

denver **Bike Sharing**

2016 ANNUAL REPORT

Owner & Operator Of:



Denver B-cycle Founding Funder:



Mission & Vision	2
Board Chair's Letter	3
2016 Board of Directors	4
Executive Director's Letter	5
2016 Successes	6
Looking Ahead	6
2016 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 called Denver B-cycle. In 2016, the B-cycle system included 737 bicycles and 89 stations located throughout downtown Denver, Uptown, Highlands, Cherry Creek, Capitol Hill, Congress Park, City Park, Five Points, Wash Park, Lincoln Park and Baker neighborhoods, and on the Auraria campus.

Denver B-cycle is presented by Founding Funder Kaiser Permanente in association with a variety of community sponsors.

OUR MISSION

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.
- Be an efficient, reliable system that has bikes in the right place at the right time.

LETTER FROM THE BOARD CHAIR

Dear Friends,

Our city constantly changes before our eyes—new office towers, residential communities, markets, restaurants and entertainment options. There is a newer level of vitality in Downtown, and Denver B-cycle is thrilled to be part of the urban vibrancy.

Denver B-cycle has shed its novelty status. The shared bicycle system is now an integral part of how Denver gets around. Thousands of people rely on the B-cycle system on a daily basis and, as businesses and residents sprout in and near the core city, it will expand to meet the demand.

Denver B-cycle is a part of the transportation continuum. Shared bikes are an important first-mile and last-mile option for commuters. Bus and light rail users frequently combine their travel with a ride on a shared bike, and those who like to walk will hop on a B-cycle when they need to speed up their trek across the city.


Policymakers at the national, state, and local levels more readily recognize the importance of shared bicycle systems like ours. Denver B-cycle is closely monitoring the discussions in Washington, in our state legislature, and at the City of Denver about the potential for significant infrastructure upgrades.

At the city level, we are grateful for the support of Mayor Michael B. Hancock and the Denver City Council. The City's continued investment to moving more people by bike solidly demonstrates that bikes and bike sharing are part of the solution to Denver's transportation challenges. Equally important is that we are engaged in the possible bond election this coming fall that could build additional bike lanes and facilities to help support expanded use of bicycles in Denver.

Denver B-cycle enjoys strong support from an impressive array of partners, and at the top of the list is our Founding Funder, Kaiser Permanente. The Denver B-cycle operation was nurtured and has thrived under Kaiser Permanente's generous contributions. We deeply value their long-term commitment as well as the other organizations noted in this report. Please consider your support of these organizations as a way of helping us say "thank you" to them.

Denver's success has led to B-cycle's success, and we look to many more years of serving the city that we love.

Ride on,



Mike Dino



2016 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,

Riding into our eighth year of Denver B-cycle's operation, it's worth noting a new milestone. In 2016, our survey data showed that we set a record for the percentage of B-cycle rides that replaced car trips—47 percent!

Denver B-cycle is only one piece of the city's transportation fabric – but it has become interwoven into the flow of the city. In fact, Denver B-cycle served 64,974 users last year. In all, they took 354,652 trips and those rides covered more than 755,000 miles.

The city's shared bike system is well positioned to support the lifestyle of the ever-increasing number of residents and commuters in downtown Denver. New skyscrapers and new neighborhoods, it seems, are popping up everywhere. If you haven't seen Union Station in action since it was re-born, you're missing a picture of urban vibrancy. It is truly a hub—trains and buses and bicycles and people going every which way. We were able to install two B-cycle stations right at Union Station, and both are heavily used by commuters and tourists alike to make connections.

The bottom line? Bike sharing is more important than ever as the downtown residential population and employment base grows. We feel confident about the future, particularly given our strong relationships and goal alignment with our many critical partners, including the City of Denver and RTD.

We are committed to being the best mobility option for short distance trips and trips that connect with transit. That means closely watching rider trends, and getting B-cycles to the right stations at the right times of day. To improve the user experience, the new B-cycle app provides real time information about bike and dock availability – and most importantly lets you checkout a B-cycle with your phone. All of this is done to get you to your destination as quickly as possible.

Looking ahead, we are working to refresh our bike fleet, and will be rolling out new bikes from time to time this year. As always, we want our riders using the best and safest bikes available. That core principle will never change as we search for opportunities to replace our entire system in the coming years.

