

Tacoma Narrows Bridge Citizen Advisory Committee Meeting

November 12, 2009 - 5:30 – 7:30 p.m.

Gig Harbor Civic Center

[3510 Grandview St.](#)

[Gig Harbor, Wa](#)

TNB Citizen Advisory Committee:

Caroline Belleci, University Place

Ted Hilliard, Tracyton

Tracy Hopkins, Gig Harbor

Ron Jones, Gig Harbor

Sonja Morgan, Tacoma

Chris Myers, Gig Harbor

Jim Pasin, Gig Harbor

Alan Weaver, Gig Harbor

WA State Transportation Commission:

Dan O'Neal

AGENDA

5:30 – 5:40	Call to order.....	Dan O'Neal
5:40 – 6:00	Welcome and introductions.....	All
	<ul style="list-style-type: none">• New Committee member Chris Myers• Election of new Committee Chairperson• Discussion of future meeting dates• Review CAC By Laws	
6:00 – 6:15	Transportation Commission comments/direction.....	Dan O'Neal
6:15 – 7:15	Current/New Business.....	Craig Stone
	<ul style="list-style-type: none">• Toll Operations presentation• Financial Statements review• Scenario Review	
7:15 – 7:25	Public Comment.....	Public
7:25 – 7:30	Adjournment.....	New Chair

* DIRECTIONS: From the Tacoma Narrows Bridge, take the Wollochet DR NW exit. Turn right onto Pioneer Way. Continue ahead 0.1 miles and turn right onto Grandview. The Civic Center will be at this location.

Tacoma Narrows Bridge

Citizen Advisory Committee Meeting Notes

Meeting date: November 12, 2009

Location: Gig Harbor Civic Center

Attendance:

Ron Jones, Ted Hilliard, Chris Myers, Caroline Belleci, Al Weaver, Jim Pasin

Excused Absence:

Tracey Hopkins

Sonja Morgan

Meeting began: 5:30 p.m.

Dan O'Neal with the Washington State Transportation Commission opened the meeting discussing what the Commission is looking from the Citizen Advisory Committee.

Election of a new Chair:

The committee discussed their selection of a new chairperson. Jim Pasin set some expectations of the incoming chair:

- 1) The person has to be available for all meetings.
- 2) The person needs to be able to stand up to the Commission and the public with the opinion and recommendation of the CAC.

It was approved that Al Weaver becomes the CAC Chairperson for FY 2010-2011 rate setting.

-Caroline Belleci moved.

-Jim Pain seconded.

CAC Bylaws

The CAC's Bylaws were briefly discussed, in which Chair Weaver asked that all members thoroughly read through them before next meeting.

Future meeting dates were discussed and approved. They are:

Nov. 19, 09

Dec. 1, 09

Dec. 8, 09 (Tentative)

Toll Operations Presentation

- It was asked that WSDOT bring back the numbers relevant to Slide 6, showing how much money was in the separate bullets.
- Since WSDOT show's what *can't* be charged to toll related funds, the CAC asked what *can* be charged.
- It was made clear that the CAC doesn't have to reach a \$57 million mark, it was an estimated figure.
- Jim Pasin voiced his concern about the low level of violation numbers.

- Al Weaver noticed that the violation rate rose from 2% to 2.7%.
 - He asked: “Because of economy, I wonder if more people are trying to beat the system?”
- Ron Jones asked when the difference of \$12.00 will be put into law by the Gov.
 - WSDOT will return with response.
- Chris Myers is looking for information showing the percent of traffic vs. the percent of revenue.
 - WSDOT will return with response.
- Al Weaver asked: “If we (CAC) want at least a \$5 million reserve what rate would we have to recommend?”
 - WSDOT will return with response.
- The CAC looked over the proposed toll scenarios and decided to include more scenarios with a \$5.00 manual toll vs. \$4.00 manual toll.
 - Full scenarios will be presented at 11.19.09 meeting.

Public Comment

Ted Nelson – Gig Harbor

- at a minimum, maintain the difference to promote transponders and *Good To Go!* use.
- Look at \$6.00 for a manual rate

Warren Zimmerman – Gig Harbor Councilman

- business community is worried about toll increases, please take that into consideration
- make sure press releases are going out in time for the Gateway to print

Randy Boss – Gig Harbor

- WSDOT can't use toll revenue to pay for capital expenditures
- 5795 codifies that
- Challenges Paula (Hammond) to eliminate the \$5.2 million because it's a capital cost from previous items.

Meeting was adjourned at 7:45 p.m.

The next meeting will be held, November 19, 2009 from 5:30 – 7:30 p.m. at the Gig Harbor Civic Center.

Tacoma Narrows Bridge Toll Rate Setting

Paula J. Hammond, P.E.
Secretary

David L. Dye, P.E.
Deputy Secretary

Steve Reinmuth
Chief of Staff

Craig Stone
Director,
Toll Division

**Tacoma Narrows Bridge Citizen Advisory Committee
November 12, 2009**



Washington State
Department of Transportation

TNB Presentation Overview

- Toll Operations Overview
- Toll Operation Expenditures
 - SSB 5795
- Annual Financial Statements
- Traffic and Revenue Reports
 - FY 2008, 2009, 1st Quarter 2010
- Toll Rate Setting Timeline
- Financial Plan
- Capital Expenditures



TNB Toll Operations Overview

(July 16, 2007 – September 27, 2009)

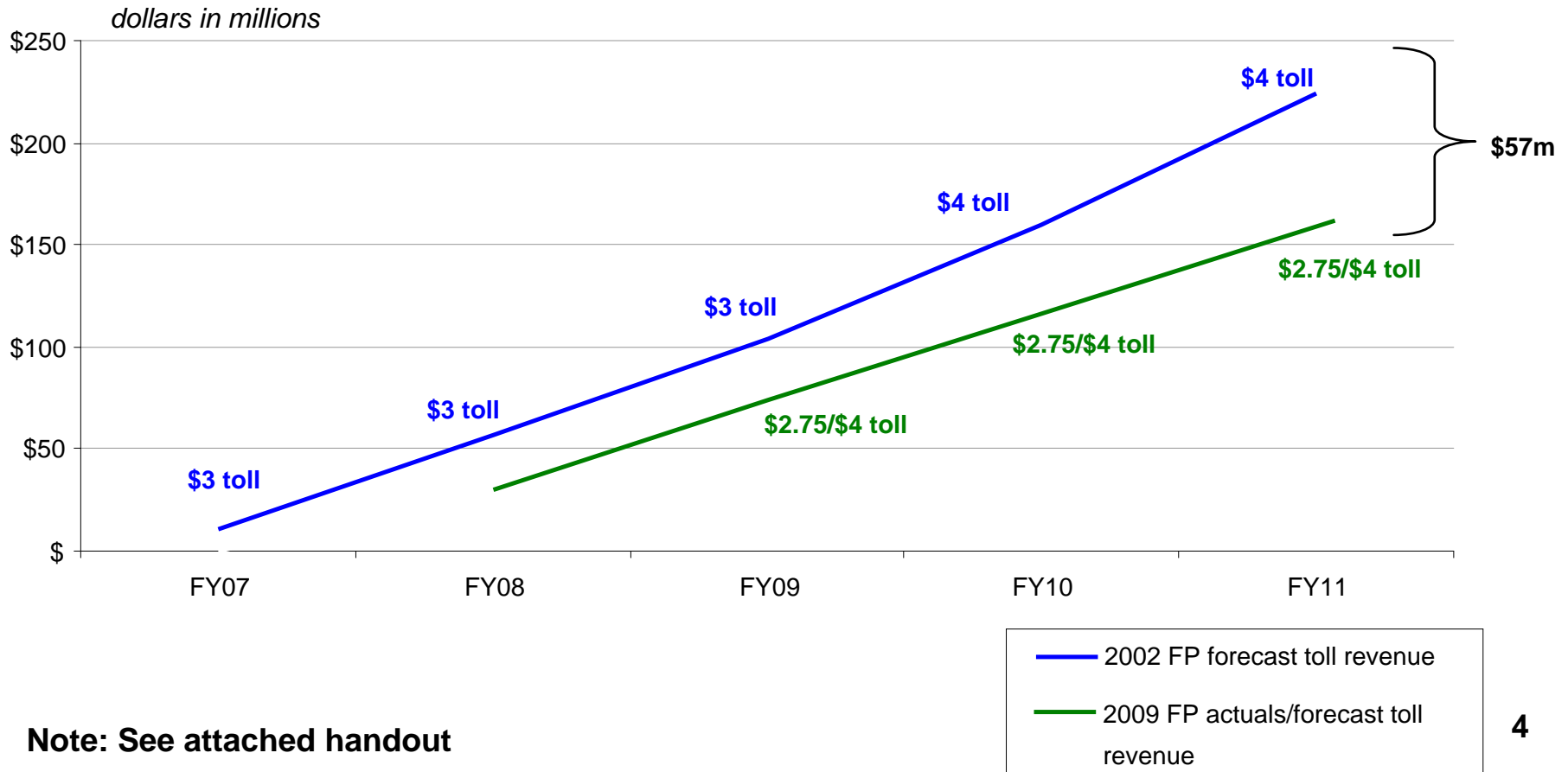
- Over 123,000 open *Good To Go!* accounts.
- Over 340,000 issued transponders.
- Nearly 70% of traffic used electronic toll lanes.
- More than 31.6 million *Good To Go!* transactions to date.
- Almost \$90 million in revenue to date.
- Average violation rate about 2.7% for the past year.



