



Regional Fare Coordination System

***Financial Statements and Independent
Auditors' Report for the Years Ended
December 31, 2015 and 2014***

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REGIONAL FARE COORDINATION SYSTEM

TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT.....1

FINANCIAL STATEMENTS

 Statements of Net Position.....**3**

 Statements of Revenues, Expenses and Changes in Net Position.....**4**

 Statements of Cash Flows.....**5**

 Notes to Financial Statements.....**7**

SUPPLEMENTAL ALLOCATION SCHEDULES.....13

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KPMG LLP
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Seattle, WA 98101

Independent Auditors' Report

The Joint Board
Regional Fare Coordination System:

Report on the Financial Statements

We have audited the accompanying financial statements of the Regional Fare Coordination System (One Regional Card for All, "ORCA"), which comprise the statements of net position as of December 31, 2015 and 2014 and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Regional Fare Coordination System as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.



Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that U.S. generally accepted accounting principles require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary and Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 13 through 18 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Seattle, Washington
April 15, 2016

REGIONAL FARE COORDINATION SYSTEM

STATEMENTS OF NET POSITION

	December 31	
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents (note 3):		
FDIC or PDPC	\$ 2,357,359	\$ 2,995,218
WA State Local Government Investment Pool	31,026,122	25,141,340
Accounts receivable (note 4)	152,990	123,572
Due from agencies:		
Capital	30,124	11,812
Operating	1,465,180	1,289,933
Product loads	29,127,668	27,044,233
Total assets	64,159,443	56,606,108
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (note 5):		
Capital	31,800	60,858
Operating	1,002,610	983,744
Cardholder and participant claim funds	1,870,684	1,645,905
Due to agencies (note 6):		
Capital	44,429	53,814
Operating	614,974	564,835
Unearned receipts	24,333,257	20,284,541
Undistributed receipts	36,261,689	33,012,411
Total liabilities	64,159,443	56,606,108
NET POSITION	\$ -	\$ -

See accompanying notes to financial statements.

REGIONAL FARE COORDINATION SYSTEM

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	December 31	
	2015	2014
Operating revenues		
Agency billings	\$ 7,359,968	\$ 7,785,419
Card fee income	285,645	259,896
Interest income	46,243	23,684
Total operating revenues	7,691,856	8,068,999
Operating expenses		
Services	4,235,977	5,071,561
Wages and benefits	1,398,184	1,173,615
Card product costs	1,313,096	1,088,022
Bank card fees	562,913	486,491
Bad debt	113,470	186,404
Telephone	38,086	35,728
Office supplies	30,130	27,178
Total operating expenses	7,691,856	8,068,999
Change in net position	-	-
Total net position, beginning of year	-	-
Total net position, end of year	\$ -	\$ -

See accompanying notes to financial statements.

REGIONAL FARE COORDINATION SYSTEM

STATEMENTS OF CASH FLOWS

	December 31	
	2015	2014
Cash flows from operating activities		
Cash receipts from product loads	\$ 209,633,807	\$ 187,151,671
Payments to agencies for fare apportionment	(204,337,357)	(184,259,234)
Cash received by participating agencies for operating	7,470,366	7,647,789
Payments to suppliers and service providers for operating	(7,509,381)	(7,343,326)
Cash received by participating agencies for capital	126,330	156,052
Payments for capital	(183,085)	(133,749)
Net cash provided by operating activities	5,200,680	3,219,203
Cash provided by investing activities		
Investment income	46,243	23,684
Net increase in cash and cash equivalents	5,246,923	3,242,887
Cash and cash equivalents (note 3)		
Beginning of year	28,136,558	24,893,671
End of year	\$ 33,383,481	\$ 28,136,558
Change in net position	\$ -	\$ -
Adjustments to reconcile to net cash provided by operating activities		
Bad debt expense	113,470	186,404
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	(29,418)	39,138
(Increase) decrease in expenses due from agencies - capital	(18,312)	11,719
Increase in expenses due from agencies - operating	(221,490)	(421,210)
Increase in product loads due from agencies	(2,196,905)	(2,949,885)
(Decrease) increase in accounts payable and accrued liabilities - capital	(29,058)	18,190
Increase in accounts payable and accrued liabilities - operating	18,866	452,360
Increase in cardholder and participant claim fund	224,779	381,484
Decrease in amounts due to agencies - capital	(9,385)	(7,606)
Increase in amounts due to agencies - operating	50,139	86,909
Increase in unearned receipts	4,048,716	3,080,287
Increase in undistributed receipts	3,249,278	2,341,413
Net cash provided by operating activities	\$ 5,200,680	\$ 3,219,203

See accompanying notes to financial statements.

