

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
TACOMA NARROWS BRIDGE ACCOUNT
STATE FISCAL YEAR 2018, QUARTER ENDED SEPTEMBER 30, 2017**

	<u>NOTES</u>	<u>JUL THROUGH SEP</u>	<u>YEAR-TO-DATE</u>
REVENUES			
Toll revenue	1	\$ 21,249,999	\$ 21,249,999
Civil penalty	2	759,825	759,825
Transponder sales	3	125,697	125,697
Toll vendor contractual damages	4	1,285	1,285
Toll bill reprocessing fee	5	129,957	129,957
Interest income		42,457	42,457
Miscellaneous	6	13,720	13,720
TOTAL REVENUES		<u>22,322,939</u>	<u>22,322,939</u>
EXPENDITURES			
Goods and Services			
Toll CSC operations vendor contract	7	741,844	741,844
Toll booth and lane vendor contract		822,878	822,878
Insurance	8	1,032,291	1,032,291
Credit card and bank fees		442,951	442,951
Transponder cost of goods sold	9	91,275	91,275
Pay-by-mail		142,251	142,251
Other	10	110,343	110,343
Total Goods and Services		<u>3,383,832</u>	<u>3,383,832</u>
Personal service contracts	11	159,318	159,318
Salaries and benefits		278,941	278,941
Civil penalty adjudication costs	12	273,065	273,065
Maintenance and preservation	13	132,517	132,517
TOTAL EXPENDITURES		<u>4,227,673</u>	<u>4,227,673</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>18,095,266</u>	<u>18,095,266</u>
OTHER FINANCING USES			
Operating transfers out	14	(16,706,730)	(16,706,730)
TOTAL OTHER FINANCING USES		<u>(16,706,730)</u>	<u>(16,706,730)</u>
NET CHANGE IN FUND BALANCE		1,388,536	1,388,536
FUND BALANCE - BEGINNING		<u>19,711,820</u>	<u>19,711,820</u>
FUND BALANCE - ENDING		<u>\$ 21,100,355</u>	<u>\$ 21,100,355</u>

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 2017-19 biennium, the Legislature provided authority in Chapter 313, Laws of 2017 PV (ESB 5096, Section 408(19)) to transfer \$950,000. The current obligation at the beginning of 2017-19 biennium is \$3,338,000.

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.
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 \$132,517 and preservation totaled \$0.
14. **Operating Transfers Out** – Amount transferred to MVA for debt service pursuant to RCW 47.46.140.