

2017

Annual Report

Owner & Operator Of:



Denver B-cycle is presented by:



Mission & Vision	2
Board Chair's Letter	3
2017 Board of Directors	4
Executive Director's Letter	5
Looking Back At 2017	6
2017 Successes	6
2017 Financial Summary	7
System Data	8
Abbreviated Financial Statements	9
Partners & Contributors	10



Let's Go Ride Bikes

Denver Bike Sharing is a 501(c)(3) non-profit organization that owns and operates an automated, public bike sharing system known as Denver B-cycle. In 2017, the system included 737 bicycles and 89 stations located throughout downtown Denver, Capitol Hill, Uptown, Highlands, Globeville, Cherry Creek and Baker neighborhoods and on the Auraria campus.

OUR MISSION

Denver B-cycle is presented by Kaiser Permanente in association with a variety of community sponsors. Denver B-cycle is owned and operated by Denver Bike Sharing, a charitable, non-profit organization.

Denver Bike Sharing serves as a catalyst for a fundamental transformation in thinking and behavior by operating a bike sharing system in Denver to enhance mobility while promoting all aspects of sustainability: quality of life, equity, the environment, economic development, and public health.

OUR VISION

Denver B-cycle will:

- Complement and integrate with Denver's comprehensive metropolitan transportation system
- Encourage the replacement of short car trips for recreational, social and functional purposes
- Serve a broad spectrum of transportation users and needs
- Contribute to Denver becoming the healthiest and greenest city in America
- Advance the perception of cycling as a utilitarian mode of transportation.
- Solidify B-cycle as a modality option in Denver's transportation landscape.
- Maintain high levels of service, reliability, and safety while placing B-cycles in the right place at the right time.



Letter From The Board Chair

Dear Friends,

Since our inception on Earth Day in 2010, Denver B-cycle, as a non-profit organization, has built and successfully operated a strong, dependable shared bicycle system. We provide an important service to our city's residents and visitors and also play a role in advancing the city's goals toward increased multi-modal travel that provides equitable access to all.

While our ongoing success is encouraging, the Denver B-cycle Board of Directors and staff are keenly aware of the need to adapt to new ideas and technologies. We also have responsibility to engage in these conversations based on our experience and our knowledge of what works. Other cities are grappling with how to regulate competing, for-profit, "dockless" bike share systems that allow bikes to be left on many city sidewalks and rights-of-way looking cluttered and unappealing.

We greatly value our strong partnership with the City and County of Denver and its officials and agencies as well as all of our many partners. We believe we are in an excellent position to guide our community as it decides how these new concepts will be integrated on our city's streets.

As we look to the future, Denver B-cycle is beginning the transition to a smart bike system that allows riders to pick up and park bikes at "hubs" located throughout Denver. There are cities that are providing excellent examples of this approach. Hub-based systems incentivize the use of designated bike corrals where users can find and return bikes.

Denver B-cycle is working closely with city agencies to develop policy and procedures that enable bike sharing flexibility without encouraging the bike-parking behaviors that have frustrated other cities. As our discussions with the city have evolved, we feel strongly that a "hub" concept that designates bike sharing parking areas will serve city interests by maintaining Denver's organized and orderly public right of way. At the same time, these hubs will serve riders' need for predictability in always finding a bike in a hub, along with the flexibility of being able to end their ride and park their bike outside of a hub if needed.

With 89 stations, 737 bikes, and more than 2 million rides in 8 years, Denver B-cycle, as a non-profit organization, continues to provide a valuable service in Denver. We have full confidence that we will adapt to the changing environment, offer the best solutions available, and continue to provide a high-quality bike-sharing system for our enthusiastic ridership.

Nearing ten years of successful operation, Denver B-cycle is strongly positioned to take on new ideas and challenges that show how bike-sharing systems can operate in a vibrant urban environment.