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REGIONAL FARE COORDINATION SYSTEM

NOTES TO FINANCIAL STATEMENTS YEARS ENDED DECEMBER 31, 2015 AND 2014

1. AGREEMENT AND REPORTING ENTITY

Agreement—In April 2009, Snohomish County Transportation Public Benefit Area (“Community Transit”), the City of Everett (“Everett”), King County (“King County”), Kitsap County Public Transportation Benefit Area (“Kitsap Transit”), Pierce County Public Transportation Benefit Area (“Pierce Transit”), Central Puget Sound Regional Transit Authority (“Sound Transit”) and Washington State Department of Transportation, Ferries Division (“Washington State Ferries”), signed the Amended and Restated Interlocal Cooperation Agreement (“ORCA ILA Agreement”) for the design, implementation, operation and maintenance of the Regional Fare Coordination System (“ORCA”). The purpose of the ORCA system is to simplify the fare collection program using smart card technology for all bus, rail and ferry travel in the King, Kitsap, Snohomish and Pierce counties.

Reporting Entity—Government Accounting Standards Board Statement 14 establishes standards for defining and reporting on the financial reporting entity and reporting participation in joint ventures or other jointly operated arrangements. The ORCA ILA Agreement created a joint venture in the activities of the ORCA system; however, no legal entity has been created by the participants. ORCA administers operating and maintenance activities associated with the collection and distribution of fare revenue on behalf of participating agencies. Expenses incurred related to regional administration are billed to participating agencies in accordance with the ORCA ILA Agreement. As no legal entity exists, all assets and liabilities are the responsibility of each participating agency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and should be considered an integral part of the financial statements.

Basis of Accounting—The accounts are maintained and financial statements prepared using the economic resources measurement focus and accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Operating revenues consist primarily of agency billings and is the amount paid by the agencies for their share of operating expenses. Operating revenues are recorded when the underlying expense is incurred. All assets and liabilities associated with the operation of ORCA are included in the statement of net position.

Cash and Cash Equivalents—Cash and cash equivalents are carried at cost, which approximates fair value.

Use of Estimates—The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

REGIONAL FARE COORDINATION SYSTEM

Notes to financial statements, continued

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and demand deposits in the Washington State Local Government Investment Pool (LGIP). Funds in the LGIP are invested in a manner generally consistent with the Securities and Exchange Commission's Rule 2a-7 of the Investment Company Act of 1940 as it currently stands. All LGIP investments consist of high-quality, highly liquid securities, with a weighted average maturity of 60 days or less, a weighted average life of 120 days or less, and a unit value of \$1. Cash held in the LGIP is managed by the Washington State Treasurer's Office. This pool represents an interest in a group of securities and has no specific security subject to custodial risk.

ORCA's bank deposits are covered by the Federal Deposit Insurance Corporation (FDIC) or by collateral held in a multiple financial institution collateral pool administered by the Washington Public Deposit Protection Commission (PDPC). All deposits not covered by the FDIC are covered by the PDPC.

All surplus cash for the Regional Pass and Float accounts are deposited in segregated accounts at the LGIP.

Concentration of Credit Risk—Concentration of credit risk is the risk associated with a lack of diversification or having too much invested in a few individual issues. The ORCA funds other than those in the LGIP are either in bank accounts covered by the FDIC or by collateral held in a multiple financial institution collateral pool administered by the PDPC.

Credit Risk—Credit risk is the chance that an issuer will fail to pay principal or interest in a timely manner or that negative perceptions of the issuer's ability to make these payments will cause the price of the investment to decline. The LGIP is a 2a7-like fund and is unrated. While there are no specific investments associated with the ORCA funds at the LGIP, it generally invests in treasury and agency securities of the U.S. government and bank deposits, which are fully guaranteed under FDIC and the PDPC, so credit risk is minimal.

