

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

**COMBINING BALANCE SHEET
State Fiscal Year 2009, As of June 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		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		<u>18,492,182</u>	<u>1,778,672</u>	<u>3,468,004</u>	<u>23,738,857</u>
TOTAL ASSETS		<u>18,492,182</u>	<u>1,778,672</u>	<u>3,468,004</u>	<u>23,738,857</u>
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		<u>2,005,197</u>	<u>205,307</u>	<u>3,468,004</u>	<u>5,678,508</u>
TOTAL LIABILITIES		<u>2,005,197</u>	<u>205,307</u>	<u>3,468,004</u>	<u>5,678,508</u>
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		<u>16,486,985</u>	<u>1,573,365</u>	<u>0</u>	<u>18,060,349</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>18,492,182</u>	<u>1,778,672</u>	<u>3,468,004</u>	<u>23,738,857</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 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.