Keep riding,



Mike Dino

2017 Board Of Directors

Peter Coakley

Senior Vice President/General Manager
Opus Development Company, LLC

Adam DeVoe

Special Counsel
Lewis Roca Rothgerber Christie LLP

Mike Dino

Senior Policy Advisor
Squire Patton Boggs LLP

Andy Duvall

Transportation Behavior Analyst
National Renewable Energy Laboratory

Adam Eichberg

Founding Partner
Headwater Strategies

Crissy Fanganello

Director of Transportation
Denver Public Works

Jay Kenney

Author, Cartographer, Attorney
Kenney Brothers Foundation

Sarah Keys

Founding Partner
Cardan Capital Partners

Tim Prunk

Executive Vice President: Global Marketing Group
Epsilon

Steve Sander

President
Sander Marketing

Ceara Smith

Assistant Controller
I and Love and You

Christopher Smith

Senior Program Officer: Healthy Living
Colorado Health Foundation

Lindsey Sousa

Planning Manager
AECOM

Bill Van Meter

Assistant General Manager: Planning
RTD

Bob Van Wetter

Chief Operating Officer & Co-Founder
Northstar Investment Advisors, LLC

Letter From The Executive Director

Friends and Supporters,

Eight years ago, Denver B-cycle and our city pioneered bike sharing policy, and the public-private partnership model that has been emulated by other bike sharing systems in cities across the US. Our work has involved close cooperation with the city's Transportation and Mobility team, with RTD, the Denver Regional Council of Governments, BikeDenver, Bicycle Colorado, WalkDenver, and many other related organizations.

Having installed 89 stations and now managing more than 700 shared bicycles on a daily basis, we know the effort, time, and attention to detail it takes to operate successfully and safely in the public realm, while being considerate of the concerns and uses of our friends and partners, including government agencies, business owners, and nonprofit groups.

As policies surrounding the curb space and the mobility services that want to operate there continue to evolve, one thing is clear - we want the streets and sidewalks to be orderly and well managed in the interest of safety, movement, and overall aesthetic appeal.

We know Denver B-cycle will play a role in the dialogue and work going forward as we begin to shift the shape and style of our system away from the "fixed" stations you see today, and toward a smart bike hub-based system.

We envision a system with hundreds of hubs and a few thousand bikes that has the ability to easily incorporate pedal assist bikes (which can increase the distance people are willing to ride) and other advancements in technology that have yet to be developed.

As our operation changes the way it looks and how it is run, one thing that isn't changing is our core strength – which is operating the technology that is best suited to help the City of Denver achieve its mobility goals, connecting people with transit, and being the mobility option of choice for moving people short distances.

That's why we are encouraged by one important trend from user data in 2017. A record percentage of B-cycle riders combined their use of Denver B-cycle with other forms of public transportation. In fact, 32.6 percent of riders did so in 2017. That's up from 30 percent in 2016—and a clear, growing recognition that shared bikes work in concert with bus and light rail. That's true integration in the urban transportation fabric.

Thank you for taking a few minutes to review this annual report. And thanks to our supportive board of directors, loyal sponsors, and community partners who ride along side of us as these changes begin in earnest. We are eager to play a key role in this work going forward.

Sincerely,



Nick Bohnenkamp

Looking Back At 2017

STATION MOVES & BALANCING EFFICACY

We move and add stations for three reasons. One, a new building development requires a temporary or permanent move. Two, a private partner is willing to underwrite the station to increase neighborhood mobility options. And three, to meet demand in high use areas increasing overall system reliability. In 2017 we did all three. The Market Street and Colfax & Pearl stations were permanently moved, and Denver Public Library and 17th & Tejon stations are slated to be re-installed mid-2018. Increased demand and private support in the RiNo and Capitol Hill neighborhoods brought the 29th & Brighton and 7th & Sherman stations.

To alleviate two full & empty station stress points in the system, we added a second station at 18th & California and doubled the size of 15th & Delgany. Those stations were not able to support the usage levels in their areas, and thus riders were having less than desirable experiences. Those two changes had a direct positive impact on our full and empty station ratio which dropped by 25 percent in 2017. THAT is an improvement in reliability!