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.

Sincerely,

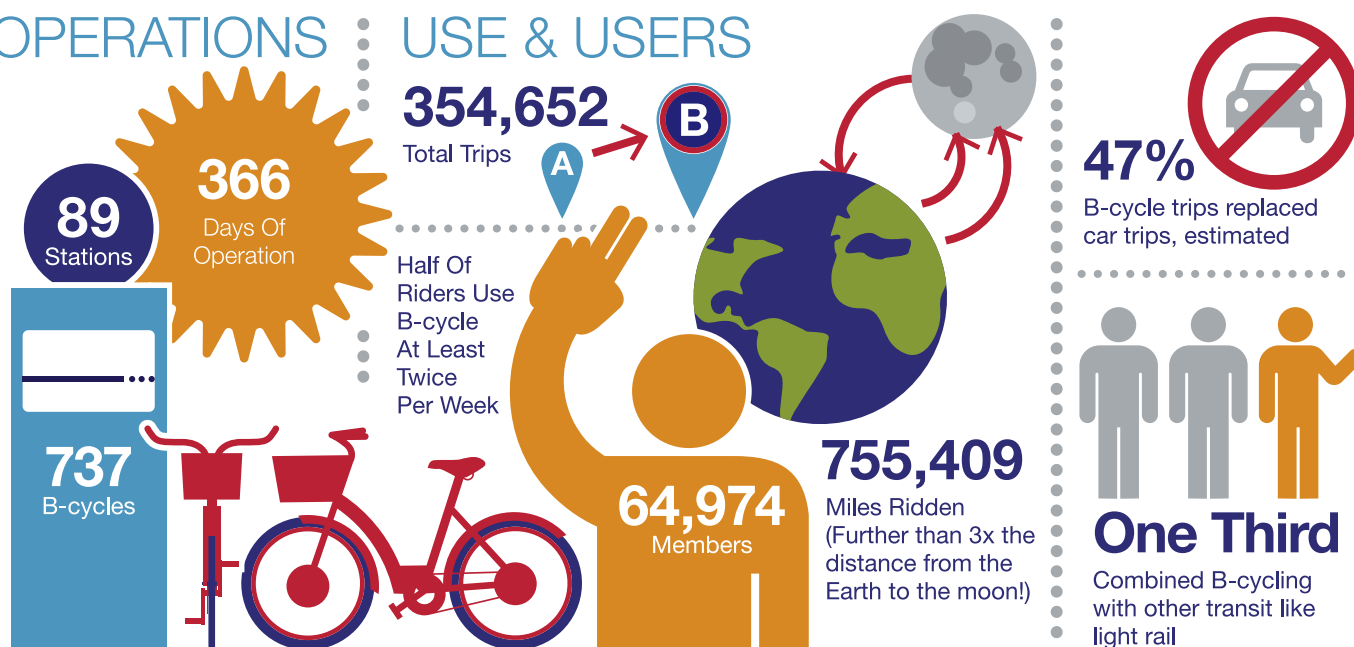


Nick Bohnenkamp

2016 SUCCESSES

OPERATIONS

USE & USERS



LOOKING AHEAD

Denver B-cycle continues to adapt and evolve. Our goal is twofold; to be a first and last mile connection with public transit, and be the mode of choice for trips that are two miles or less in distance. With that in mind, our work will continue to focus on optimizing the system's service area and provide products that meet the need of the marketplace to encourage new customers to try our system.

WEBSITE

In the spring of 2017, we will release a newly designed, simplified DenverBcycle.com website. The look and feel will be about experiencing our great city by B-cycle, with streamlined content and user interface.

MOBILE APP

In late 2016, the updated Bcycle App was released, that substantially increased the functionality of our customers' mobile experience of using our system. In 2017, continued mobile improvements will allow users to purchase and renew their memberships directly from the Bcycle App, as well as check out bikes without using B-cards at the dock, or credit cards at our kiosks.

NEW BIKES

300 new bikes will be added to the system in the spring and summer of 2017, replacing some of the older bikes in our fleet. We can say from experience, there's nothing like the feel of riding a new B-cycle!