Cumulative Toll Revenue - TNB

2002 Financial Plan FY 07, 08 & 09 \$3/\$3, FY10 & 11 \$4/\$4

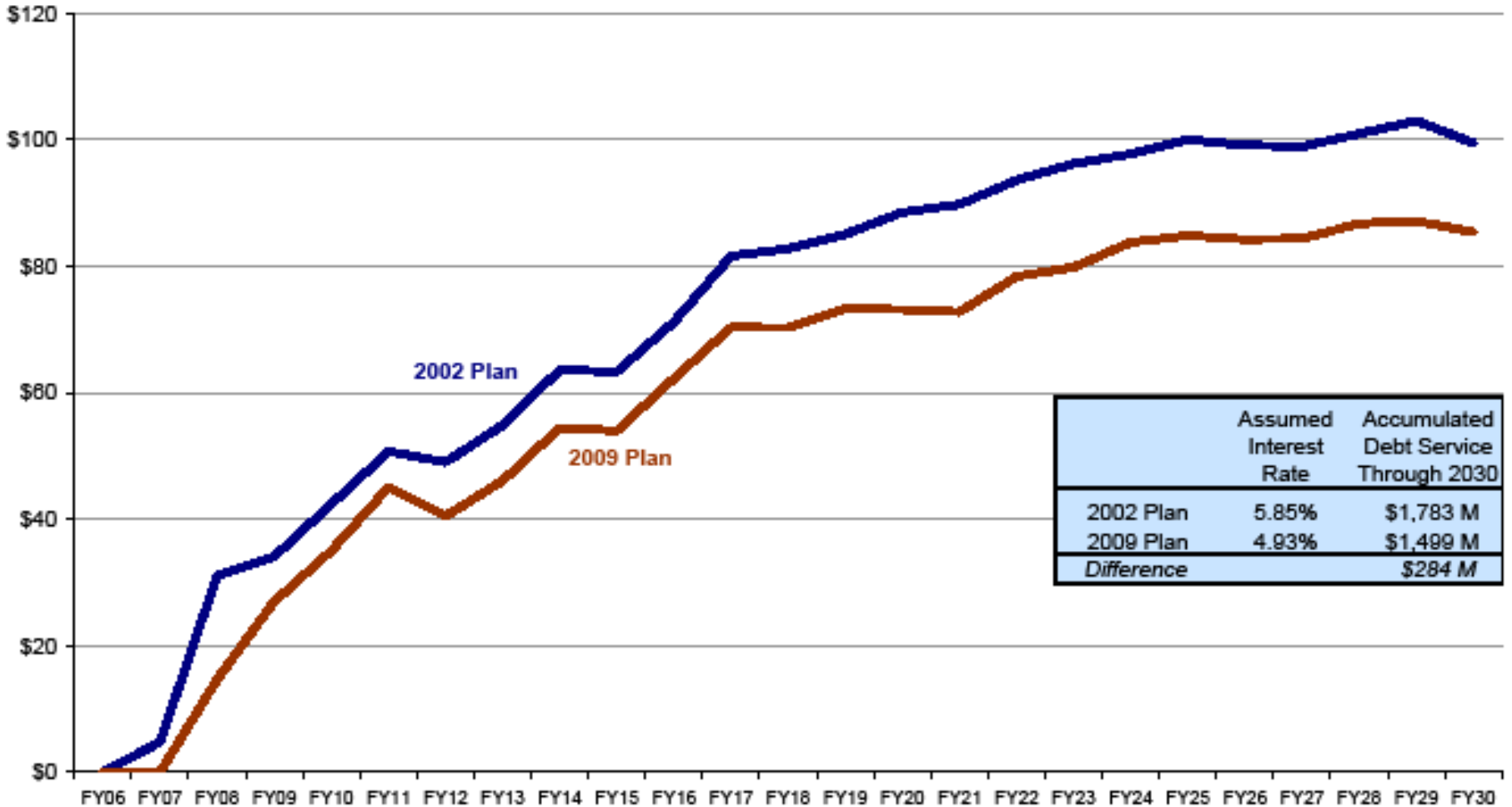
2009 Financial plan based on September 2009 Forecast (\$2.75/\$4)



Annual Debt Service - TNB

2009 Financial plan vs. September 2009 Forecast (\$2.75/\$4)

dollars in millions



Note: See attached handout

Toll Expenditures

Secretary's Executive Order

- Toll Revenue and Expenditure Accountability
 - Executed March 12, 2009
 - Identified categories of expenditures that will not be charged to toll facility accounts:
 - Subscriptions
 - Employee educational expenses
 - Professional membership
 - Employee recognition and safety awards
 - Meeting meals and light refreshments
 - Commute trip reduction incentive
 - Employee travel (excludes employee use of agency owned vehicles)

Toll Expenditures

SSB 5795

- **What does the law specify?**
 - *“Toll charges, other revenues, and interest may not be used to pay for costs that do not contribute directly to the financing, operation, maintenance, management, and necessary repairs of the tolled facility, as determined by rule by the transportation commission.”*
- **What is the Commission’s responsibility?**
 - Undergo rule making process to establish allowable toll costs.
- **What is WSDOT’s responsibility?**
 - Make detailed quarterly reports available to the transportation commission and public on the department’s website.

The screenshot displays the WSDOT website's 'TNB Financial Information' page. The page header includes the WSDOT logo and navigation links for News, Employment, Good To Go!, Contact Us, and WSDOT Home. Below the header is a search bar and a breadcrumb trail: 'You are here: Home > Tolling > Tacoma Narrows Bridge Tolling'. The main content area is divided into several sections:

- More Information:** Links to TNB CAC Meeting Materials, Tolling home, Benefits of tolling, Electronic tolling options, Washington tolling history, Future tolling in Washington, Tacoma Narrows Bridge Construction 2008, and SR 167 Hot lanes.
- Have tolling questions?:** A link to Contact WSDOT.
- Have Good To Go! Questions?:** Contact information for Good To Go! customer service (1-866-936-8246).
- TNB Financial Information:** A detailed paragraph explaining that TNB tolls are accounted for in a separate account within the state treasury, dedicated to the Tacoma Narrows Bridge. It mentions that toll rates are set by the Transportation Commission and that interest is accrued on toll revenue. It also states that all toll revenue and interest earnings are dedicated to the Tacoma Narrows Bridge account for debt payment and ongoing operations. A link to RCW 47.56.163 is provided for more information.
- Please read the following note regarding Toll Financial Statements:** A notice about the 2009 fiscal year close activity and the posting of financial statements for October 2009, July and August 2009, and the June 30, 2009 statements.
- TNB Toll Financial Statements:** A link to the Financial Plan.
- Tacoma Narrows Bridge Statement of Revenues, Expenses, and Changes in Fund Balance:** Links to Through May 2009 (PDF 31.7 KB), Through April 2009 (PDF 27 KB), and FY 2008 - Year ended June 30, 2008 (PDF 36 KB).
- Combined Balance Sheet:** Links to Through May 2009 (PDF 53.5 KB), Through April 2009 (PDF 23.2 KB), and FY 2008 - Year ended June 30, 2008 (PDF 34 KB).
- Projected and Reported Revenue:** Links to Fiscal Year 2010 - June 2009 through August 2009 (PDF 26 KB) and Fiscal Years 2008 & 2009 - July 2007 through June 2009 PDF (16.9 KB).
- Additional Financial Information:** A link to Tolling Financial Flow.