NEW PRODUCTS

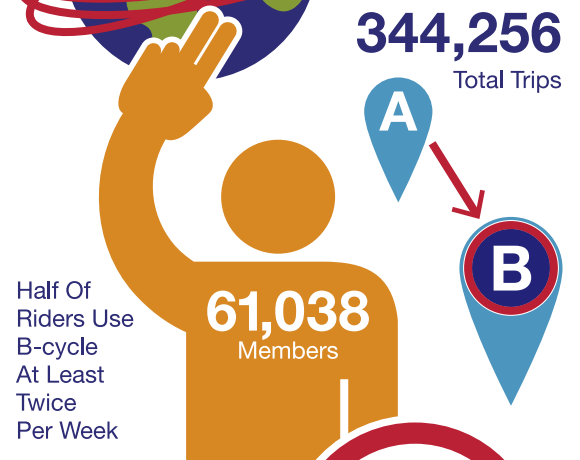
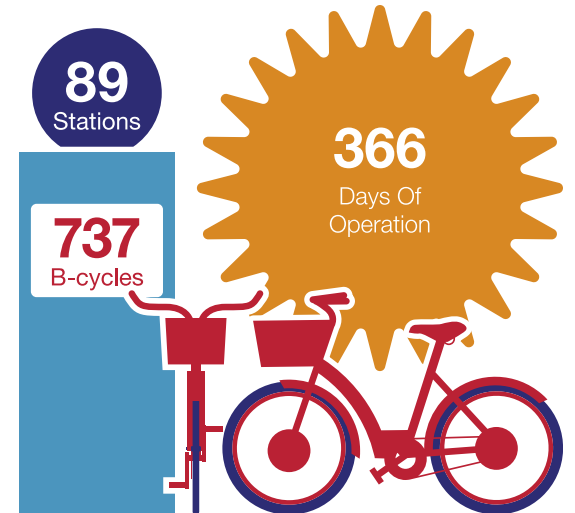
2017 was the first full year of the new BCycle App. Users can purchase all of our access pass offerings directly from the app and use it to check out a bike. 5 percent of purchases originated from the app in 2017 and we saw increases in all access pass categories.

Our user survey data shows our users like to “share” – ride share, car share and bike share. Recognizing that the sharing space is a dynamic marketplace, we have to innovate to compete. In May 2017, seeing softness in the tourism walk up market, we launched the 24 HR Rental Pass as a test. The 24 HR Rental targeted the tourism customer and allowed the user to use B-cycle more like a traditional bike rental, keeping the bike out all day without incurring overtime fees. The 24 HR Rental filled a gap in our access pass options, performed well, and as such, will continue to be offered moving forward.

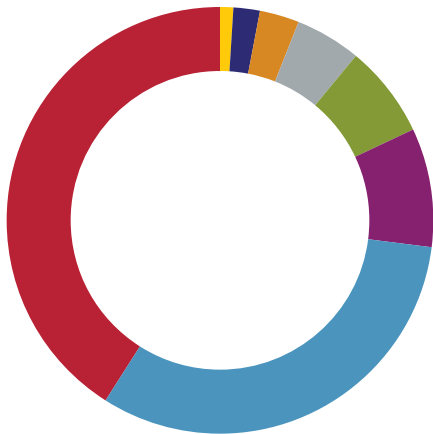
WRAPPED BIKES

In 2017 we fully wrapped more B-cycles than any other year. Partners like Kaiser Permanente, car2go, Stranahan’s, Cirque du Soleil LUZIA and Lorissa’s Kitchen all added their unique branding to B-cycles in our fleet. The designs stand out, as evidenced by our riders selecting them an average of 30 percent more than non-wrapped bikes.

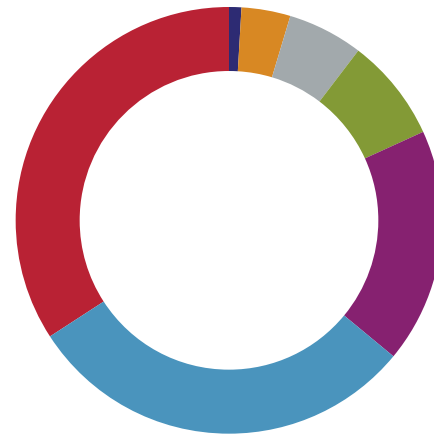
2017 Successes



2017 Financial Summary



G&A EXPENSES	\$	%
● G&A Payroll	378,882	41%
● Marketing	302,488	32%
● Employee Benefits	87,198	9%
● Professional Services	61,143	7%
● Merchant Fees	46,293	5%
● Other	26,804	3%
● Office	19,438	2%
● Insurance	11,889	1%
	934,134	100%

