

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

**COMBINING BALANCE SHEET  
State Fiscal Year 2010, Quarter Ended March 31, 2010**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
<b>ASSETS</b>					
CURRENT ASSETS:					
Cash and Cash Equivalents		15,290,732	1,080,102	3,702,318	20,073,152
Cash Held with Escrow Agents	1	671,365	0	0	671,365
Accounts Receivable	2	344,445	30	58	344,533
Consumable Inventories	3	245,040	1,623	0	246,663
Total Current Assets		<u>16,551,582</u>	<u>1,081,755</u>	<u>3,702,377</u>	<u>21,335,713</u>
<b>TOTAL ASSETS</b>		<u>16,551,582</u>	<u>1,081,755</u>	<u>3,702,377</u>	<u>21,335,713</u>
<b>LIABILITIES AND FUND BALANCE</b>					
CURRENT LIABILITIES:					
Accounts Payable	4	1,434,266	126,017	0	1,560,283
Retained Percentages Payable	1	671,365	0	0	671,365
Due to Other Governments	5	0	0	0	0
Due to Other Funds	6	1,255	2,617	0	3,872
Due to Other Agencies	6	2,633	23,315	0	25,948
Due to Department of Revenue - Taxes	7	4,605	0	0	4,605
Deferred Revenue	8	0	0	3,699,104	3,699,104
Unclaimed Property Refund Liability	9	0	0	2,555	2,555
Liability for Cancelled Warrants	10	2,728	0	718	3,446
Total Current Liabilities		<u>2,116,852</u>	<u>151,949</u>	<u>3,702,377</u>	<u>5,971,178</u>
<b>TOTAL LIABILITIES</b>		<u>2,116,852</u>	<u>151,949</u>	<u>3,702,377</u>	<u>5,971,178</u>
<b>FUND BALANCE</b>					
Reserved for Inventories	3	32,040	1,623	0	33,663
Unreserved/Undesignated Fund Balance	11	14,402,689	928,183	0	15,330,872
Total Fund Balance		<u>14,434,730</u>	<u>929,806</u>	<u>0</u>	<u>15,364,535</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<u>16,551,582</u>	<u>1,081,755</u>	<u>3,702,377</u>	<u>21,335,713</u>

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

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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 March 31<sup>st</sup> wherein the cash transfer from the credit card companies will occur after March 31<sup>st</sup>.
- 3 Consumable inventory, consisting of toll transponders and transponder disabling devices, 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 ended March 31, the reserve for consumable inventory balance in the TNB account does not match the consumable inventory balance. WSDOT will adjust the reserve for consumable inventory balance to mirror the inventory balance on next quarter's financial statements.
- 4 Accounts payable represents accrued payments due to non-governmental vendors as of March 31<sup>st</sup>.
- 5 Inter-governmental activity is for goods and/or services provided to or by local governments.
- 6 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.
- 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 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.
- 10 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.
- 11 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.