WSDOT’s TNB Financial Information web page

Toll Expenditures

Financial Statistics – Tacoma Narrows Bridge

- Financial Statements provide comprehensive report on expenditures
 - Goods and Services
 - Toll Operator Contract
 - Insurance
 - Credit Card and Bank Fees
 - Washington State Patrol
 - Supplies and Materials
 - Travel
 - Capital Outlays
 - Salaries and Benefits
 - Infrastructure Maintenance and Preservation
- Reports to be developed quarterly and posted on the department's website.
- Secretary's Executive Order provided detailed direction to the department on Toll Revenue and Expenditure Accountability.

Financial Statements – FY ending June 30, 2009

Tacoma Narrows Bridge Account

THE TACOMA NARROWS BRIDGE ACCOUNT (FUND 511)				
WASHINGTON STATE				
DEPARTMENT OF TRANSPORTATION				
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE				
State Fiscal Year 2009, Month Ended June 30, 2009 - DRAFT				
	NOTES	THROUGH MAY	JUNE	YEAR TO DATE
OPERATING REVENUES:				
Tolls	1	40,768,623	3,554,690	44,323,313
Violation Penalties	2	489,995	107,720	597,715
Transponder Sales	3	570,363	37,554	607,917
Miscellaneous Revenue	4	54,047	1,490	55,537
Undistributed Receipts	5	(190,266)	190,266	0
Total Operating Revenues		41,692,762	3,891,719	45,584,482
OPERATING EXPENDITURES:				
Goods and Services	6	5,203,529	1,728,498	6,932,027
Toll Operator Contract	7	1,246,558	92,127	1,338,685
Insurance	8	550,003	210,218	760,221
Credit Card and Bank Fees	9	202,872	112,128	315,000
Washington State Patrol	10	795,311	85,173	880,484
Other	11	9,915	887	10,802
Travel	12	129,455	22,242	151,697
Capital Outlays	13	450,501	24,789	475,289
Salaries and Benefits	14	264,240	4,215	268,455
Infrastructure Maintenance & Preservation		8,852,384	2,280,278	11,132,661
Total Operating Expenditures		32,840,379	1,611,442	34,451,821
EXCESS OF OPERATING REVENUE OVER EXPENDITURES				
				400,000
NONOPERATING INCOME (EXPENDITURES)				
Prior Period Recoveries	15	400,000	0	400,000
Interest Income	16	682,567	112,733	795,299
Capital Improvement Outlays	17	(1,804,788)	(425,151)	(2,229,939)
Total Nonoperating Income (Expenditures)		(722,221)	(312,418)	(1,034,639)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
				33,417,181
OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	18	(26,825,418)	(300,000)	(26,925,418)
Total Other Financing Sources (Uses)		(26,825,418)	(300,000)	(26,925,418)
NET CHANGE IN FUND BALANCE				
		5,492,739	999,024	6,491,763
FUND BALANCE - BEGINNING				
		9,995,221	15,487,969	9,995,221
FUND BALANCE - ENDING				
		15,487,960	16,486,994	16,486,984

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

Fund Balance - Beginning remains static throughout the year.
Fund Balance - Ending for previous months is the same as Fund Balance - Beginning for this month.
Monthly and Year-to-Date Fund Balance - Ending should always equal each other.

Original Prepared September 16, 2009
by the Division of Accounting and Financial Services

TACOMA NARROWS BRIDGE ACCOUNT (FUND 511)

TRANSPORTATION

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2009, Month Ended June 30, 2009 - DRAFT

These financial statements and should be considered in conjunction with the net tolls of paying eastbound vehicles, either through electronic toll accounts or the time of travel across the eastbound span of the TNB.

collected by the Pierce County court system and forwarded to WSDOT for adjudicated are detected through the use of a photo enforcement system. The penalty amount is standard passenger car and is collected in accordance with RCW 46.63.160(9).

the sale of transponder devices at the time a vehicle owner establishes an electronic Administrative fees (\$54,661), NSF check fees (\$840) and Cash Over/Short (\$36).

all suspense revenue. This includes suspense of cash toll revenue that occurs as a result. Where applicable, suspense revenue is analyzed and periodically true source or expense item. This source is cleared to zero at the end of each

are for contract payments to the TNB third party operator, TransCore, for and managing electronic toll accounts.

insurance payments to the Risk Management Division of the Office of Financial Management maintains the TNB's commercial property insurance policy and

are paid to Bank of America Merchant Services for Visa and MasterCard processor. Included are bank fees for bank account services at Bank of America of CyberSource for credit/debit card processing.

all violation activity at the TNB. The Patrol validates automobile owner Pierce County District Court for processing.

represent purchases of supplies, utilities, rents, printing, communication, and well as the cost of sales for transponder devices.

self within WSDOT who oversee and work within TNB operations. The 17.00 was issued March 12, 2009. This order directs that travel no longer be WSDOT equipment fund. The Department inadvertently charged for in June. These amounts were not moved before the state closed its ment has implemented additional controls to prevent this from occurring action to move these expenditures in the new biennium.

for use in TNB operations.

DOT who support TNB operations.

des the cost of maintenance and bridge preservation activities on the TNB staff. (These costs include Goods and Services of \$161,073, Series and Benefits of \$154,947.)

ded to Undistributed Receipts. During February, the Department from Tacoma Narrows Constructors due to a credit change order press specification.

from investments based upon the TNB account's average daily month was \$97,400. Interest also includes TNB's proportionate are of the Central Toll Account interest was \$15,333 for the of proceeds, where applicable.

WB construction activities.

and cash from the TNB Account to the Highway Bond Service. During May, operating transfers out also included a portion of the new employee insurance system. The ts, it would have been included in the health insurance rate had, the legislature structured it as a direct payment.

Original Prepared September 16, 2009
by the Division of Accounting and Financial Services

Note: See attached handout

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

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2009, Month Ended June 30, 2009 - DRAFT

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FUND BALANCE - BEGINNING		9,995,221	15,487,960	9,995,221
FUND BALANCE - ENDING		15,487,960	16,486,984	16,486,984

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

- Fund Balance - Beginning remains static throughout the year.
- Fund Balance - Ending for previous months is the same as Fund Balance - Beginning for this month.
- Monthly and Year-to-Date Fund Balance - Ending should always equal each other.