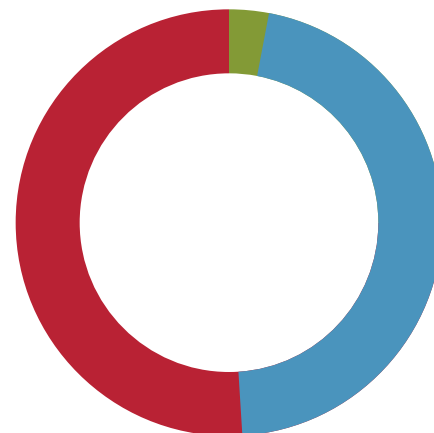


OPERATING EXPENSES	\$	%
● Operating Payroll	357,726	34%
● Depreciation & Amortization	312,654	30%
● B-cycle System	186,371	18%
● Rent	81,994	8%
● Insurance	59,948	6%
● Transportation	38,795	4%
● Other	9,754	1%
	1,047,242	100%

RESOURCES	\$	%
● System Fees	954,589	49%
● Sponsorships	634,737	32%
● Grants & Contributions	369,541	19%
○ Restricted Grants & Contributions	0	0%
○ Gifts in-kind	0	0%
	1,958,867	100%



CAPITAL VS OPERATING, G&A EXPENSES	\$	%
● Operating	1,047,242	51%
● G&A	934,134	46%
● Capital	56,060	3%
	2,037,437	100%



System Data

Memberships Purchased Or Redeemed	2010	2011	2012	2013	2014	2015	2016	2017
Annual (And Annual Plus)	1,784	2,675	2,734	4,023	3,980	3,630	2,111	2,176
Flex	-	-	-	-	-	-	744	717
30 Day	262	139	242	514	450	1,859	3,800	5,402
7 Day	268	215	281	417	500	-	-	-
24 Hr Online	1,271	1,334	1,106	1,456	1,498	1,086	45	2,761
24 Hr Kiosk	31,121	40,632	38,077	51,153	67,884	60,567	58,274	49,444
24 Hr Rental	-	-	-	-	-	-	-	538
Total Memberships	34,706	44,995	42,440	57,563	74,312	69,157	64,974	61,038
Trips By Membership Type	2010	2011	2012	2013	2014	2015	2016	2017
Annual (And Annual Plus)	52,829	121,781	131,176	165,897	242,770	225,034	193,113	167,644
Flex	-	-	-	-	-	-	3,565	3,868
30 Day	555	1,314	3,179	5,640	6,094	19,359	54,004	60,462
7 Day	931	1,080	1,938	2,554	3,890	-	-	-
24 Hr Online	2,818	3,759	2,270	2,777	3,589	2,420	117	8,159
24 Hr Kiosk	45,026	74,797	68,411	86,242	120,886	116,189	103,853	103,471
24 Hr Rental	-	-	-	-	-	-	-	652
Total Trips	102,159	202,731	206,974	263,110	377,229	363,002	354,652	344,256
Utilization & Health	2010	2011	2012	2013	2014	2015	2016	2017
Est. Miles Ridden	211,111	431,817	440,855	560,424	803,498	773,194	755,409	733,272
Est. Calories Burned	6,333,332	12,954,511	13,225,639	16,812,729	24,104,933	23,195,828	22,662,263	21,998,150
Est. Body Weight (Pounds) Equivalent Of Calories Burned	1,810	3,701	3,779	4,804	6,887	6,627	6,475	6,285
System	2010	2011	2012	2013	2014	2015	2016	2017
Number Of Stations	50	52	53	82	84	87	89	89
Number Of Bikes	500	520	530	709	709	719	737	737
Operating Days	227	271	278	288	365	365	366	365
Mode Offset	2010	2011	2012	2013	2014	2015	2016	2017
Est. B-Cycle Trips Replaced Car Trips	43.16%	35.72%	34.87%	41.83%	42.06%	46.20%	47.08%	41.40%
Est. B-Cycle Users Who Jointly Use Transit	20.28%	26.93%	29.95%	28.67%	28.90%	30.75%	30.75%	32.60%
Environmental & Economic Benefits	2010	2011	2012	2013	2014	2015	2016	2017
Est. Pounds Of CO ₂ e Emissions Avoided	311,900.09	729,783.38	807,867.43	1,028,836.12	1,486,288.05	1,530,011.22	1,503,820.11	1,503,449.00
Est. Gallons Of Gasoline Not Used	15,856.64	37,101.34	41,071.04	52,304.84	75,561.16	77,784.00	76,452.50	76,433.60
Est. Gasoline Savings (Dollars)	41,227.26	120,579.36	139,641.55	180,451.68	238,017.66	186,681.59	172,018.06	184,969.36
Est. Parking Savings (Dollars)	311,126.20	506,908.59	505,202.84	770,412.39	1,110,637.62	1,165,054.92	1,168,791.13	1,158,638.09
Est. Pounds Of NO _x Avoided	3,360.02	7,861.77	8,702.95	11,083.39	16,011.41	16,482.43	16,200.28	16,196.28
Est. Pounds Of VOCs Avoided	6,245.93	14,614.22	16,177.88	20,602.87	29,763.54	30,639.12	30,114.63	30,107.20