Cash and cash equivalents are comprised of the following accounts:

	2015			2014		
	FDIC or PDPC	LGIP	Total	FDIC or PDPC	LGIP	Total
Fare processing						
Float account	\$ 299,511	\$17,284,521	\$ 17,584,032	\$ 204,262	\$13,878,443	\$ 14,082,705
Regional pass account	1,420,806	13,741,601	15,162,407	1,683,269	11,262,897	12,946,166
Institutional account	68,276	-	68,276	106,964	-	106,964
Weekly retail distributor account	82,699	-	82,699	75,106	-	75,106
Daily retail distributor account	113,037	-	113,037	110,878	-	110,878
Cardholder claim fund account	80,108	-	80,108	235,937	-	235,937
Participant claim fund	109,735	-	109,735	223,637	-	223,637
Total fare processing	2,174,172	31,026,122	33,200,294	2,640,053	25,141,340	27,781,393
Other						
Central payments account	183,187	-	183,187	355,165	-	355,165
Total cash	\$ 2,357,359	\$31,026,122	\$33,383,481	\$ 2,995,218	\$25,141,340	\$28,136,558

REGIONAL FARE COORDINATION SYSTEM

Notes to financial statements, continued

Fare Processing Accounts

Float is the depository account for the purchase of prepaid fare funds loaded on ORCA cards that are to be used to pay for future transit usage using e-purse. These funds reside in the account until the cardholder uses the ORCA card or until other transactions occur which affect these funds (i.e. claims or escheatment). This account is allocated among agencies in the same ratios as the historical transit fares collected from payment using e-purse for the last three months.

Regional Pass is the depository account for funds from the purchase of regional passes. These funds reside in the account until the ORCA system apportions the revenues earned by agencies based on actual regional pass ridership, 30 calendar days after the end of the month. This account is allocated to agencies based on actual apportionment, which occurs 30 days after the date of the statement of net position, with the remainder being allocated based on the ratio of historical transit fares collected by the agencies for fares paid by regional pass usage in the three months prior to the past apportionment month.

Institutional is the depository account used to collect and distribute funds for all business account products and prepaid business account products such as electronic vouchers. This account is allocated among agencies in the ratio of transit fares collected by the agencies for fares paid by total of combined e-purse and regional pass usage.

Weekly Retail Distributor is the depository account used to collect the funds for the loading of products purchased at retailers. The account is swept daily by ACH transferring funds to the product e-purse or regional pass (product issuer accounts) and reimbursement from the retailers are collected on a weekly basis. This account is allocated among the agencies based on their contributions to the prefunding of this account, then by total of combined e-purse and regional pass usage.

Daily Retail Distributor is the depository account that functions the same as the weekly distributor, except that reimbursements from retailers are collected on a daily basis. This account is allocated among the agencies based on their contributions to the prefunding of this account, then by total of combined e-purse and regional pass usage.

Cardholder Claim is the depository account that holds funds from cardholder purchases that have been made in a “card not present environment” and have expired due to the cardholder not interacting with a fare collection device prior to the expiration of the prescribed period. The cardholder’s funds are moved from the product issuer account to the cardholder claim account, awaiting claim by cardholders. These funds are available to reimburse the agency that makes the refund to cardholder claimants or for distribution among agencies, if such claims do not occur as provided under Washington unclaimed property laws. This account is allocated to the agencies first to known claims in process, not yet paid to agencies, with the balance allocated in the ratio of transit fares collected by the agencies for fares paid by total of combined e-purse and regional pass usage.

Participant Claim is the depository account that holds funds from transactions awaiting distribution back to the agencies that provided the unreported service. This account is allocated to the agencies first to known claims in process, not yet paid to agencies, with the balance allocated in the ratio of transit fares collected by the agencies for fares paid by e-purse and usage.

REGIONAL FARE COORDINATION SYSTEM

Notes to financial statements, continued

Other Accounts

Central Payments is the depository account for funds used to accept deposits from agencies for payment to vendors for work related to the activities of ORCA. This account is allocated to the agencies based on actual payments received from agencies.

4. RECEIVABLES AND AMOUNTS DUE FROM AGENCIES

Accounts receivable and amounts due from other agencies include amounts receivable from third parties as well as amounts due from agencies for regionally shared capital expenditures and operating expenses. Amounts due from agencies for product loads are for sales of ORCA products not yet remitted to fare processing accounts and for uncollected billings for fare revenue earned by the transportation agencies (usage). Accounts receivable and amounts due from other agencies are allocated among the agencies based on their ORCA ILA Agreement percentages or respective portion of earned receipts. Payment terms are generally defined by agreement and range from 3 to 60 days. Where payment terms are not defined by agreement, they are due in accordance with the terms specified in the invoice, which is generally 30 days.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities include the amounts payable to agencies or vendors for regionally shared operating expenses or capital expenditures. These accounts are allocated to the agencies based on the ORCA ILA Agreement percentages for either operating expenses or capital expenditures.