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

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2009, Month Ended June 30, 2009 - DRAFT

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

Notes:

- 1 Revenue from Tolls represents the net tolls of paying eastbound vehicles, either through electronic toll accounts or payment at the toll booths at the time of travel across the eastbound span of the TNB.
- 2 Violation Penalties is revenue 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 at the time a vehicle owner establishes an electronic toll account with Good To Go.
- 4 Miscellaneous Revenue includes Administrative fees (\$54,661), NSF check fees (\$840) and Cash Over/Short (\$36).
- 5 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.
- 6 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.
- 7 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.
- 8 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.
- 9 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.
- 10 Other Good and Services expenditures represent purchases of supplies, utilities, rents, printing, communication, and services provided by outside vendors, as well as the cost of sales for transponder devices.
- 11 Travel expenditures are for travel of the staff within WSDOT who oversee and work within TNB operations. The Secretary's Executive Order Number E 1057.00 was issued March 12, 2009. This order directs that travel no longer be charged to the TNB account. The only item that will appear on this line in the future will be the rental charge for the vehicle that Toll Operations rents from the WSDOT equipment fund. The Department inadvertently charged \$51.46 of staff travel time to the TNB Account in June. These amounts were not moved before the state closed its accounting records for the year. The Department has implemented additional controls to prevent this from occurring in the future and will make a prior period correction to move these expenditures in the new biennium.
- 12 Capital Outlays includes equipment purchased for use in TNB operations.
- 13 Salaries and Benefits includes staff within WSDOT who support TNB operations.
- 14 Infrastructure Maintenance & Preservation includes the cost of maintenance and bridge preservation activities on the new Tacoma Narrows Bridge not performed by TNB staff. (These costs include Goods and Services of \$161,073, Travel of \$2,556, Equipment of \$42,606 and Salaries and Benefits of \$154,347.)
- 15 Prior Period Recoveries includes an amount related to Undistributed Receipts. During February, the Department adjusted a suspense item related to a payment from Tacoma Narrows Constructors due to a credit change order revising the warranty by eliminating the ride-smoothness specification.
- 16 Interest Income is a proportionate share of earnings from investments based upon the TNB account's average daily cash balance for the period. Interest earned for the month was \$97,400. Interest also includes TNB's proportionate share of the Central Toll Account interest. TNB's share of the Central Toll Account interest was \$15,333 for the month. Interest income also includes interest on bond proceeds, where applicable.
- 17 Capital Improvement Outlays represent the cost of TNB construction activities.
- 18 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. During May, operating transfers out also included a \$10,000 payment to the Health Care Authority for development of the new employee insurance system. The \$10,000 payment does not represent an increase in costs, it would have been included in the health insurance rate paid as part of employee health insurance benefits, instead, the legislature structured it as a direct payment.

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

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2010, Quarter Ended September 30, 2009**

	<u>NOTES</u>	<u>1ST QUARTER 2010</u>
OPERATING REVENUES:		
Tolls	1	12,491,913
Violation Penalties	2	106,819
Transponder Sales	3	181,346
Miscellaneous Revenue	4	28,585
Undistributed Receipts/Suspense	5	<u>(71,342)</u>
Total Operating Revenues		<u>12,737,321</u>
OPERATING EXPENDITURES:		
Goods and Services		
Toll Operator Contract	6	1,696,998
Insurance	7	1,599,434
Credit Card and Bank Fees	8	205,982
Washington State Patrol	9	0
Other	10	192,209
Equipment Rental	11	1,126
Capital Outlays	12	961
Salaries and Benefits	13	101,762
Infrastructure Maintenance & Preservation	14	<u>42,537</u>
Total Operating Expenditures		<u>3,841,009</u>
EXCESS OF OPERATING REVENUE OVER EXPENDITURES		<u>8,896,312</u>
NONOPERATING INCOME (EXPENDITURES)		
Interest Income	15	74,817
Capital Improvement Outlays	16	<u>(106,379)</u>
Total Nonoperating Income (Expenditures)		<u>(31,563)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		<u>8,864,750</u>
OTHER FINANCING SOURCES (USES)		
Operating Transfers Out	17	<u>(10,504,629)</u>
Total Other Financing Sources (Uses)		<u>(10,504,629)</u>
NET CHANGE IN FUND BALANCE		<u>(1,639,879)</u>
FUND BALANCE - BEGINNING		<u>16,486,985</u>
FUND BALANCE - ENDING		<u>14,847,105</u>

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

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

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2010, Quarter Ended September 30, 2009**

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

Notes:

- 1 Revenue from Tolls represents the net tolls of paying eastbound vehicles, either through electronic toll accounts or payment at the toll booths at the time of travel across the eastbound span of the TNB.
- 2 Violation Penalties is revenue 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 at the time a vehicle owner establishes an electronic toll account with Good To Go.
- 4 Miscellaneous Revenue can include numerous categories such as administrative fees, NSF check fees, and cash over/short.
- 5 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.
- 6 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.
- 7 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.
- 8 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.
- 9 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. To date in Fiscal Year 2010, the Washington State Patrol has not billed TNB for its toll violation support activity. Toll Operations will estimate and accrue in the future, if necessary.
- 10 Other Goods and Services expenditures represent purchases of supplies, utilities, rents, printing, communication, and services provided by outside vendors, as well as the cost of sales for transponder devices.
- 11 Equipment Rental represents the rental charge for the vehicle that Toll Operations rents from the WSDOT equipment fund.
- 12 Capital Outlays includes equipment purchased for use in TNB operations.
- 13 Salaries and Benefits includes staff within WSDOT who support TNB operations.
- 14 Infrastructure Maintenance & Preservation includes the cost of maintenance and bridge preservation activities on the new Tacoma Narrows Bridge not performed by TNB staff. (These costs include Goods and Services of \$10,486 and Salaries and Benefits of \$32,051.)
- 15 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 \$11,723 for the quarter.
- 16 Capital Improvement Outlays represent the cost of TNB construction activities.
- 17 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.

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2009, As of June 30, 2009 - DRAFT**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents		17,173,172	1,727,208	3,460,948	22,361,327
Cash Held with Escrow Agents	1	652,350	0	0	652,350
Accounts Receivable					
Accounts Receivable	2	226,457	41	0	226,498
Due From Other Funds	3	185,932	51,423	7,056	244,411
Due From Other Governments	4	57,358	0	0	57,358
Consumable Inventories	5	196,914	0	0	196,914
Total Current Assets		18,492,182	1,778,672	3,468,004	23,738,857
TOTAL ASSETS		18,492,182	1,778,672	3,468,004	23,738,857
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Accounts Payable	6	1,141,134	100,613	0	1,241,747
Retained Percentages Payable	1	666,151	0	0	666,151
Due to Other Funds	3	110,445	82,135	42,316	234,896
Due to Other Agencies	3	72,443	22,558	0	95,001
Due to Department of Revenue - Taxes	7	5,558	2	0	5,560
Deferred Revenue	8	0	0	3,425,524	3,425,524
Due to Other Governments	4	6,732	0	0	6,732
Liability for Cancelled Warrants	9	2,735	0	163	2,898
Total Current Liabilities		2,005,197	205,307	3,468,004	5,678,508
TOTAL LIABILITIES		2,005,197	205,307	3,468,004	5,678,508
FUND BALANCE					
Reserved for Inventories	5	196,914	0	0	196,914
Unreserved/Undesignated Fund Balance	10	16,290,071	1,573,365	0	17,863,436
Total Fund Balance		16,486,985	1,573,365	0	18,060,349
TOTAL LIABILITIES AND FUND BALANCE		18,492,182	1,778,672	3,468,004	23,738,857

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

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2009, As of June 30, 2009 - DRAFT**

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

Notes:

- 1 Cash held with escrow agents are included in performance based contracts wherein periodic program payments are made to the contractor with a contractual retainage of payment made to an escrow agent instead of directly to the contractor pending acceptance of work completed under the contract terms. Until the contract terms are satisfied and the contractor earns entitlement, the cash in escrow is carried in the financial statements as both an asset due from the escrow agent and as a retainage liability due to the contractor. TransCore, primary contractor for operating the Tacoma Narrows Bridge, is the sole vendor for which cash is being held in escrow.
- 2 Accounts Receivable consists primarily of funds collected through acceptance of the customer's credit and/or debit card for central toll accounts and credit card payment at Tacoma Narrows Bridge toll booths. The amounts due are sales by June 30th wherein the cash transfer from the credit card companies will occur after June 30th.
- 3 Inter-fund activity is for goods and/or services provided between governmental funds within the Department of Transportation. Inter-agency activity is for goods and/or services provided to or by other Washington State Agencies.
- 4 Inter-governmental activity is for goods and/or services provided to or by local governments. These include violation penalties due from the Pierce County District Court (\$57,358).
- 5 Consumable inventory, consists of toll transponders and are valued and reported on the state's financial statements if the fiscal year-end balance on hand is estimated to be \$25,000 or more. Consumable inventory are valued at cost using the first in, first out (FIFO) method. For governmental fund financial reporting, inventory balances are also recorded as a reservation of fund balance indicating that they do not constitute available spendable resources.
- 6 Accounts payable represents accrued payments due to non-governmental vendors as of June 30th.
- 7 The Department owes sales taxes on the sale of transponder devices. These are remitted to the Department of Revenue monthly.
- 8 Deferred Revenue is resources, generally cash, collected from customers for automated toll accounts. The revenue is not recognized until the transponder is "read" as the customer's vehicle crosses the Tacoma Narrows Bridge or enters a Hot Lane as a single occupant vehicle. Until this event, the toll transponder account is a liability owed to the customer.
- 9 Occasionally, the Department is unable to remit payment for goods or services to a vendor because the vendor cannot be located, such as when the vendor changes addresses without notifying the Department. Since we still owe the vendor for the goods or services provided, we must cancel the original warrant (check), find the vendor, and reissue the warrant (check). This line item represents the liability to the vendors whom the Department owes money but temporarily cannot locate to deliver their funds.
- 10 In the fund financial statements, governmental funds report the difference between fund assets and fund liabilities as "fund balance". Unreserved/undesignated fund balance represents the amount available for appropriation.

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2010, Quarter Ended September 30, 2009**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents		15,002,150	1,467,474	3,521,878	19,991,502
Cash Held with Escrow Agents	1	666,151	0	0	666,151
Accounts Receivable					
Accounts Receivable	2	465,104	30	0	465,133
Due From Other Funds	3	13,844	178	45	14,067
Consumable Inventories	4	2,894	0	0	2,894
Total Current Assets		<u>16,150,142</u>	<u>1,467,681</u>	<u>3,521,923</u>	<u>21,139,746</u>
RESTRICTED ASSETS:					
Collateral Held for Security Lending Agreements	5	974,468	98,475	197,424	1,270,367
Total Restricted Assets		<u>974,468</u>	<u>98,475</u>	<u>197,424</u>	<u>1,270,367</u>
TOTAL ASSETS		<u>17,124,610</u>	<u>1,566,156</u>	<u>3,719,346</u>	<u>22,410,113</u>
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Accounts Payable	6	627,495	48,000	0	675,495
Retained Percentages Payable	1	666,151	0	0	666,151
Due to Other Governments	7	678	0	0	678
Due to Other Funds	3	507	3,413	14,021	17,942
Due to Other Agencies	3	0	51,375	0	51,375
Due to Department of Revenue - Taxes	8	5,472	0	0	5,472
Deferred Revenue	9	0	0	3,507,372	3,507,372
Unclaimed Property Refund Liability	10	0	0	248	248
Liability for Cancelled Warrants	11	2,735	0	282	3,017
Total Current Liabilities		<u>1,303,037</u>	<u>102,787</u>	<u>3,521,923</u>	<u>4,927,747</u>
OTHER LIABILITIES:					
Obligations Under Security Lending Agreement	5	974,468	98,475	197,424	1,270,367
Total Other Liabilities		<u>974,468</u>	<u>98,475</u>	<u>197,424</u>	<u>1,270,367</u>
TOTAL LIABILITIES		<u>2,277,505</u>	<u>201,262</u>	<u>3,719,346</u>	<u>6,198,114</u>
FUND BALANCE					
Reserved for Inventories	4	10,949	0	0	10,949
Unreserved/Undesignated Fund Balance	12	14,836,157	1,364,894	0	16,201,050
Total Fund Balance		<u>14,847,105</u>	<u>1,364,894</u>	<u>0</u>	<u>16,211,999</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>17,124,610</u>	<u>1,566,156</u>	<u>3,719,346</u>	<u>22,410,113</u>

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

**WASHINGTON TOLLING SYSTEM
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**COMBINING BALANCE SHEET
State Fiscal Year 2010, Quarter Ended September 30, 2009**

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

Notes:

- 1 Cash held with escrow agents are included in performance based contracts wherein periodic program payments are made to the contractor with a contractual retainage of payment made to an escrow agent instead of directly to the contractor pending acceptance of work completed under the contract terms. Until the contract terms are satisfied and the contractor earns entitlement, the cash in escrow is carried in the financial statements as both an asset due from the escrow agent and as a retainage liability due to the contractor. TransCore, primary contractor for operating the Tacoma Narrows Bridge, is the sole vendor for which cash is being held in escrow.
- 2 Accounts Receivable consists primarily of funds collected through acceptance of the customer's credit and/or debit card for central toll accounts and credit card payment at Tacoma Narrows Bridge toll booths. The amounts due are sales by September 30th wherein the cash transfer from the credit card companies will occur after September 30th.
- 3 Inter-fund activity is for goods and/or services provided between governmental funds within the Department of Transportation. Inter-agency activity is for goods and/or services provided to or by other Washington State Agencies.
- 4 Consumable inventory, consists of toll transponders and are valued and reported on the state's financial statements if the fiscal year-end balance on hand is estimated to be \$25,000 or more. Consumable inventory are valued at cost using the first in, first out (FIFO) method. For governmental fund financial reporting, inventory balances are also recorded as a reservation of fund balance indicating that they do not constitute available spendable resources. For the quarter ending September 30th, the amounts of consumable inventory and the reserve account do not match. WSDOT will correct this on future financial statements.
- 5 State statutes permit the Office of State Treasurer to lend securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future.
- 6 Accounts payable represents accrued payments due to non-governmental vendors as of September 30th.
- 7 Inter-governmental activity is for goods and/or services provided to or by local governments.
- 8 The Department owes sales taxes on the sale of transponder devices. These are remitted to the Department of Revenue monthly.
- 9 Deferred Revenue is resources, generally cash, collected from customers for automated toll accounts. The revenue is not recognized until the transponder is "read" as the customer's vehicle crosses the Tacoma Narrows Bridge or enters a Hot Lane as a single occupant vehicle. Until this event, the toll transponder account is a liability owed to the customer.
- 10 After twenty-four months of inactivity, customer toll accounts are close and remaining balances are refunded to the customer. Every effort is made to contact the customer, but occasionally an accurate address is unavailable. In cases where Good To Go cannot find the customer, WSDOT remits the customer's balance to the Department of Revenue Unclaimed Property Section. The balance in Unclaimed Property Refund Liability represents amounts that will be remitted to the Department of Revenue.
- 11 Occasionally, the Department is unable to remit payment for goods or services to a vendor because the vendor cannot be located, such as when the vendor changes addresses without notifying the Department. Since we still owe the vendor for the goods or services provided, we must cancel the original warrant (check), find the vendor, and reissue the warrant (check). This line item represents the liability to the vendors whom the Department owes money but temporarily cannot locate to deliver their funds.
- 12 In the fund financial statements, governmental funds report the difference between fund assets and fund liabilities as "fund balance". Unreserved/undesignated fund balance represents the amount available for appropriation.