Statement Of Financial Position

**ACCRUAL BASIS
AS OF DECEMBER 31, 2017**

ASSETS

Current Assets

Checking/Savings	403,124
Restricted Funds	24,030
Investment Account	572,143
Accounts Receivable	294,622
Other Current Assets	3,609
Total Current Assets	1,297,528

Property and Equipment

Bikes	738,319
Events Equipment	3,687
Leasehold Improvements	22,268
Office Equipment	89,253
Shop Equipment	6,305
Stations	2,963,135
Transportation Equipment	40,720
Total Property & Equipment	3,863,688
<Less> Accumulated Depreciation	(3,385,939)
Net Property & Equipment	477,749
Other Assets	
Security Deposits Asset	4,430
Total Other Assets	4,430

Total Assets **1,779,707**

LIABILITIES & NET ASSETS

Liabilities

Current Liabilities	211,686
Long Term Liabilities	29,167
Total Liabilities	240,853

Net Assets

Temporary Restricted Assets	24,030
Unrestricted Net Assets	1,482,071
Net Income	32,753
Total Net Assets	1,538,854

TOTAL LIABILITIES & NET ASSETS **1,779,707**

Statement Of Activities

**ACCRUAL BASIS
JANUARY THROUGH DECEMBER 31, 2017**

ORDINARY INCOME/EXPENSE INCOME

Capital Resources	
Restricted Grants & Contributions	0
Operating Resources	
Grants and Contributions	369,541
System Fees	954,589
Sponsorships	634,737
Total Operating Resources	1,958,867
Total Income	1,958,867

EXPENSE

Operating Expenses	
B-cycle System	186,371
Depreciation	312,654
Insurance	59,948
Operating Payroll	357,726
Rent	81,994
Transportation	38,795
Other	9,754
Total Operating Expenses	1,047,242

General and Administrative

G&A Payroll	378,882
Employee Benefits	87,198
Insurance	11,889
Marketing	302,488
Merchant Fees	46,293
Office	19,438
Professional Services	61,143
Other	26,804
Total General & Administrative Expenses	934,134

Total Expense **1,981,377**

Other Income/Expense 55,263

Net Income **32,753**

Special Thanks

TO OUR 2017 PARTNERS & CONTRIBUTORS:

Kaiser Permanente

RTD

Anadarko
Brownstein Hyatt Farber Shreck
car2go
Colorado Convention Center

Noble Energy
Stranahan's
Suncor
VISIT DENVER

Cirque du Soleil - LUZIA
Colorado Classic
Colorado Health Foundation
Copper Mountain
Denver Water

King Soopers
LoHi Infinity
Lorissa's Kitchen
Whole Foods

Allegra
Bike Denver
CHFA
CenturyLink
Common Park West
Gates Corporation

LoHi Gold
Riverfront Community
Foundation
The Grand
U.S. Bank

Clif Bar
DaVita
IMA Financial Group

Life Storage
RailVolution
Tupelo Honey Cafe



ABOUT KAISER PERMANENTE COLORADO

Kaiser Permanente Colorado is the state's largest nonprofit health plan, working to improve the lives and health of all Coloradans for 48 years. We are comprised of the Kaiser Foundation Health Plan of Colorado and the Colorado Permanente Medical Group—one of the state's largest medical groups with more than 1,200 physicians. We provide comprehensive care for our 660,000 Kaiser Permanente Colorado members through 31 medical offices across the state—from Pueblo to Greeley and now in the mountains in Summit and Eagle counties. We are also committed to our social mission and in 2015 proudly directed more than \$124 million to community benefit programs to improve the health of all Coloradans. For more Kaiser Permanente news, visit kp.org/share or follow us @kpcolorado or like us facebook.com/kpcolorado.



2737A Larimer Street, Denver, Colorado 80205
303-825-3325 • DenverBikeSharing.org