

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
TACOMA NARROWS BRIDGE ACCOUNT
STATE FISCAL YEAR 2017, QUARTER ENDED JUNE 30, 2017**

| | NOTES | JUL THROUGH SEP | OCT THROUGH DEC | JAN THROUGH MAR | APR THROUGH JUN | YEAR-TO-DATE |
|--|-------|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|
| REVENUES | | | | | | |
| Toll revenue | 1 | \$ 21,095,313 | \$ 19,134,521 | \$ 18,533,674 | \$ 20,691,428 | \$ 79,454,937 |
| Civil penalty | 2 | 328,647 | 526,375 | 382,290 | (5,181) | 1,232,131 |
| Transponder sales | 3 | 136,276 | 116,380 | 110,948 | 118,748 | 482,352 |
| Toll vendor contractual damages | 4 | 35,773 | 33,790 | 34,845 | 35,554 | 139,961 |
| Toll bill reprocessing fee | 5 | 102,433 | 96,780 | 107,654 | 101,079 | 407,946 |
| Interest income | | 31,303 | 42,149 | 50,831 | 84,568 | 208,852 |
| Miscellaneous | 6 | 9,205 | 8,186 | 8,344 | 11,853 | 37,588 |
| TOTAL REVENUES | | 21,738,950 | 19,958,182 | 19,228,585 | 21,038,049 | 81,963,766 |
| EXPENDITURES | | | | | | |
| Goods and Services | | | | | | |
| Toll CSC operations vendor contract | 7 | 592,960 | 609,875 | 646,976 | 609,783 | 2,459,593 |
| Toll booth and lane vendor contract | | 807,390 | 807,531 | 852,667 | 829,732 | 3,297,319 |
| Insurance | 8 | 1,134,456 | 10,710 | 5,496 | 11,274 | 1,161,936 |
| Credit card and bank fees | | 444,607 | 392,837 | 349,847 | 454,223 | 1,641,515 |
| Transponder cost of goods sold | 9 | 97,581 | 81,569 | 77,540 | 78,908 | 335,598 |
| Pay-by-mail | | 130,529 | 109,603 | 121,973 | 130,365 | 492,471 |
| Other | 10 | 100,485 | 91,286 | 139,397 | 111,275 | 442,444 |
| Total Goods and Services | | 3,308,008 | 2,103,411 | 2,193,897 | 2,225,560 | 9,830,875 |
| Personal service contracts | 11 | 215,201 | 300,086 | 161,815 | 150,937 | 828,039 |
| Salaries and benefits | | 232,034 | 230,614 | 280,820 | 280,382 | 1,023,850 |
| Civil penalty adjudication costs | 12 | 350,599 | 479,900 | 585,522 | 133,673 | 1,549,694 |
| Maintenance and preservation | 13 | 84,494 | 134,325 | 858,922 | 306,682 | 1,384,424 |
| TOTAL EXPENDITURES | | 4,190,335 | 3,248,337 | 4,080,975 | 3,097,235 | 14,616,882 |
| EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | 17,548,615 | 16,709,844 | 15,147,610 | 17,940,814 | 67,346,883 |
| OTHER FINANCING USES | | | | | | |
| Operating transfers out | 14 | (15,741,330) | (12,566,995) | (22,894,330) | (17,308,995) | (68,511,650) |
| TOTAL OTHER FINANCING USES | | (15,741,330) | (12,566,995) | (22,894,330) | (17,308,995) | (68,511,650) |
| NET CHANGE IN FUND BALANCE | | 1,807,285 | 4,142,849 | (7,746,720) | 631,819 | (1,164,767) |
| FUND BALANCE - BEGINNING | | 20,876,586 | 22,683,871 | 26,826,720 | 19,080,001 | 20,876,586 |
| FUND BALANCE - ENDING | | \$ 22,683,871 | \$ 26,826,720 | \$ 19,080,001 | \$ 19,711,820 | \$ 19,711,820 |

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

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Motor Vehicle Account (MVA) Obligation – In 2005-07, as tolling began on the Tacoma Narrows Bridge (TNB), an operating loan of \$5,288,000 was made from the Motor Vehicle Account to capitalize the Tacoma Narrows Bridge Account (Chapter 518, Laws of 2007, Section 1005(15)). RCW 46.63.160 requires that net civil penalties deposited in the Tacoma Narrows Bridge Account must first be allocated toward repayment of the operating loan. In order to transfer the funds, the State Treasurer's Office must be provided administrative transfer authority. For the 2015-17 biennium, the Legislature provided authority in Chapter 10, Laws of 2015 PV (2ESHB 1299, Section 403(6)) to transfer \$950,000. The current obligation at the beginning of 2015-17 biennium is \$4,338,000.

Detailed Notes

1. **Toll Revenue** – Revenue earned, net of any adjustments, from tolls on vehicles traveling in the eastbound direction over the TNB, which are collected at toll booths, as electronic toll accounts, or pay-by-mail.
2. **Civil Penalty Revenue** – Revenue earned when any of the following conditions exist: (a) Payment of Notice of Civil Penalty is received, or (b) Notice of Civil Penalty payment due date passes without receiving a request for an administrative hearing, or (c) an Administrative Law Judge upholds the Notice of Civil Penalty.
3. **Transponder Sales** – Sales of transponder devices to potential and existing *Good to Go!* electronic toll account customers.
4. **Toll Vendor Contractual Damages** – Charges to ETCC for not meeting Key Performance Indicators (KPIs).
5. **Toll Bill Reprocessing Fee Revenue** – The allocated portion of fees associated with the issuance of second toll billings.
6. **Miscellaneous Revenue** – This can include revenue for administrative and statement fees, NSF check fees, cash over, payments related to sale of surplus property, and prior period recoveries.
7. **Toll CSC Operations Vendor Contract** – Payment for monthly Customer Service Center (CSC) operations costs.
8. **Insurance** – Annual premium for insuring the facility and monthly insurance brokerage fee paid to the Department of Enterprise Services (DES).
9. **Transponder Cost of Goods Sold** – Cost of purchasing, packaging, and shipping transponders. Transponder Cost of Goods Sold is directly related to Transponder Sales Revenue.
10. **Other Goods and Services** – Expenditures for supplies, communications, rents, repairs, outside vendor services, printing, and registered owner look up costs.
11. **Personal Service Contracts** – Expenditures incurred for traffic and revenue forecast consulting and CSC operations consulting. Increase in services provided by Jacobs, new contract with Stantec.
12. **Civil Penalty Adjudication Costs** – TNB's share of the adjudication system vendor contract with ETCC for the adjudication system module, as well as its share of supplies, communications, credit card fees, Office of Administrative Hearings costs, and salaries and benefits of WSDOT staff.
13. **Maintenance and Preservation** – Cost of maintenance and bridge preservation activities on the new TNB. Maintenance totaled \$769,624 and Preservation totaled \$614,800.
14. **Operating Transfers Out** – Amount transferred to MVA for debt service pursuant to RCW 47.46.140. Also includes transfer resulting from the Moore V HCA settlement. See 2ESHB 2376 section 708.