Assistance			
Total Grants	\$ 40,015,894	194.2%	\$ 13,600,000
Persons Served	36,514	388.9	7,468
Assessed Value			
Total (Millions)	\$ 23,457	676.5%	\$ 3,021
Per Capita	67,990	302.7	16,885

* 1999 Data

SOURCES: Washington State Office of Financial Management, Employment Security, Departments of Revenue, Licensing, and Social and Health Services.

**CLARK COUNTY PTBA
REVENUES AND NON-REVENUES
2000-1991**

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Passenger Fares	\$ 3,227,198	\$ 2,611,353	\$ 2,434,569	\$ 2,169,843
Interest Income	5,350,765	2,988,909	4,640,244	3,910,002
Sales Tax	11,853,310	11,699,532	11,320,182	10,632,757
Motor Vehicle Excise Tax	7,173,943	11,699,532	11,320,182	10,632,757
Miscellaneous	3,435	4,680	8,252	6,448
State Planning Grants	40,254	155,365	103,775	128,482
State Assistance	4,885,564	0	0	0
Capital Grants	651,663	5,218,613	699,502	3,989,504
Capital Contributions	0	0	0	0
TOTAL	\$ 33,186,132	\$ 34,377,984	\$ 30,526,706	\$ 31,469,793

**EXPENSES AND EXPENDITURES
2000-1991**

	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>
Salaries and Wages	\$ 11,389,304	\$ 11,518,766	\$ 10,120,848	\$ 8,925,144
Benefits	5,723,800	5,854,739	5,169,498	4,401,785
Services	1,536,611	2,824,821	2,153,040	2,700,338
Fuel	1,157,719	831,886	639,397	820,448
Supplies and Materials	1,679,398	2,099,084	2,099,261	1,611,193
Utilities	362,409	345,021	345,212	243,198
Casualty and Liability	319,802	329,165	142,543	209,699
Taxes	12,885	12,313	9,653	9,198
Transit Services	124,465	1,055,463	1,961,794	1,563,534
Miscellaneous	224,479	418,388	452,491	410,020
Interest	0	0	0	0
Leases	576,830	608,594	422,217	428,029
Depreciation	3,087,500	2,763,224	2,863,542	2,633,532
Capital Acquisition	4,004,121	8,191,857	2,201,682	6,366,473
Principal on Debt	0	0	0	0
TOTAL	\$ 30,199,323	\$ 36,853,321	\$ 28,581,178	\$ 30,322,591

**CLARK COUNTY PTBA
REVENUES AND NON-REVENUES
2000-1991**

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
\$ 2,050,863	\$ 1,724,110	\$ 1,640,784	\$ 1,541,015	\$ 1,441,599	\$ 1,402,739
3,609,628	3,645,120	2,707,656	2,139,351	1,908,487	2,179,187
10,292,273	9,443,705	8,890,580	7,998,244	7,076,717	6,237,253
10,292,273	9,443,705	8,890,580	7,782,244	6,862,717	6,246,647
5,977	2,333	3,010	2,182	1,501	3,184
75,414	1,512,863	2,109,296	1,655,782	529,092	0
106,751	7,678,276	682,539	368,128	105,351	630,939
0	0	750	24,300	(570)	8,210
<u>\$ 26,433,179</u>	<u>\$ 33,450,112</u>	<u>\$ 24,925,195</u>	<u>\$ 21,511,246</u>	<u>\$ 17,924,894</u>	<u>\$ 16,708,159</u>

**EXPENSES AND EXPENDITURES
2000-1991**

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
\$ 7,606,579	\$ 6,511,746	\$ 5,878,922	\$ 5,258,592	\$ 4,595,303	\$ 4,086,424
3,660,303	3,111,193	2,932,760	2,525,171	2,170,194	1,941,440
2,750,574	3,247,532	3,088,544	2,734,713	1,875,245	1,288,678
760,872	565,409	510,184	544,898	496,709	515,034
1,534,244	1,217,599	1,090,933	899,408	886,870	816,686
206,088	215,528	166,323	163,320	157,575	120,025
136,869	99,814	73,003	68,810	301,213	329,514
8,720	7,987	8,889	6,537	17,471	8,179
1,152,231	887,713	703,679	605,541	616,423	585,967
428,838	287,057	219,192	212,779	167,079	194,496
0	0	0	260	593	983
247,096	160,112	163,526	150,371	124,137	20,559
2,405,004	1,967,096	1,741,939	1,700,995	1,613,133	1,577,051
7,293,041	10,349,734	1,184,642	1,042,359	620,979	1,750,540
0	0	0	1,550	6,844	2,659
<u>\$ 28,190,459</u>	<u>\$ 28,628,520</u>	<u>\$ 17,762,536</u>	<u>\$ 15,915,304</u>	<u>\$ 13,649,768</u>	<u>\$ 13,238,235</u>