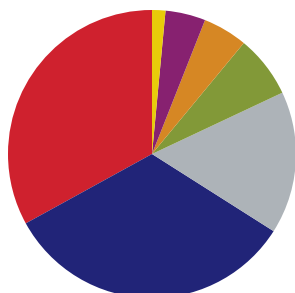
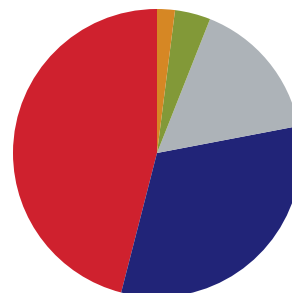
BRINGING BACK THE ANNUAL ACCESS PASS

We made the decision to eliminate our traditional Annual Access Pass in 2016, and test several alternative short term and long term membership options. We talked to our Annual Access Pass members that did not matriculate into other pass products, and we heard loud and clear that our customers do indeed want the traditional Annual Pass with a 30 minute ride time. So in 2017, we are bringing it back with several new bells and whistles.

2016 FINANCIAL SUMMARY

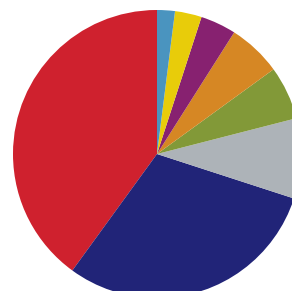
RESOURCES

	\$	%
● Membership Fees.....	770,873	46
● Sponsorships.....	524,581	32
● Usage Fees.....	269,200	16
● Restricted Grants & Contributions.....	65,771	4
● Grants & Contributions.....	28,359	2
	1,658,783	100



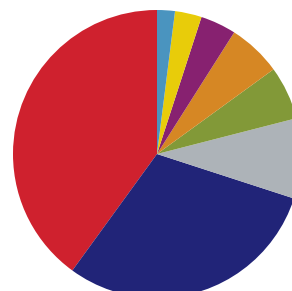
OPERATING EXPENSES

● Depreciation & Amortization	381,844	33
● Operating Payroll	378,900	33
● B-cycle System	188,357	16
● Rent	81,730	7
● Insurance	60,035	5
● Transportation	48,448	4
● Other	10,734	1
	1,150,048	100



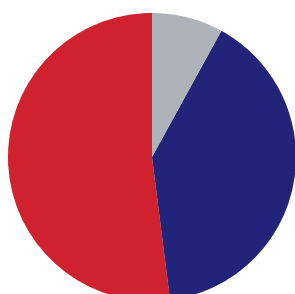
G&A EXPENSES

● G&A Payroll	350,605	40
● Marketing	263,289	30
● Employee Benefits	75,266	9
● Professional Services	52,730	6
● Merchant Fees.....	52,257	6
● Other	35,037	4
● Office	22,660	3
● Insurance	13,906	2
	865,751	100



CAPITAL VS OPERATING, G&A EXPENSES

	\$	%
● Operating	1,150,048	53
● G&A	865,751	40
● Capital	170,444	8
	2,186,243	100





SYSTEM DATA

Memberships Purchased Or Redeemed	2010	2011	2012	2013	2014	2015	2016
Annual (And Annual Plus)	1,784	2,675	2,734	4,023	3,980	3,630	2,111
Flex	-	-	-	-	-	-	744
30 Day	262	139	242	514	450	1,859	3,800
7 Day	268	215	281	417	500	-	-
24 Hr Online	1,271	1,334	1,106	1,456	1,498	1,086	45
24 Hr Kiosk	31,121	40,632	38,077	51,153	67,884	60,567	58,274
Total Memberships	34,706	44,995	42,440	57,563	74,312	69,157	64,974

Trips By Membership Type	2010	2011	2012	2013	2014	2015	2016
Annual (And Annual Plus)	52,829	121,781	131,176	165,897	242,770	225,034	193,113
Flex	-	-	-	-	-	-	3,565
30 Day	555	1,314	3,179	5,640	6,094	19,359	54,004
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
24 Hr Kiosk	45,026	74,797	68,411	86,242	120,886	116,189	103,853
Total Trips	102,159	202,731	206,974	263,110	377,229	363,002	354,652