Cardholder claims represent the liability to cardholders for purchases that have been made in a “card not present environment” and have expired due to the cardholder not interacting with a fare collection device prior to the expiration of the prescribed period. The balance is allocated to the agencies, first to known claims in process and not yet paid, with the balance allocated in the ratio of transit fares collected by the agencies for fares paid by the total combined e-purse and regional pass usage.

Participant claims represents the liability from transactions awaiting distribution back to the agencies that provided the unreported service. The balance is allocated to the agencies first to known claims in process, not yet paid to agencies, with the balance allocated in the ratio of transit fares collected by the agencies for fares paid by e-purse usage.

6. DUE TO AGENCIES

Amounts due to agencies include reimbursable regionally shared expenses for capital expenditures and operating expenses.

Unearned receipts due to agencies are derived from the purchase of product loads of e-purse fares, regional Puget Passes and passport products that have not yet been earned. These amounts are paid to the agencies when travel by transit riders has occurred, based on their proportionate share of actual usage that occurred.

Undistributed receipts include amounts due to agencies for completed travel by transit riders through December 31, 2015 and 2014, which have not been distributed to the agencies. These amounts are allocated based on actual settlements.

REGIONAL FARE COORDINATION SYSTEM

Notes to financial statements, continued

7. PRODUCTS COLLECTED ON BEHALF OF PARTICIPATING AGENCIES AND EXPENDITURE ALLOCATION METHODOLOGY

E-Purse Product

Funds received from cardholders for loading e-purse value and used for fare payment on a single agency and do not involve use of e-purse transfer credits, are allocated to each agency based on actual distributions. For trips involving multiple agencies (linked trips) that involve e-purse transfer credits, the total fare is allocated based on actual reappropriation that occurs 30 days later in proportion to the value of the fare each agency would have otherwise been charged for the service as a non-linked trip.

Regional Pass Product

Funds received for the purchase of regional pass product used on a single agency during the pass validity period are distributed entirely to that agency. Funds used for purchase of regional pass product used on multiple agencies are allocated based on their distribution 30 days following the pass validity period.

Business Account Products

A business account may elect to choose either a business account Choice Agreement or a business account Passport Agreement subject to established program requirements. Agreement revenues are allocated in accordance with the rules for e-purse and regional pass products. Passport products are allocated to each agency based on either a flat rate or per trip basis.

Capital Expenditures

The allocation for regionally shared ORCA capital expenditures is determined by the total value of each agency's vendor contract equipment purchases and the vendor installation costs. This allocation is fixed for future years and will only be subject to revision as necessary to accommodate an addition or withdrawal of an agency.

Operating Expenses

The allocation for regionally shared ORCA operating expenses is based on the proportion to agency estimated ridership numbers, as adjusted to account for ridership that did not occur using the ORCA fare payment system.

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**SUPPLEMENTAL
ALLOCATION SCHEDULES**

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REGIONAL FARE COORDINATION SYSTEM

Schedule of Net Position by Agency

	December 31, 2015							
	Community Transit	Everett Transit	King County	Kitsap Transit	Pierce Transit	Sound Transit	Washington State Ferries	Total
ASSETS								
Current assets								
Cash and cash equivalents:								
FDIC or PDPC	\$ 150,958	\$ 15,883	\$ 1,411,318	\$ 15,682	\$ 96,241	\$ 599,931	\$ 67,346	\$ 2,357,359
WA State Local Government Investment Pool	1,900,761	161,970	19,084,545	198,029	1,028,644	7,837,858	814,315	31,026,122
Accounts receivable	9,363	796	94,456	964	5,017	38,523	3,871	152,990
Due from agencies:								
Capital	3,676	916	17,537	1,870	2,738	3,387	-	30,124
Operating	76,653	11,841	1,025,523	30,268	50,709	258,262	11,924	1,465,180
Product loads	871,184	139,864	26,879,734	650,768	197,875	428,177	(39,934)	29,127,668
Total assets	3,012,595	331,270	48,513,113	897,581	1,381,224	9,166,138	857,522	64,159,443
LIABILITIES								
Current liabilities								
Accounts payable and accrued liabilities:								
Capital	3,676	916	17,537	1,870	2,738	3,387	1,676	31,800
Operating	58,741	10,301	664,860	23,165	38,871	197,544	9,128	1,002,610
Cardholder and participant claim funds	114,371	9,728	1,149,455	12,589	59,064	471,927	53,550	1,870,684
Due to agencies:								
Capital	-	-	-	-	-	-	44,429	44,429
Operating	-	-	303,260	-	-	311,714	-	614,974
Unearned receipts	1,484,633	126,848	14,864,852	174,771	736,510	6,153,408	792,235	24,333,257
Undistributed receipts	2,731,903	90,312	23,401,375	443,953	611,968	8,960,254	21,924	36,261,689
Total liabilities	4,393,324	238,105	40,401,339	656,348	1,449,151	16,098,234	922,942	64,159,443
Net position	\$ (1,380,729)	\$ 93,165	\$ 8,111,774	\$ 241,233	\$ (67,927)	\$ (6,932,096)	\$ (65,420)	\$ -