Capital Work Remaining

Tacoma Narrows Bridge

09-11 Biennium

	Expended	Estimated Remaining Costs	
Local Agency Agreements-Bicycle Commitments	\$36,218	\$294,000	
Median Barrier @ Bridge Ends	\$7,900	\$30,000	
Expansion Joint Noise Walls	\$15,000	\$20,000	
Light Screens at Performance Golf	\$25,000	\$5,000	
Administration of Warranty	\$1,292	\$80,000	
Environmental Monitoring	\$1,665	\$75,000	
Right of Way Surplus Property Disposal	\$0	\$7,500	
Total Cost of Work	\$87,075	\$511,500	\$598,575
2009-2011 Budget	\$788,000		

Projected and Reported Traffic and Revenue

Tacoma Narrows Bridge - FY 2008

	Projected Traffic	Reported Traffic	Variance	Projected Toll Revenue	Reported Toll Revenue	Variance	Total Operating Revenues
Jul-07	627,125	669,112	41,987	\$ 1,477,654	\$ 1,583,781	\$ 106,127	\$ 1,632,584
Aug-07	1,215,055	1,332,870	117,815	\$ 2,862,954	\$ 3,055,129	\$ 192,175	\$ 3,067,899
Sep-07	1,151,365	1,239,899	88,534	\$ 2,703,659	\$ 2,779,237	\$ 75,578	\$ 2,851,425
Oct-07	1,163,238	1,242,452	79,214	\$ 2,672,600	\$ 2,707,943	\$ 35,343	\$ 2,841,142
Nov-07	1,105,981	1,165,713	59,732	\$ 2,530,697	\$ 2,567,285	\$ 36,588	\$ 2,677,011
Dec-07	1,167,808	1,168,451	643	\$ 2,651,153	\$ 2,264,148	\$ (387,005)	\$ 2,324,712
Jan-08	1,174,117	1,136,524	(37,593)	\$ 2,502,701	\$ 2,435,357	\$ (67,344)	\$ 2,551,743
Feb-08	1,175,347	1,123,604	(51,743)	\$ 2,501,786	\$ 2,426,325	\$ (75,461)	\$ 2,492,421
Mar-08	1,295,838	1,194,321	(101,517)	\$ 2,756,084	\$ 2,611,405	\$ (144,680)	\$ 2,746,591
Apr-08	1,236,939	1,176,209	(60,730)	\$ 2,624,481	\$ 2,535,908	\$ (88,573)	\$ 2,612,714
May-08	1,299,701	1,243,452	(56,249)	\$ 2,776,801	\$ 2,735,642	\$ (41,159)	\$ 2,870,632
Jun-08	1,255,786	1,203,867	(51,919)	\$ 2,632,724	\$ 2,258,608	\$ (374,116)	\$ 2,507,049
FY Total	13,868,300	13,896,474	28,174	\$ 30,693,294	\$ 29,960,768	\$ (732,527)	\$ 31,175,922

July-Dec 2007 projections based on the forecast dated April 2007.

Jan-May 2008 projections based on the forecast dated February 2008.

June 2008 projections based on the forecast dated June 2008.

Actual Revenue includes toll revenue, violations fees and transponder sales.

Reported Revenue aligns with Fund 511 Financial Statements.

Projected and Reported Traffic and Revenue

Tacoma Narrows Bridge - FY 2009

	Projected Traffic	Reported Traffic	Variance	Projected Toll Revenue	Reported Toll Revenue	Variance	Total Operating Revenues
Jul-08	1,255,786	1,260,676	4,890	\$ 3,947,017	\$ 4,130,793	\$ 183,776	\$ 4,236,353
Aug-08	1,266,537	1,249,245	(17,292)	\$ 4,004,336	\$ 4,064,786	\$ 60,450	\$ 4,141,957
Sep-08	1,161,754	1,186,566	24,812	\$ 3,671,588	\$ 3,869,276	\$ 197,688	\$ 3,932,288
Oct-08	1,180,928	1,192,760	11,832	\$ 3,710,680	\$ 3,808,881	\$ 98,201	\$ 3,904,410
Nov-08	1,107,862	1,094,721	(13,141)	\$ 3,476,427	\$ 3,517,102	\$ 40,675	\$ 3,667,601
Dec-08	1,167,554	1,000,687	(166,867)	\$ 3,645,072	\$ 3,173,948	\$ (471,124)	\$ 3,265,040
Jan-09	1,115,745	1,116,257	512	\$ 3,478,990	\$ 3,549,598	\$ 70,608	\$ 3,677,954
Feb-09	1,117,296	1,039,376	(77,920)	\$ 3,480,591	\$ 3,307,885	\$ (172,706)	\$ 3,358,149
Mar-09	1,155,743	1,155,283	(460)	\$ 3,604,720	\$ 3,675,422	\$ 70,702	\$ 3,801,203
Apr-09	1,103,203	1,175,827	72,624	\$ 3,436,794	\$ 3,773,037	\$ 336,243	\$ 3,902,643
May-09	1,159,417	1,204,369	44,952	\$ 3,635,357	\$ 3,897,896	\$ 262,539	\$ 3,995,431
Jun-09	1,172,817	1,258,189	85,372	\$ 3,665,607	\$ 3,554,690	\$ (110,917)	\$ 3,701,453
FY Total	13,964,642	13,933,956	(30,686)	\$ 43,757,179	\$ 44,323,313	\$ 566,134	\$ 45,584,482

July 2008 - August 2008 projections based on forecast dated June 2008.

September 2008 - November 2008 projections based on forecast dated September 2008.

December 2008 - February 2009 projections based on forecast dated November 2008.

March 2009 - June 2009 projections based on forecast dated March 2009.

Other Reported Revenue: August write off of FY08 Violation Penalty Revenue not collected; quarterly collection of fees for printed customer statements.

Reported Revenue aligns with Fund 511 Financial Statements for TNB Toll Operations, and includes Biennial Year End Adjustments.

Projected and Reported Traffic and Revenue

Tacoma Narrows Bridge - FY 2010

	Projected Traffic	Reported Traffic	Variance	Projected Toll Revenue	Reported Toll Revenue	Variance	Total Operating Revenues
Jul-09	1,209,709	1,306,609	96,900	\$ 3,782,879	\$ 4,293,278	\$ 510,399	\$ 4,381,710
Aug-09	1,220,066	1,294,569	74,503	\$ 3,837,805	\$ 4,259,985	\$ 422,180	\$ 4,377,400
Sep-09	1,168,866	1,215,868	47,002	\$ 3,675,281	\$ 3,938,650	\$ 263,369	\$ 4,048,929
Year to Date	3,598,641	3,817,046	218,405	\$ 11,295,965	\$ 12,491,913	\$ 1,195,948	\$ 12,808,039
Oct-09	1,188,273			\$ 3,717,476	\$ -		\$ -
Nov-09	1,114,551			\$ 3,478,151	\$ -		\$ -
Dec-09	1,174,747			\$ 3,650,838	\$ -		\$ -
Jan-10	1,129,006			\$ 3,507,927	\$ -		\$ -
Feb-10	1,130,494			\$ 3,507,635	\$ -		\$ -
Mar-10	1,247,261			\$ 3,872,469	\$ -		\$ -
Apr-10	1,190,703			\$ 3,696,845	\$ -		\$ -
May-10	1,251,375			\$ 3,910,438	\$ -		\$ -
Jun-10	1,265,897			\$ 3,945,651	\$ -		\$ -
FY Total	14,290,948	3,817,046	218,405	\$ 44,583,395	\$ 12,491,913	\$ 1,195,948	\$ 12,808,039

Actual Revenue includes toll revenue, violations fees and transponder sales.

Reported Revenue aligns with Fund 511 Financial Statements.

July 2009-August 2009 projections based on the forecast dated June 2009.

September 2009-June 2010 projections based on the forecast dated September 2009.

Financial Plan – TNB Account

Draft Financial Plan through 2015

Makes no assumption about rate increases beyond FY09, consistent with the Sept. 09 adopted forecast.