**CLARK COUNTY PTBA
SUMMARY BALANCE SHEETS
2000-1991**

	<u>2000</u>			
Assets:				
Current Assets	\$ 48,857,105	\$ 45,649,055	\$ 46,962,402	\$ 43,188,810
Restricted Assets	31,219,736	29,375,280	28,810,604	27,381,504
Fixed Assets (Net)	35,773,821	34,955,665	29,551,833	30,215,014
Other Assets	39,094	48,886	58,678	1,310,415
Total Assets	<u>\$ 115,889,756</u>	<u>\$ 110,028,886</u>	<u>\$ 105,383,517</u>	<u>\$ 102,095,743</u>
Liabilities:				
Current Liabilities	\$ 3,152,382	\$ 4,213,942	\$ 3,720,303	\$ 3,270,051
Long-Term Liabilities	433,521	502,021	325,521	1,634,820
Total Liabilities	<u>\$ 3,585,903</u>	<u>\$ 4,715,963</u>	<u>\$ 4,045,824</u>	<u>\$ 4,904,871</u>
Equity:				
Contributed Capital	\$ 16,497,745	\$ 17,258,467	\$ 15,784,138	\$ 17,148,458
Retained Earnings	95,806,108	88,054,456	85,553,555	80,042,414
Total Equity	<u>\$ 112,303,853</u>	<u>\$ 105,312,923</u>	<u>\$ 101,337,693</u>	<u>\$ 97,190,872</u>
Total Liabilities and Equity	<u>\$ 115,889,756</u>	<u>\$ 110,028,886</u>	<u>\$ 105,383,517</u>	<u>\$ 102,095,743</u>

**SUMMARY INCOME STATEMENTS
2000-1991**

	<u>2000</u>	(Restated)		
Operating Revenue	\$ 3,229,103	\$ 2,611,716	\$ 2,435,699	\$ 2,170,850
Operating Expenses:				
Transit Services	12,469,654	13,482,851	12,673,530	11,626,575
Maintenance	6,197,716	6,345,505	5,980,629	5,877,104
Administration	4,326,917	5,651,801	4,855,964	3,520,004
Depreciation	3,101,340	2,763,224	2,864,864	2,632,638
Total Operating Expenses	<u>26,095,627</u>	<u>28,243,381</u>	<u>26,374,987</u>	<u>23,656,321</u>
Operating Loss	<u>22,866,524</u>	<u>25,631,665</u>	<u>23,939,288</u>	<u>21,485,471</u>
Taxes	19,027,253	23,399,064	22,640,364	21,265,514
Other Non-Operating Revenue (Net)	10,178,538	2,757,679	4,746,633	3,744,128
Total Non-Operating Revenue	<u>29,205,791</u>	<u>26,156,743</u>	<u>27,386,997</u>	<u>25,009,642</u>
Net Income	<u>\$ 6,339,267</u>	<u>\$ 525,078</u>	<u>\$ 3,447,709</u>	<u>\$ 3,524,171</u>