See accompanying independent accountants' report

REGIONAL FARE COORDINATION SYSTEM

Schedule of Net Position by Agency

	December 31, 2014							
	Community Transit	Everett Transit	King County	Kitsap Transit	Pierce Transit	Sound Transit	Washington State Ferries	Total
ASSETS								
Current assets								
Cash and cash equivalents:								
FDIC or PDPC	\$ 210,247	\$ 21,676	\$ 1,803,802	\$ 15,656	\$ 126,423	\$ 726,998	\$ 90,416	\$ 2,995,218
WA State Local Government Investment Pool	1,630,902	150,710	15,041,279	139,459	840,907	6,625,119	712,964	25,141,340
Accounts receivable	7,983	729	74,501	655	4,115	32,376	3,213	123,572
Due from agencies:								
Capital	-	1,753	-	3,578	-	6,481	-	11,812
Operating	66,779	14,531	866,727	30,808	44,769	256,382	9,937	1,289,933
Product loads	848,711	155,740	24,292,336	1,267,103	134,143	447,686	(101,486)	27,044,233
Total assets	2,764,622	345,139	42,078,645	1,457,259	1,150,357	8,095,042	715,044	56,606,108
LIABILITIES								
Current liabilities								
Accounts payable and accrued liabilities:								
Capital	7,035	1,753	33,563	3,579	5,240	6,481	3,207	60,858
Operating	61,484	13,379	644,844	22,921	41,219	190,748	9,149	983,744
Cardholder and participant claim funds	105,909	9,733	987,620	9,228	52,966	432,214	48,235	1,645,905
Due to agencies:								
Capital	-	-	-	-	-	-	53,814	53,814
Operating	-	-	376,294	-	-	188,541	-	564,835
Unearned receipts	1,309,006	116,807	12,085,351	151,216	593,549	5,335,975	692,637	20,284,541
Undistributed receipts	2,559,975	100,567	20,506,616	975,269	570,372	8,264,554	35,058	33,012,411
Total liabilities	4,043,409	242,239	34,634,288	1,162,213	1,263,346	14,418,513	842,100	56,606,108
Net position	<u>\$ (1,278,787)</u>	<u>\$ 102,900</u>	<u>\$ 7,444,357</u>	<u>\$ 295,046</u>	<u>\$ (112,989)</u>	<u>\$ (6,323,471)</u>	<u>\$ (127,056)</u>	<u>\$ -</u>