Utilization & Health	2010	2011	2012	2013	2014	2015	2016
Est. Miles Ridden	211,111	431,817	440,855	560,424	803,498	773,194	755,409
Est. Calories Burned	6,333,332	12,954,511	13,225,639	16,812,729	24,104,933	23,195,828	22,662,263
Est. Body Weight (Pounds) Equivalent Of Calories Burned	1,810	3,701	3,779	4,804	6,887	6,627	6,475

System	2010	2011	2012	2013	2014	2015	2016
Number Of Stations	50	52	53	82	84	87	89
Number Of Bikes	500	520	530	709	709	719	737
Operating Days	227	271	278	288	365	365	366

Mode Offset	2010	2011	2012	2013	2014	2015	2016
Est. B-Cycle Trips Replaced Car Trips	43.16%	35.72%	34.87%	41.83%	42.06%	46.20%	47.08%
Est. B-Cycle Users Who Jointly Use Transit	20.28%	26.93%	29.95%	28.67%	28.90%	30.75%	30.75%

Environmental & Economic Benefits	2010	2011	2012	2013	2014	2015	2016
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
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
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
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
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
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

STATEMENT OF FINANCIAL POSITION

ACCRUAL BASIS
AS OF DECEMBER 31, 2016

ASSETS

Current Assets

Checking/Savings	312,025
Restricted Funds	24,030
Investment Account	521,495
Accounts Receivable	6,741
Other Current Assets	4,939
Total Current Assets	869,230

Property and Equipment

Bikes	649,139
Events Equipment	3,687
Leasehold Improvements	22,268
Office Equipment	89,253
Shop Equipment	6,305
Stations	2,963,135
Transportation Equipment	73,840
Total Property & Equipment	3,807,628
<Less> Accumulated Depreciation	(3,106,405)
Net Property & Equipment	701,223

Other Assets	
Security Deposits Asset	4,430
Total Other Assets	4,430

Total Assets **1,574,883**

LIABILITIES & NET ASSETS

Liabilities

Current Liabilities	104,801
Long Term Liabilities	29,167
Total Liabilities	133,967

Net Assets

Temporary Restricted Assets	24,030
Unrestricted Net Assets	1,724,745
Net Income	(307,859)
Total Net Assets	1,440,916

TOTAL LIABILITIES & NET ASSETS **1,574,883**

STATEMENT OF ACTIVITIES

ACCRUAL BASIS
JANUARY THROUGH DECEMBER, 2016

ORDINARY INCOME/EXPENSE INCOME

Capital Resources

Restricted Grants & Contributions	65,771
-----------------------------------	--------

Operating Resources

Grants and Contributions	28,359
Membership Fees	770,873
Sponsorships	524,581
Usage Fees	269,200
Total Operating Resources	1,593,012

Total Income **1,658,783**

EXPENSE

Operating Expenses	
B-cycle System	188,357
Depreciation	381,844
Insurance	60,035
Operating Payroll	378,900
Rent	81,730
Transportation	48,448
Other	10,734
Total Operating Expenses	1,150,048

General and Administrative

G&A Payroll	350,605
Employee Benefits	75,266
Insurance	13,906
Marketing	263,289
Merchant Fees	52,257
Office	22,660
Professional Services	52,730
Other	35,037

Total General & Administrative Expenses	865,751
--	----------------

Total Expense **2,015,799**

Other Income/Expense	49,156
----------------------	--------

Net Income **(307,859)**

SPECIAL THANKS

TO OUR 2016 PARTNERS & CONTRIBUTORS:

Kaiser Permanente

RTD

Anadarko	Noble Energy
Bicycle Village	Suncor
Brownstein Hyatt Farber Shreck	VISIT DENVER
CBS Outdoor	
Colorado Convention Center	

Gates Corporation	U.S. Bank
LiveWell Colorado	

Clif Bar	Denver Water
Colorado Rockies	

EcoTech	King Soopers
FluentStream Technologies	Wells Fargo
Galvanize	

Uncle Bob's Self Storage
Riverfront Park Community
Foundation

CHFA	Housegreening
Encana	Kentwood City Properties
Grand Peaks	

Denver Broncos	Thrive360 Eatery
IMA Financial Group	



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 47 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 1,100 physicians. We provide comprehensive care for our 675,000 Kaiser Permanente Colorado members through 30 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](https://twitter.com/US@KPColorado) or like us [Facebook.com/KPColorado](https://www.facebook.com/KPColorado).



Denver Bike Sharing

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