**CLARK COUNTY PTBA
SUMMARY BALANCE SHEETS
2000-1991**

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
\$ 40,988,409	\$ 35,972,848	\$ 30,314,995	\$ 23,135,914	# \$ 17,911,868	\$ 13,802,149
25,380,350	29,308,972	27,874,800	25,644,400	23,713,300	21,687,000
26,482,071	21,828,171	13,463,278	14,046,880	14,730,960	15,749,073
1,016,448	767,839	551,329	474,755	384,280	346,906
<u>\$ 93,867,278</u>	<u>\$ 87,877,830</u>	<u>\$ 72,204,402</u>	<u>\$ 63,301,949</u>	<u>\$ 56,740,408</u>	<u>\$ 51,585,128</u>
\$ 2,873,050	\$ 2,650,826	\$ 2,383,553	\$ 1,919,870	\$ 1,731,714	\$ 1,679,830
1,317,031	1,083,574	848,746	757,277	1,023,743	816,244
<u>\$ 4,190,081</u>	<u>\$ 3,734,400</u>	<u>\$ 3,232,299</u>	<u>\$ 2,677,147</u>	<u>\$ 2,755,457</u>	<u>\$ 2,496,074</u>
\$ 15,152,183	\$ 17,152,319	\$ 10,818,393	\$ 11,183,238	\$ 11,859,361	\$ 12,700,684
74,525,014	66,991,111	58,153,710	49,441,564	42,125,590	36,388,370
<u>\$ 89,677,197</u>	<u>\$ 84,143,430</u>	<u>\$ 68,972,103</u>	<u>\$ 60,624,802</u>	<u>\$ 53,984,951</u>	<u>\$ 49,089,054</u>
<u>\$ 93,867,278</u>	<u>\$ 87,877,830</u>	<u>\$ 72,204,402</u>	<u>\$ 63,301,949</u>	<u>\$ 56,740,408</u>	<u>\$ 51,585,128</u>

**SUMMARY INCOME STATEMENTS
2000-1991**

<u>1996</u>	<u>1995</u>	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
<u>\$ 2,051,699</u>	<u>\$ 1,724,770</u>	<u>\$ 1,641,290</u>	<u>\$ 1,541,427</u>	<u>\$ 1,441,915</u>	<u>\$ 1,403,262</u>
9,367,208	7,670,418	6,658,282	6,001,847	5,401,657	4,711,819
4,901,548	4,009,686	3,644,426	3,404,856	3,282,712	2,856,014
3,211,967	2,502,627	1,878,949	1,734,858	2,073,951	1,996,234
237,973	1,951,783	1,728,479	1,693,048	1,610,811	1,577,051
<u>17,480,723</u>	<u>16,134,514</u>	<u>13,910,136</u>	<u>12,834,609</u>	<u>12,369,131</u>	<u>11,141,118</u>
<u>17,808,759</u>	<u>14,409,744</u>	<u>12,268,846</u>	<u>11,293,182</u>	<u>10,927,216</u>	<u>9,737,856</u>
20,584,546	18,887,410	17,781,160	15,780,488	13,939,434	12,483,900
<u>2,653,223</u>	<u>3,015,384</u>	<u>2,151,698</u>	<u>1,760,117</u>	<u>1,785,950</u>	<u>1,837,930</u>
<u>23,237,769</u>	<u>21,902,794</u>	<u>19,932,858</u>	<u>17,540,605</u>	<u>15,725,384</u>	<u>14,321,830</u>
<u>\$ 5,429,010</u>	<u>\$ 7,493,050</u>	<u>\$ 7,664,012</u>	<u>\$ 6,247,423</u>	<u>\$ 4,798,168</u>	<u>\$ 4,583,974</u>

CLARK COUNTY PTBA
RETAIL SALES BY CATEGORY (IN THOUSANDS)
2000-1991

CATEGORY	PERCENT		PERCENT		PERCENT		PERCENT	
	2000	INCR. OVER PRIOR YEAR	1999	INCR. OVER PRIOR YEAR	1998	INCR. OVER PRIOR YEAR	1997	INCR. OVER PRIOR YEAR
Building Materials and Hardware	\$ 129,586	.4%	\$ 129,086	3%	\$ 125,725	8%	\$ 116,698	5%
General Merchandise	202,266	5.1	192,479	14	169,094	8	157,279	6
Food	290,803	7.6	270,329	(1)	273,377	5	260,084	8
Auto Dealers/Gas Stations	359,209	7.9	332,981	12	296,107	8	273,442	5
Apparel/Accessories	62,180	(.2)	62,318	2	61,259	4	58,634	5
Furniture/Furnishings	89,988	(3.6)	93,394	(6)	99,420	26	79,196	3
Eating/Drinking Places	263,887	5.5	250,060	7	233,418	7	219,144	7
Misc. Retail Stores	204,603	7.3	190,759	6	179,843	7	168,335	7
Services	345,127	1.4	340,411	1	337,807	(6)	358,333	8
Contracting	657,852	.8	652,504	(2)	663,668	12	594,719	4
Manufacturing	81,435	(5.1)	85,841	1	85,368	(30)	102,319	9
Transportation, Communication, and Utilities	178,928	19.6	149,648	9	137,115	8	126,940	3
Wholesaling	354,838	(2)	362,153	(5)	381,620	13	338,503	3
Finance, Insurance, and Real Estate	59,327	(6.2)	63,273	(15)	74,060	64	45,221	4
Other Business	38,299	5.6	36,251	1	35,767	9	32,798	20
TOTAL RETAIL SALES	<u>3,318,328</u>	3.3%	<u>\$ 3,211,487</u>	2%	<u>\$ 3,153,648</u>	7%	<u>\$ 2,931,645</u>	6%
Sales Tax at Applicable Rate:	9,954,984	3.3%	\$ 9,634,461	2%	\$ 9,460,994	8%	\$ 8,794,935	6%
Sales and Use Tax Revenue	11,853,310	1.3%	\$ 11,699,532	3%	\$ 11,320,182	6%	\$ 10,632,757	3%
Percent of Tax from Retail Sales (Balance is from Use Tax)	84.0%		82.3%		83.6%		82.7%	

