

**THE 520 BRIDGE ACCOUNT**  
**WASHINGTON STATE DEPARTMENT OF TRANSPORTATION**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE**  
**State Fiscal Year 2013, Quarter Ending September 30, 2012**

	NOTES	FIRST QUARTER FISCAL YEAR 2013
<b>REVENUES:</b>		
Tolling Revenue	1	13,867,862
Federal Highway Administration	2	5,864,056
Transponder Sales	3	130,372
Toll Vendor Contractual Damages	4	8,217
Toll Bill Reprocessing Fee	5	517,383
Interest Income		310,668
Miscellaneous	6	18,083
Total Revenues		20,716,641
<b>EXPENDITURES:</b>		
Goods and Services		
Toll CSC Operations Vendor Contract		1,091,510
Toll Lane Vendor Contract		109,051
Insurance		2,430,995
Credit Card and Bank Fees		223,313
Transponder Cost of Goods Sold	7	89,566
Other	8	52,285
Personal Service Contracts	9	99,696
Salaries and Benefits		273,270
Capital Outlay - SR 520 Replacement Bridge Construction	10	45,604,513
Total Expenditures		49,974,198
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>(29,257,557)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating Transfers Out - Debt Service	11	(6,564,244)
Operating Transfers Out - FHA Debt Service	11	(5,864,056)
Total Other Financing Sources (Uses)		(12,428,300)
<b>NET CHANGE IN FUND BALANCE</b>		<b>(41,685,857)</b>
<b>FUND BALANCE - BEGINNING</b>		<b>566,862,353</b>
<b>FUND BALANCE - ENDING</b>		<b>525,176,496</b>

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental fund types.

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

# THE 520 BRIDGE ACCOUNT

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### STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE

#### State Fiscal Year 2013, Quarter Ending September 30, 2012-DRAFT\*

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#### Notes:

**Backlogged Financial Reconciliations** - As of February 13, 2011, WSDOT transitioned tolling customer service center operations to a new vendor - Electronic Transaction Consultants Corporation (ETCC). With this transition, the new ETCC system encountered problems in the accuracy and timeliness of recording revenue and other accounting transactions. WSDOT and ETCC have investigated and corrected accounting records for known discrepancies. While we are not aware of any *material* discrepancies in the accounting records, ETCC has not completed key reconciliations dating back to December 2011, which ensure timely and accurate processing of financial transactions. Upon completion of these reconciliations, any discrepancies identified will be addressed and necessary correcting adjustments made.

#### Detailed Notes:

- 1 Tolling Revenue represents the revenue earned, net of any adjustments, from vehicles traveling over the 520 Bridge. Tolls are collected either by an electronic toll account or via pay-by-mail.
- 2 Federal Highway Administration Revenue is provided for debt service on GARVEE bonds (Series 2012F). These revenues are received in September and March and the associated operating transfers out described in Note 11 occur at the same time.
- 3 Transponder Sales represents the sale of transponder devices purchased by potential Good to Go electronic toll account customers.
- 4 Toll Vendor Contractual Damages is comprised of \$8,217 for ETCC KPIs (key performance indicators).
- 5 Toll Bill Reprocessing Fee Revenue represents 520s allocated portion of fees associated with the issuance of second toll billings.
- 6 Miscellaneous Revenue includes administrative & statement fees, NSF check fees, cash over and prior period recoveries.
- 7 Transponder Cost of Goods Sold represents the cost of transponders including the purchase price of transponders, packaging materials, and costs for postage.
- 8 Other Goods and Services expenditures include items such as supplies, communications, rents, repairs, services provided by outside vendors, etc.
- 9 Personal Service Contract expenditures are for costs incurred for CSC operations consulting. Some 520 Bridge project personal service contract expenditures are currently covered by federal funding outside of the 520 Bridge Account and are therefore not expenditures of the 520 Bridge Account and do not appear on this financial statement.
- 10 Capital Outlay costs are for all costs associated with construction of the new replacement 520 Floating Bridge.
- 11 Operating Transfers Out is a transfer of cash from the 520 Bridge Account to the Toll Facility Bond Retirement Account to facilitate the payment of debt service on the Series 2012C bonds and a transfer of \$58,000 to the Motor Vehicle Account for expenditures previously incurred on behalf of the 520 Bridge Account. The FHWA transfer out is for debt service on the Series 2012F bonds, which is being paid for by FHWA as described in Note 2.