

**THE 520 BRIDGE ACCOUNT
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2012, Quarter Ending March 31, 2012**

	NOTES	JULY THROUGH DECEMBER	JANUARY THROUGH MARCH	YEAR-TO-DATE
REVENUES:				
Tolling Revenue	1	281,962	11,648,744	11,930,707
Transponder Sales	2	690,850	493,612	1,184,462
Interest Income		(1,193,293)	329,902	(863,391)
Miscellaneous Revenue	3	66,544	437,147	503,691
Total Revenues		(153,937)	12,909,405	12,755,468
EXPENDITURES:				
Goods and Services				
Toll CSC Operations Vendor Contract		0	1,055,395	1,055,395
Toll Lane Vendor Contract		0	110,000	110,000
Insurance		1,636,870	0	1,636,870
Credit Card and Bank Fees		9,802	157,178	166,980
Transponder Cost of Goods Sold	4	468,616	374,004	842,621
Other	5	9,624	208,517	218,140
Personal Service Contracts	6	37,210	205,164	242,374
Salaries and Benefits		0	354,973	354,973
Capital Outlays	7	191,456,385	90,903,565	282,359,951
Total Expenditures		193,618,508	93,368,796	286,987,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(193,772,444)	(80,459,391)	(274,231,835)
OTHER FINANCING SOURCES (USES)				
Bonds Issued	8	567,472,263	0	567,472,263
Cost of Financing	9	(2,214,341)	(160,000)	(2,374,341)
Operating Transfers Out	10	(2,542,255)	(7,626,765)	(10,169,020)
Total Other Financing Sources (Uses)		562,715,667	(7,786,765)	554,928,902
NET CHANGE IN FUND BALANCE		368,943,223	(88,246,156)	280,697,066
FUND BALANCE - BEGINNING		(174,471,833)	194,471,389	(174,471,833)
FUND BALANCE - ENDING		194,471,389	106,225,233	106,225,233

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental fund types.

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

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Notes:

Backlogged Financial Reconciliations - As of February 13, 2011, WSDOT transitioned tolling customer service center operations to a new vendor – Electronic Transaction Consultants Corporation (ETCC). With this transition, the new ETCC system encountered problems in the accuracy and timeliness of recording revenue and other accounting transactions. WSDOT and ETCC have investigated and corrected accounting records for known discrepancies. While we are not aware of material discrepancies in the accounting records, ETCC has not completed key reconciliations which ensure timely and accurate processing of financial transactions. Upon completion of these reconciliations, any discrepancies identified will be addressed and necessary correcting adjustments will be made. Tolling commenced on the 520 Bridge in December 2011. Since the 520 Bridge is a new tolling facility, WSDOT does not have any transactional or revenue history to rely on to compare against current reconciliations and data provided by the vendor. Therefore, the 520 Bridge Account Financial Statements could be impacted if material discrepancies are identified.

Motor Vehicle Account Obligation - During the current biennium, the 520 Bridge Account is required to transfer out \$57,913 for expenditures incurred by the Motor Vehicle Account on behalf of the 520 Bridge Account.

Detailed Notes:

- 1 Tolling Revenue represents the revenue earned, net of any adjustments, from vehicles traveling over the 520 Bridge. Tolls are collected either by an electronic toll account or via pay-by-mail.
- 2 Transponder Sales represents the sale of transponder devices purchased by potential Good to Go electronic toll account customers.
- 3 Miscellaneous Revenue includes administrative & statement fees, NSF check fees, and cash over. Miscellaneous revenue also includes payment of \$95,100 related to sale of surplus property and \$72,609 in prior period recoveries.
- 4 Transponder Cost of Goods Sold represents the cost of transponders including the purchase price of transponders, packaging materials, and costs for postage.
- 5 Other Goods and Services expenditures include items such as supplies, communications, rents, repairs, services provided by outside vendors, etc.
- 6 Personal Service Contract expenditures are for costs incurred for CSC operations consulting.
- 7 Capital Outlay costs are for all costs associated with construction of the new replacement 520 Floating Bridge.
- 8 Bonds were issued in November 2011 to assist in covering the cost of constructing the new replacement 520 Floating Bridge.
- 9 Cost of Financing includes the Office of State Treasurer costs associated with the issuance of the bonds.
- 10 Operating Transfers Out is a transfer of toll proceeds and cash from the 520 Bridge Account to the Toll Facility Bond Retirement Account to facilitate the payment of debt service.