Source: Quarterly Business Review, Washington Department of Revenue.
2000 data is preliminary and subject to revision.

CLARK COUNTY PTBA
RETAIL SALES BY CATEGORY (IN THOUSANDS)
2000-1991

<u>1996</u>	<u>PERCENT INCR. OVER PRIOR YEAR</u>	<u>1995</u>	<u>PERCENT INCR. OVER PRIOR YEAR</u>	<u>1994</u>	<u>PERCENT INCR. OVER PRIOR YEAR</u>	<u>1993</u>	<u>PERCENT INCR. OVER PRIOR YEAR</u>	<u>1992</u>	<u>PERCENT INCR. OVER PRIOR YEAR</u>	<u>1991</u>
110,680	9%	\$ 101,194	(7)	\$ 108,360	14%	\$ 94,829	16%	\$ 81,913	18%	\$ 69,704
148,210	9	136,275	5	130,165	10	118,715	4	113,932	6	107,448
241,437	8	223,765	8	207,104	7	192,934	6	182,852	(1)	183,065
260,877	10	236,573	7	221,942	8	204,736	16	177,071	10	160,768
55,670	1	54,897	1	54,122	0	54,324	8	50,263	6	47,314
76,715	9	70,140	8	64,816	1	63,981	11	57,664	19	48,419
205,094	8	190,710	6	179,658	8	166,278	10	151,733	7	142,294
157,156	13	138,657	7	129,433	12	115,054	16	99,606	10	90,761
331,339	23	268,502	1	267,429	12	239,184	16	206,880	11	186,153
572,512	11	516,534	7	481,996	16	414,443	7	387,763	18	328,829
93,741	(5)	98,280	10	89,451	8	82,675	12	74,146	36	54,677
123,112	2	120,169	31	91,539	4	87,725	4	84,632	13	75,050
327,169	3	318,695	6	301,278	11	270,234	13	240,092	7	223,564
43,559	(1)	44,054	4	42,356	1	42,096	55	27,185	10	24,649
27,289	7	25,492	(34)	38,824	200	12,935	60	8,084	(4)	8,391
<u>2,774,560</u>	9%	<u>\$ 2,543,937</u>	6%	<u>\$ 2,408,473</u>	12%	<u>\$ 2,160,143</u>	11%	<u>\$ 1,943,816</u>	11%	<u>\$ 1,751,086</u>
8,323,680	9%	\$ 7,631,814	6%	\$ 7,225,419	11%	\$ 6,480,429	11%	\$ 5,831,448	11%	\$ 5,253,258
10,292,273	9%	\$ 9,443,705	6%	\$ 8,890,580	11%	\$ 7,998,244	13%	\$ 7,076,717	13%	\$ 6,237,253
80.9%		80.8%		81.3%		81.0%		84.2%		84.2%