(dollars in thousands)

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	Current 2010	2011	2012	2013	2014	2015	Total Through 2015
Toll Rate (ETC)						\$1.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	
Toll Rate (Cash)						\$3.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	
Beginning Fund Balance	-	36,524	34,597	17,076	44,723	18,096	9,995	16,487	14,889	415	(1,683)	(13,952)	(33,191)	
Operations and Maintenance														
Sources of Funds ¹														
Interest Earnings from Tacoma Narrows Account (511) ²	-	-	-	8	57	250	290	615	300	129	133	135	138	1,521
Interest Earnings from Toll Collections Account (495) ²	-	-	-	-	-	3	115	118	124	129	133	135	138	896
Toll Revenue	-	-	-	-	-	29,960	44,323	45,516	47,853	49,789	51,171	52,187	53,202	374,000
Transponder Sales Revenue	-	-	-	-	-	760	608	632	673	702	721	736	750	5,582
Violations	-	-	-	-	-	467	598	562	598	624	641	654	666	4,810
Fees ³	-	-	-	-	-	1	56	104	104	104	104	104	104	679
Miscellaneous Revenue ⁴	-	-	-	-	913	279	0	-	-	-	-	-	-	1,191
Debt Service	-	-	-	-	-	(14,689)	(26,915)	(34,903)	(44,955)	(40,443)	(45,963)	(54,373)	(53,859)	(316,100)
Transfers from/to Other Accounts ⁵	-	-	-	1,300	5,288	-	(10)	-	(5,288)	-	-	-	-	1,290
Total Sources of Funds for Operations and Maintenance	-	-	-	1,308	6,258	17,030	19,064	12,644	(591)	10,905	6,807	(558)	1,001	73,868
Uses of Funds ⁶														
WSDOT Oversight & Admin. of Toll Operations ⁷	-	-	-	172	1,866	2,180	2,278	1,879	1,888	1,348	1,348	1,361	1,372	15,692
Toll Operator Contract	-	-	-	490	2,759	9,852	6,932	7,794	7,861	7,861	7,932	8,002	8,002	67,277
Insurance	-	-	-	-	-	2,680	1,339	2,534	2,534	2,534	2,534	2,534	2,534	19,223
Washington State Patrol	-	-	-	-	-	572	315	342	342	328	328	331	334	2,891
Maintenance of New Bridge	-	-	-	-	-	103	268	769	779	746	746	753	760	4,925
Preservation of New Bridge, Roadway & Toll Systems	-	-	-	-	-	-	-	136	546	185	503	13	3,072	4,455
Deferred Sales Tax	-	-	-	-	-	-	-	-	-	5,757	5,757	5,757	5,757	17,271
Total Uses of Funds for Operations and Maintenance	-	-	-	662	4,625	15,387	11,132	13,454	13,883	13,002	19,077	18,681	21,831	131,734
Current Year Balance for Ops. And Maint. (Sources - Uses)	-	-	-	646	1,632	1,643	7,932	(810)	(14,474)	(2,097)	(12,270)	(19,239)	(20,830)	(57,866)
Capital														
Sources of Funds														
Interest Earnings ²	2,125	1,239	774	1,523	1,797	805	390	-	-	-	-	-	-	8,653
Bond Proceeds	231,207	197,234	108,634	111,986	16,002	12,716	-	-	-	-	-	-	-	677,780
Capitalized Interest (Debt Service)	-	-	-	(1,792)	(2,580)	-	-	-	-	-	-	-	-	(4,372)
Charges for Services	-	-	4	2	145	-	-	-	-	-	-	-	-	152
Transfers from/to Other Accounts	39,000	-	-	-	-	-	-	-	-	-	-	-	-	39,000
Total Sources of Funds for Capital	272,332	198,473	109,412	111,720	15,364	13,522	390	-	-	-	-	-	-	721,212
Uses of Funds														
Capital Expenditures	235,808	200,400	127,046	84,720	43,623	23,319	2,230	788	-	-	-	-	-	717,934
Prior Period Recoveries	-	-	(113)	-	-	(64)	(400)	-	-	-	-	-	-	(567)
Total Uses of Funds for Capital	235,808	200,400	126,933	84,720	43,623	23,266	1,830	788	-	-	-	-	-	717,367
Current Year Balance for Capital (Sources - Uses)	36,524	(1,927)	(17,521)	27,001	(28,260)	(9,744)	(1,440)	(788)	-	-	-	-	-	3,845
Ending Fund Balance	36,524	34,597	17,076	44,723	18,096	9,995	16,487	14,889	415	(1,683)	(13,952)	(33,191)	(54,021)	
Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue								32.7%	0.9%	-3.4%	-27.3%	-63.6%	-101.5%	
Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service						111.2%	129.5%	97.7%	67.8%	94.8%	73.3%	64.6%	61.3%	

¹ For GAAP purposes, Interest Earnings, Donations, Debt Service and Transfers displayed as Operations Sources of Funds are considered to be Nonoperating Activities.

² Interest income displayed is net of the cost of investment activities.

³ Includes NSF check and Customer Service Center administration fees.

⁴ Includes contractor liquidated damages for late project delivery and \$102k of donations for grand opening in FY08.

⁵ The repayment of \$5.288m to the Motor Vehicle Account is included in the Enacted 2009-11 Budget. There is no proviso as to whether the transfer will be made in FY10 or FY11.

The \$10,000 in FY09 reflects a transfer to the Health Care Authority Admin. Account for the state insurance accounting system supporting FTEs assigned to the TNB.

⁶ Uses of Funds for Operations reflect the Enacted 2009-11 Budget and legislative plan.

For Uses beyond 2013, the legislative assumption of 1/2 the rate of IPD growth is assumed except for insurance which is expected to have no growth, and preservation which is based on the expenditure plan dated April 2007.

⁷ WSDOT Oversight & Admin. includes Credit Card and Bank Fees, Salaries and Benefits, Personal Service Contracts, Travel, and Capital Outlays for use in TNB Operations.

Note: See attached handout

Tacoma Narrows Toll Bridge Account (511)
Draft Financial Plan Through 2015 - October 8, 2009
Makes no assumptions about rate increases beyond FY09, consistent with the September 2009 Adopted Forecast.
(dollars in thousands)

Fiscal Year	2003	2004	2005	2006	2007	2008	2009	Current 2010	2011	2012	2013	2014	2015	Total Through 2015
Toll Rate (ETC)						\$1.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	\$2.75	
Toll Rate (Cash)						\$3.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	\$4.00	
Beginning Fund Balance	-	36,524	34,597	17,076	44,723	18,096	9,995	16,487	14,889	415	(1,683)	(13,952)	(33,191)	
Operations and Maintenance														
Sources of Funds ¹														
Interest Earnings from Tacoma Narrows Account (511) ²	-	-	-	8	57	250	290	615	300					1,521
Interest Earnings from Toll Collections Account (495) ²	-	-	-	-	-	3	115	118	124	129	133	135	138	896
Toll Revenue	-	-	-	-	-	29,960	44,323	45,516	47,853	49,789	51,171	52,187	53,202	374,000
Transponder Sales Revenue	-	-	-	-	-	760	608	632	673	702	721	736	750	5,582
Violations	-	-	-	-	-	467	598	562	598	624	641	654	666	4,810
Fees ³	-	-	-	-	-	1	56	104	104	104	104	104	104	679
Miscellaneous Revenue ⁴	-	-	-	-	913	279	0	-	-	-	-	-	-	1,191
Debt Service	-	-	-	-	-	(14,689)	(26,915)	(34,903)	(44,955)	(40,443)	(45,963)	(54,373)	(53,859)	(316,100)
Transfers from/(to) Other Accounts ⁵	-	-	-	1,300	5,288	-	(10)	-	(5,288)	-	-	-	-	1,290
Total Sources of Funds for Operations and Maintenance	-	-	-	1,308	6,258	17,030	19,064	12,644	(591)	10,905	6,807	(558)	1,001	73,868
Uses of Funds ⁶														
WSDOT Oversight & Admin. of Toll Operations ⁷	-	-	-	172	1,866	2,180	2,278	1,879	1,888	1,348	1,348	1,361	1,372	15,692
Toll Operator Contract	-	-	-	490	2,759	9,852	6,932	7,794	7,794	7,861	7,861	7,932	8,002	67,277
Insurance	-	-	-	-	-	2,680	1,339	2,534	2,534	2,534	2,534	2,534	2,534	19,223
Washington State Patrol	-	-	-	-	-	572	315	342	342	328	328	331	334	2,891
Maintenance of New Bridge	-	-	-	-	-	103	268	769	779	746	746	753	760	4,925
Preservation of New Bridge, Roadway & Toll Systems	-	-	-	-	-	-	-	136	546	185	503	13	3,072	4,455
Deferred Sales Tax	-	-	-	-	-	-	-	-	-	-	5,757	5,757	5,757	17,271
Total Uses of Funds for Operations and Maintenance	-	-	-	662	4,625	15,387	11,132	13,454	13,883	13,002	19,077	18,681	21,831	131,734
Current Year Balance for Ops. And Maint. (Sources - Uses)	-	-	-	646	1,632	1,643	7,932	(810)	(14,474)	(2,097)	(12,270)	(19,239)	(20,830)	(57,866)
Capital														
Sources of Funds														
Interest Earnings ²	2,125	1,239	774	1,523	1,797	805	390	-	-	-	-	-	-	8,653
Bond Proceeds	231,207	197,234	108,634	111,986	16,002	12,716	-	-	-	-	-	-	-	677,780
Capitalized Interest (Debt Service)	-	-	-	(1,792)	(2,580)	-	-	-	-	-	-	-	-	(4,372)
Charges for Services	-	-	4	2	145	-	-	-	-	-	-	-	-	152
Transfers from/(to) Other Accounts	39,000	-	-	-	-	-	-	-	-	-	-	-	-	39,000
Total Sources of Funds for Capital	272,332	198,473	109,412	111,720	15,364	13,522	390	-	-	-	-	-	-	721,212
Uses of Funds														
Capital Expenditures	235,808	200,400	127,046	84,720	43,623	23,319	2,230	788	-	-	-	-	-	717,934
Prior Period Recoveries	-	-	(113)	-	-	(54)	(400)	-	-	-	-	-	-	(567)
Total Uses of Funds for Capital	235,808	200,400	126,933	84,720	43,623	23,266	1,830	788	-	-	-	-	-	717,367
Current Year Balance for Capital (Sources - Uses)	36,524	(1,927)	(17,521)	27,001	(28,260)	(9,744)	(1,440)	(788)	-	-	-	-	-	3,845
Ending Fund Balance	36,524	34,597	17,076	44,723	18,096	9,995	16,487	14,889	415	(1,683)	(13,952)	(33,191)	(54,021)	

