

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

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2011, Quarter Ended December 31, 2010**

	NOTES	JULY THROUGH SEPTEMBER	OCTOBER THROUGH DECEMBER	YEAR-TO-DATE
OPERATING REVENUES:				
Tolling Revenue	1	12,177,730	10,854,622	23,032,351
Violation Penalty Revenue	2	98,311	161,739	260,050
Transponder Sales	3	177,288	137,375	314,663
Miscellaneous Revenue	4	23,691	25,305	48,996
Total Operating Revenues		<u>12,477,020</u>	<u>11,179,042</u>	<u>23,656,061</u>
OPERATING EXPENDITURES:				
Goods and Services				
Toll Operator Contract	5	1,762,781	1,668,965	3,431,746
Insurance	6	1,462,765	0	1,462,765
Credit Card and Bank Fees	7	150,575	213,240	363,815
Washington State Patrol	8	70,106	72,429	142,536
Other	9	26,931	86,875	113,806
Transponder Cost of Goods Sold	10	171,234	132,472	303,706
Salaries and Benefits	11	91,574	142,469	234,042
Infrastructure Maintenance & Preservation	12	38,617	171,649	210,266
Total Operating Expenditures		<u>3,774,583</u>	<u>2,488,099</u>	<u>6,262,682</u>
EXCESS OF OPERATING REVENUE OVER EXPENDITURES		<u>8,702,436</u>	<u>8,690,943</u>	<u>17,393,379</u>
NONOPERATING INCOME (EXPENDITURES)				
Prior Period Recoveries	13	0	(46)	(46)
Undistributed Receipts/Suspense	14	(70,776)	2,760	(68,016)
Interest Income	15	48,528	64,605	113,133
Capital Improvement Outlays	16	(28,885)	(8,717)	(37,602)
Total Nonoperating Income (Expenditures)		<u>(51,134)</u>	<u>58,602</u>	<u>7,469</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES		<u>8,651,303</u>	<u>8,749,545</u>	<u>17,400,848</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers Out	17	(10,677,126)	(7,418,084)	(18,095,210)
Total Other Financing Sources (Uses)		<u>(10,677,126)</u>	<u>(7,418,084)</u>	<u>(18,095,210)</u>
NET CHANGE IN FUND BALANCE		<u>(2,025,823)</u>	<u>1,331,461</u>	<u>(694,362)</u>
FUND BALANCE - BEGINNING		<u>16,800,126</u>	<u>14,774,303</u>	<u>16,800,126</u>
FUND BALANCE - ENDING		<u>14,774,303</u>	<u>16,105,764</u>	<u>16,105,764</u>

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

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State Fiscal Year 2011, Quarter Ended December 31, 2010**

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

Notes:

- 1 Tolling Revenue represents the money collected, net of any adjustments, from vehicles traveling over the Tacoma Narrows Bridge in an eastbound direction. Tolls are collected either at a toll booth or via an electronic toll account.
- 2 Violation Penalty Revenue is 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 purchased by potential Good to Go electronic toll account customers.
- 4 Miscellaneous Revenue includes administrative fees, NSF check fees, and cash over/short. Miscellaneous revenue also includes a monthly payment related to a sale of surplus property on a real estate contract.
- 5 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.
- 6 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.
- 7 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.
- 8 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.
- 9 Other Goods and Services expenditures represent purchases of supplies, rents, repairs, printing, communication, and services provided by outside vendors, as well as the cost of sales for transponder devices. Year-to-date expenditures in the Other Goods and Services category are comprised of the following :

Technical Services	\$ 38,797
Supplies	\$ 1,754
Communications	\$ 14,998
Repairs/Copier Maintenance	\$ 7,251
Rentals (TEF, Leases, Copiers)	\$ 41,464
Printing	\$ 3,767
Purchased Services	<u>\$ 5,775</u>
	\$ 113,806

- 10 Transponder Cost of Goods Sold represents the cost that WSDOT pays our vendor for the purchase of Transponders.
- 11 Salaries and Benefits includes staff within WSDOT who support TNB operations.
- 12 Infrastructure Maintenance & Preservation includes the cost of maintenance and bridge preservation activities on the new Tacoma Narrows Bridge not performed by TNB Toll Operations staff. (These costs include Goods and Services of \$28,241, TEF Fund vehicle rental of \$14, and Salaries and Benefits of \$68,997.)
- 13 The Prior Period Adjustment of \$46 relates to a receipt that was correctly reclassified from miscellaneous revenue to an accounts receivable reduction.
- 14 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.
- 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 \$11,690 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.