**CLARK COUNTY PTBA
OPERATING INFORMATION
2000-1991**

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
<u>PASSENGERS</u>										
A. Fixed Route	6,564,961	7,750,095	7,208,587	6,658,550	5,985,456	5,153,190	4,806,285	4,255,417	3,637,600	3,645,916
B. Demand Response	162,130	188,269	189,074	172,531	142,495	115,841	99,052	84,850	75,915	78,641
C. Vanpool	66,555	68,096	49,352	32,886	18,458	16,913	18,742	20,503	12,471	21,281
<u>MILES</u>										
A. Fixed Route	4,656,608	5,275,297	5,029,537	4,542,174	3,908,548	3,526,803	3,651,352	3,186,151	3,118,792	3,094,997
B. Demand Response	1,023,470	1,200,544	1,345,583	1,134,622	865,040	625,285	544,633	451,608	433,712	451,643
C. Vanpool	249,255	286,482	175,832	117,285	80,348	81,057	88,815	97,041	43,460	61,279
<u>PLATFORM HOURS</u>										
A. Fixed Route	284,515	310,981	299,117	283,297	241,087	203,406	182,402	167,252	173,266	174,643
B. Demand Response	62,275	74,953	82,160	69,302	54,193	39,772	34,959	29,096	25,512	25,664
C. Vanpool	7,569	7,448	4,960	3,356	2,248	2,331	2,760	3,232	1,449	1,226
<u>OPERATING EXPENSE</u>										
A. Fixed Route	\$ 21,475,176	\$ 22,649,803	\$ 20,877,424	\$ 19,243,425	\$ 16,637,672	\$ 14,208,510	\$ 12,329,798	\$ 11,491,840	\$ 11,333,279	\$ 10,249,914
B. Demand Response	4,078,401	4,898,119	4,899,532	3,840,724	2,993,307	1,725,820	1,447,665	1,217,309	900,636	769,333
C. Vanpool	265,618	316,704	165,983	192,615	72,833	49,910	49,057	48,940	46,072	40,809
<u>OPERATING REVENUE</u>										
A. Fixed Route	\$ 3,054,683	\$ 2,445,189	\$ 2,322,709	\$ 2,095,678	\$ 1,981,278	\$ 1,659,459	\$ 1,580,573	\$ 1,480,616	\$ 1,407,368	\$ 1,358,376
B. Demand Response	59,396	37,434	40,753	33,272	28,151	22,810	20,402	17,442	15,900	17,782
C. Vanpool	113,119	128,730	71,107	40,893	41,434	41,841	39,809	42,957	18,331	26,580
<u>PASSENGERS-PER-HOUR</u>										
A. Fixed Route	23.074	24.921	24.100	23.504	24.827	25.335	26.350	25.443	20.994	20.876
B. Demand Response	2.603	2.512	2.301	2.490	2.629	2.913	2.833	2.916	2.976	3.064
C. Vanpool	8.793	9.143	9.950	9.799	8.211	7.256	6.780	6.344	8.607	17.358
<u>PASSENGERS-PER-MILE</u>										
A. Fixed Route	1.410	1.469	1.433	1.466	1.531	1.461	1.316	1.336	1.166	1.178
B. Demand Response	0.158	0.157	0.141	0.152	0.165	0.185	0.182	0.188	0.175	0.174
C. Vanpool	0.267	0.238	0.281	0.280	0.230	0.209	0.211	0.211	0.287	0.347
<u>COST-PER-MILE</u>										
A. Fixed Route	\$ 4.612	\$ 4.294	\$ 4.151	\$ 4.237	\$ 4.257	\$ 4.029	\$ 3.377	\$ 3.607	\$ 3.634	\$ 3.312
B. Demand Response	3.985	4.080	3.641	3.385	3.426	2.760	2.658	2.695	2.077	1.703
C. Vanpool	1.066	1.105	0.944	1.642	0.906	0.616	0.552	0.504	1.060	0.666