Debt Service Reserve = Ending Fund Balance / Annual Toll Revenue 32.7% 0.9% -3.4% -27.3% -63.6% -101.5%

Debt Service Coverage = (Annual Revenue - Annual Uses of Funds) / Annual Debt Service 111.2% 129.5% 97.7% 67.8% 94.8% 73.3% 64.6% 61.3%

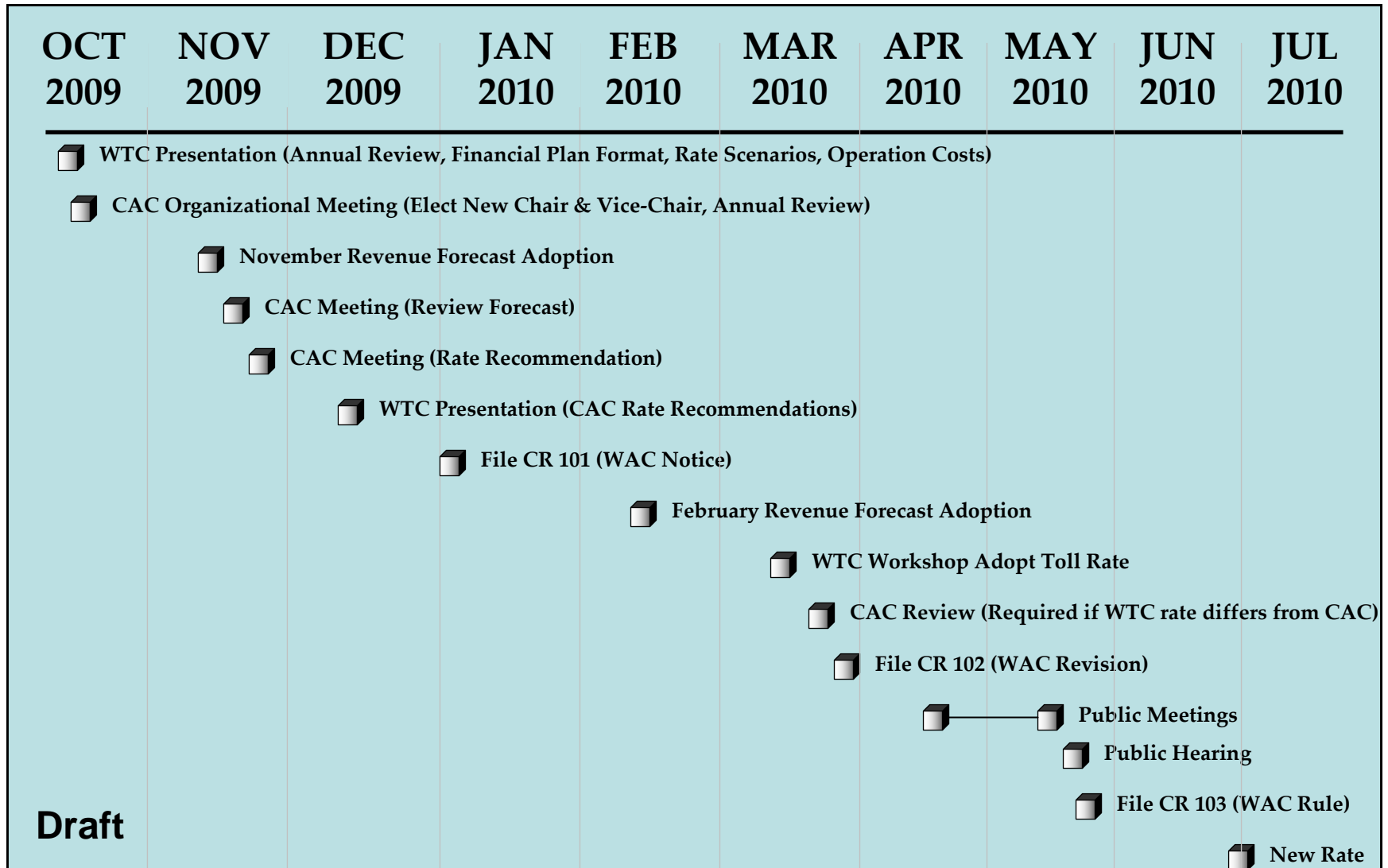
¹ For GAAP purposes, Interest Earnings, Donations, Debt Service and Transfers displayed as Operations Sources of Funds are considered to be Nonoperating Activities.
² Interest income displayed is net of the cost of investment activities.
³ Includes NSF check and Customer Service Center administration fees.
⁴ Includes contractor liquidated damages for late project delivery and \$102k of donations for grand opening in FY08.
⁵ The repayment of \$5.288m to the Motor Vehicle Account is included in the Enacted 2009-11 Budget. There is no proviso as to whether the transfer will be made in FY10 or FY11. The \$10,000 in FY09 reflects a transfer to the Health Care Authority Admin. Account for the state insurance accounting system supporting FTEs assigned to the TNB.
⁶ Uses of Funds for Operations reflect the Enacted 2009-11 Budget and legislative plan. For Uses beyond 2013, the legislative assumption of 1/2 the rate of IPD growth is assumed except for insurance which is expected to have no growth, and preservation which is based on the expenditure plan dated April 2007.
⁷ WSDOT Oversight & Admin. includes Credit Card and Bank Fees, Salaries and Benefits, Personal Service Contracts, Travel, and Capital Outlays for use in TNB Operations.

Possible Toll Rate Scenarios

Tacoma Narrows Bridge

Scenario	Electronic Toll Collection	Cash
A	\$2.75	\$4.00
B	\$3.00	\$4.00
C	\$3.25	\$4.00
D	\$3.50	\$4.00
E	\$3.75	\$4.00
F	\$3.75	\$5.00
G	\$4.00	\$5.00
H	\$4.25	\$5.00
I	\$4.50	\$5.00

Proposed TNB Toll Rate Timeline 2009-10



Notes:

Public Meetings on TNB Toll Rates to be held in both Bremerton/Silverdale and Gig Harbor/Port Orchard locations.

Questions?

For additional information on the Tacoma Narrows Bridge Toll Rate Setting, please visit:

www.wsdot.wa.gov/tolling/TNBtolling,

or contact:

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