

THE TACOMA NARROWS BRIDGE ACCOUNT (FUND 511)
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2011, Quarter Ended September 30, 2010

| | NOTES | 1ST QUARTER 2011 |
|--|-------|---------------------|
| OPERATING REVENUES: | | |
| Tolling Revenue | 1 | 12,177,730 |
| Violation Penalty Revenue | 2 | 98,311 |
| Transponder Sales | 3 | 177,288 |
| Miscellaneous Revenue | 4 | 23,691 |
| Total Operating Revenues | | <u>12,477,020</u> |
| OPERATING EXPENDITURES: | | |
| Goods and Services | | |
| Toll Operator Contract | 5 | 1,762,781 |
| Insurance | 6 | 1,462,765 |
| Credit Card and Bank Fees | 7 | 150,575 |
| Washington State Patrol | 8 | 70,106 |
| Other | 9 | 196,976 |
| Equipment Rental | 10 | 1,188 |
| Salaries and Benefits | 11 | 91,574 |
| Infrastructure Maintenance & Preservation | 12 | 38,617 |
| Total Operating Expenditures | | <u>3,774,583</u> |
| EXCESS OF OPERATING REVENUE OVER EXPENDITURES | | <u>8,702,436</u> |
| NONOPERATING INCOME (EXPENDITURES) | | |
| Undistributed Receipts/Suspense | 13 | (70,776) |
| Interest Income | 14 | 48,528 |
| Capital Improvement Outlays | 15 | (28,885) |
| Total Nonoperating Income (Expenditures) | | <u>(51,133)</u> |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | | <u>8,651,303</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Operating Transfers Out | 16 | (10,677,126) |
| Total Other Financing Sources (Uses) | | <u>(10,677,126)</u> |
| NET CHANGE IN FUND BALANCE | | <u>(2,025,823)</u> |
| FUND BALANCE - BEGINNING | | <u>16,800,126</u> |
| FUND BALANCE - ENDING | | <u>14,774,303</u> |

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental type funds.

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State Fiscal Year 2011, Quarter Ended September 30, 2010**

The note disclosures are an integral part of these financial statements and should be considered in conjunction with the financial statements.

Notes:

- 1 Tolling Revenue represents the money collected, net of any adjustments, from vehicles traveling over the Tacoma Narrows Bridge in an eastbound direction. Tolls are collected either at a toll booth or via an electronic toll account.
- 2 Violation Penalty Revenue is collected by the Pierce County court system and forwarded to WSDOT for adjudicated toll infractions. Toll violations are detected through the use of a photo enforcement system. The penalty amount is three times the cash toll for a standard passenger car and is collected in accordance with RCW 46.63.160(9).
- 3 Transponder Sales represents the sale of transponder devices purchased by potential Good to Go electronic toll account customers.
- 4 Miscellaneous Revenue includes administrative fees, NSF check fees, and cash over/short. Miscellaneous revenue should also include a monthly payment related to a sale of surplus property on a real estate contract. Revenue recognized each for this contract should be \$163 a month. The property sold for \$21,501 and the contract runs for 19 years at an interest rate of 8%. The revenue was not recorded to the TNB Fund this quarter due to a system issue. A correction will occur in the October-December quarter to ensure this fund receives the September quarter revenue associated with the real estate contract.
- 5 Toll Operator Contract expenditures are for contract payments to the TNB third party operator, TransCore, for services provided in collecting tolls and managing electronic toll accounts.
- 6 TNB makes commercial property insurance payments to the Risk Management Division of the Office of Financial Management. The Office of Financial Management maintains the TNB's commercial property insurance policy and bills TNB typically twice per year.
- 7 Credit card fees include processing fees paid to Bank of America Merchant Services for Visa and MasterCard processing, American Express, and Discover. Included are bank fees for bank account services at Bank of America for the toll deposit account and fees paid to Cybersource for credit/debit card processing.
- 8 The Washington State Patrol supports toll violation activity at the TNB. The Patrol validates automobile owner information and submits infractions to the Pierce County District Court for processing.
- 9 Other Goods and Services expenditures represent purchases of supplies, rents, repairs, printing, communication, and services provided by outside vendors, as well as the cost of sales for transponder devices. Year-to-date expenditures in the Other Goods and Services category are comprised of the following :

| | | |
|----------------------|----|--------------|
| Supplies | \$ | 567 |
| Cost of Transponders | \$ | 171,234 |
| Communications | \$ | 5,363 |
| Repair | \$ | 2,588 |
| Rentals | \$ | 13,543 |
| Purchased Services | \$ | 1,496 |
| Printing | \$ | <u>2,186</u> |
| | \$ | 196,976 |

- 10 Equipment Rental represents the rental charge for the vehicle that Toll Operations rents from the WSDOT equipment fund.
- 11 Salaries and Benefits includes staff within WSDOT who support TNB operations.
- 12 Infrastructure Maintenance & Preservation includes the cost of maintenance and bridge preservation activities on the new Tacoma Narrows Bridge not performed by TNB Toll Operations staff. (These costs include Goods and Services of \$13,540 and Salaries and Benefits of \$25,077.)
- 13 Undistributed Receipts includes all suspense revenue. This includes suspense of cash toll revenue that occurs as cash moves in and out of the account. Where applicable, suspense revenue is analyzed and periodically reclassified to the appropriate revenue source or expense item. This source is cleared to zero at the end of each year.
- 14 Interest Income is a proportionate share of earnings from investments based upon the TNB account's average daily cash balance for the period. Interest also includes TNB's proportionate share of the Central Toll Account interest. TNB's share of the Central Toll Account interest was \$7,904 for the quarter.
- 15 Capital Improvement Outlays represent the cost of TNB construction activities.
- 16 Operating Transfers Out is a transfer of toll proceeds and cash from the TNB Account to the Highway Bond Retirement Account to facilitate the payment of debt service.