**CLARK COUNTY PTBA
OPERATING INFORMATION
2000-1991**

	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991
<u>COST-PER-PASSENGER</u>										
A. Fixed Route	3.271 \$	2.923 \$	2.896 \$	2.890 \$	2.780 \$	2.757 \$	2.565 \$	2.701 \$	3.116 \$	2.811
B. Demand Response	25.155	26.017	25.913	22.261	20.796	14.898	14.615	14.347	11.864	9.783
C. Vanpool	3.991	4.651	3.363	5.857	3.946	2.951	2.622	2.387	3.694	1.918
<u>COST-PER-HOUR</u>										
A. Fixed Route	75.480 \$	72.833 \$	69.797 \$	67.927 \$	69.011 \$	69.853 \$	67.597 \$	68.710 \$	65.410 \$	58.691
B. Demand Response	65.490	65.349	59.634	55.420	54.681	43.393	41.410	41.838	35.302	29.977
C. Vanpool	35.093	42.522	33.464	57.394	32.399	21.411	17.774	15.142	31.796	33.286
<u>REVENUE-PER-PASSENGER</u>										
A. Fixed Route	0.465 \$	0.316 \$	0.322 \$	0.315 \$	0.331 \$	0.322 \$	0.329 \$	0.348 \$	0.387 \$	0.373
B. Demand Response	0.366	0.199	0.216	0.193	0.198	0.197	0.206	0.206	0.209	0.226
C. Vanpool	1.700	1.890	1.441	1.243	2.245	2.474	2.127	2.095	1.470	1.249
<u>FAREBOX RECOVERY RATIO</u>										
(with depreciation)										
A. Fixed Route	14.224%	10.796%	11.125%	10.890%	11.908%	11.679%	12.819%	12.884%	12.418%	13.253%
B. Demand Response	1.456%	0.764%	0.832%	0.866%	0.950%	1.322%	1.409%	1.433%	1.765%	2.311%
C. Vanpool	42.587%	40.647%	42.840%	21.230%	56.889%	83.833%	81.148%	87.775%	39.788%	65.133%
<u>FAREBOX RECOVERY RATIO</u>										
(without depreciation)										
A. Fixed Route	16.120%	12.069%	12.623%	12.398%	13.943%	13.274%	14.619%	15.004%	14.394%	15.557%
B. Demand Response	1.678%	0.827%	0.903%	0.937%	1.240%	1.530%	1.629%	1.502%	1.852%	2.444%
C. Vanpool	45.203%	40.647%	42.840%	21.230%	60.440%	119.185%	117.472%	120.513%	55.126%	111.000%

Operating information excludes cost of service contracted to the Tri-County Metropolitan Transit District, Portland, Oregon (Tri-Met), for interstate service. Depreciation expense is included as an operating cost. The inclusion of depreciation expense differs from industry practice, thus the farebox recovery ratio is shown both with and without depreciation expense. Totals for passengers, miles and platform hours reflect the National Transit Database data and are computed on a statistically sampled basis, and subject to statistical variation from year to year.

**CLARK COUNTY PTBA
FEDERAL TRANSIT ADMINISTRATION
CAPITAL GRANTS HISTORY
1999-1990 and Prior**

FTA GRANT NUMBER	TOTAL	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1989 & PRIOR
WA-03-0018*	\$ 505,736											\$ 505,736
WA-03-0041	4,355,950											4,355,950
WA-03-0042	3,953,633											3,953,633
WA-03-0056	433,173											433,173
WA-05-0015	389,346		-15,774									405,120
WA-05-0018	881,670											881,670
WA-05-0032	775,651											775,651
WA-90-0006	401,255											401,255
WA-90-0021	429,322		-68,366									497,688
WA-90-0044	824,536											805,850
WA-90-0049	483,097											466,655
WA-90-0068	446,782											373,247
WA-90-0081	972,970											756,339
WA-90-0093	1,376,800											896,000
WA-90-0117	228,896											
WA-90-0129	304,000			-23	117,993	5,393	59					
WA-90-0139	2,551,700				44,430	2,697	29					
WA-90-0150	2,224,343				116,759	46,866	2,036,492	344,197				
WA-90-0158	3,966,949		-55,278	-367	119,871		1,866,966	283,073				
WA-90-0184	4,366,247	471,663	2,185,832	222,842	1,545,665	51,795	3,698,503	45,604				
WA-90-X198	489,413			199,737	299,676							
WA-90-X217	3,197,523		3,032,781	164,742								
LA-3167	0		1,745,999	889	1,745,110							
SUBTOTAL	\$ 33,568,992	\$ 471,663	\$ 3,333,196	\$ 699,112	\$ 3,989,504	\$ 106,751	\$ 7,673,842	\$ 682,539	\$ 368,128	\$ 105,351	\$ 630,939	\$ 15,507,967
Retirements	-2,063,373	0	0	0	-146,589	-701,426	-521,848	-282,239	-10,984	-88,254	-208,185	-93,848
TOTAL	\$ 31,505,619	\$ 471,663	\$ 3,333,196	\$ 699,112	\$ 3,842,915	\$ -594,675	\$ 7,151,994	\$ 400,300	\$ 357,144	\$ 17,097	\$ 422,754	\$ 15,414,119

* Grant assumed from the City of Vancouver upon purchase of the Vancouver Transit System in 1981.
NOTE: Amounts shown in brackets are retirements and refunds.