See accompanying independent accountants' report

REGIONAL FARE COORDINATION SYSTEM

Schedule of Operating Activity by Agency

December 31, 2015								
	Community Transit	Everett Transit	King County	Kitsap Transit	Pierce Transit	Sound Transit	Washington State Ferries	Total
Usage								
E-purse	\$ 3,235,196	\$ 287,148	\$ 32,270,780	\$ 407,513	\$ 1,410,629	\$ 13,794,059	\$ 2,688,356	\$ 54,093,681
Regional pass	2,997,444	254,430	30,464,430	150,973	2,130,148	11,960,558	-	47,957,983
Business accounts	8,441,420	201,751	66,556,029	3,272,639	916,905	26,146,227	-	105,534,971
Total usage	14,674,060	743,329	129,291,239	3,831,125	4,457,682	51,900,844	2,688,356	207,586,635
Operating revenue								
Agency billings	430,558	75,072	4,881,866	170,015	284,831	1,450,650	66,976	7,359,968
Card fee income	16,710	2,914	189,468	6,598	11,054	56,301	2,600	285,645
Interest income	2,705	472	30,673	1,068	1,790	9,114	421	46,243
Total operating revenue	449,973	78,458	5,102,007	177,681	297,675	1,516,065	69,997	7,691,856
Total operating revenue and usage	15,124,033	821,787	134,393,246	4,008,806	4,755,357	53,416,909	2,758,353	215,278,491
Operating expenses								
Services	247,804	43,208	2,809,723	97,850	163,932	834,912	38,548	4,235,977
Wages and benefits	81,794	14,262	927,416	32,298	54,110	275,581	12,723	1,398,184
Card production costs	76,816	13,394	870,976	30,333	50,817	258,811	11,949	1,313,096
Bank card fees	32,930	5,742	373,380	13,003	21,785	110,950	5,123	562,913
Bad debt	6,638	1,157	75,265	2,621	4,391	22,365	1,033	113,470
Telephone	2,228	388	25,262	880	1,474	7,507	347	38,086
Office supplies	1,763	307	19,985	696	1,166	5,939	274	30,130
Operating expenses	449,973	78,458	5,102,007	177,681	297,675	1,516,065	69,997	7,691,856
Net ORCA receipts	14,674,060	743,329	129,291,239	3,831,125	4,457,682	51,900,844	2,688,356	207,586,635
Transfers to agencies	(11,942,157)	(653,017)	(105,889,864)	(3,387,172)	(3,845,714)	(42,940,590)	(2,666,432)	(171,324,946)
Undistributed receipts	\$ 2,731,903	\$ 90,312	\$ 23,401,375	\$ 443,953	\$ 611,968	\$ 8,960,254	\$ 21,924	\$ 36,261,689

See accompanying independent accountants' report

REGIONAL FARE COORDINATION SYSTEM

Schedule of Operating Activity by Agency

	December 31, 2014							
	Community Transit	Everett Transit	King County	Kitsap Transit	Pierce Transit	Sound Transit	Washington State Ferries	Total
Usage								
E-purse	\$ 2,975,774	\$ 283,256	\$ 27,074,526	\$ 362,159	\$ 1,129,857	\$ 12,287,511	\$ 2,436,202	\$ 46,549,285
Regional pass	3,104,574	266,947	28,255,558	139,927	1,919,601	11,452,452	-	45,139,059
Business accounts	7,671,693	214,053	58,957,873	3,617,102	912,055	23,539,527	-	94,912,303
Total usage	13,752,041	764,256	114,287,957	4,119,188	3,961,513	47,279,490	2,436,202	186,600,647
Operating revenue								
Agency billings	499,285	123,577	5,031,481	198,956	347,116	1,495,712	89,292	7,785,419
Card fee income	16,244	3,534	170,362	6,055	10,890	50,394	2,417	259,896
Interest income	1,480	322	15,525	552	991	4,593	221	23,684
Total operating revenue	517,009	127,433	5,217,368	205,563	358,997	1,550,699	91,930	8,068,999
Total operating revenue and usage	14,269,050	891,689	119,505,325	4,324,751	4,320,510	48,830,189	2,528,132	194,669,646
Operating expenses								
Services	329,669	86,668	3,252,547	135,724	233,405	969,495	64,053	5,071,561
Wages and benefits	73,351	15,961	769,305	27,345	49,174	227,564	10,915	1,173,615
Card product costs	68,001	14,797	713,199	25,351	45,588	210,967	10,119	1,088,022
Bank card fees	30,406	6,616	318,895	11,335	20,384	94,331	4,524	486,491
Bad debt	11,650	2,535	122,188	4,343	7,810	36,144	1,734	186,404
Telephone	2,233	486	23,420	832	1,497	6,928	332	35,728
Office supplies	1,699	370	17,814	633	1,139	5,270	253	27,178
Total Operating expenses	517,009	127,433	5,217,368	205,563	358,997	1,550,699	91,930	8,068,999
Net ORCA receipts	13,752,041	764,256	114,287,957	4,119,188	3,961,513	47,279,490	2,436,202	186,600,647
Transfers to agencies	(11,192,066)	(663,689)	(93,781,341)	(3,143,919)	(3,391,141)	(39,014,936)	(2,401,144)	(153,588,236)
Undistributed receipts	\$ 2,559,975	\$ 100,567	\$20,506,616	\$ 975,269	\$ 570,372	\$ 8,264,554	\$ 35,058	\$ 33,012,411

See accompanying independent accountants' report

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