

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

**COMBINING BALANCE SHEET**  
**State Fiscal Year 2012, Quarter Ending June 30, 2012**

	NOTE	TNB ACCOUNT	HOT LANES ACCOUNT	520 BRIDGE ACCOUNT	520 CIVIL PENALTY ACCOUNT	CENTRAL TOLL ACCOUNT	COMBINED
<b>ASSETS</b>							
Cash and Cash Equivalents		3,844,346	1,090,843	630,861,515	676,635	8,513,866	644,987,205
Cash Held with Escrow Agents				6,011,940			6,011,940
Accounts Receivable (net of allowance)	1	1,632,581	40,374	1,984,493	2,558,365	693,577	6,909,391
Due From Toll Vendor	2	1,106,785	39,986	849,039	68,930	26,285	2,091,024
Due from Other Funds/Agencies/Governments		372,954	12,910	3,185,637	47,760	752,280	4,371,542
Consumable Inventories	3					1,269,850	1,269,850
<b>TOTAL ASSETS</b>		<b>6,956,666</b>	<b>1,184,114</b>	<b>642,892,624</b>	<b>3,351,690</b>	<b>11,255,858</b>	<b>665,640,952</b>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES:</b>							
Accounts Payable		1,377,304	59,686	46,934,575	115,457	11,321	48,498,342
Retained Percentages Payable				6,662,717			6,662,717
Due to Other Governments		1,924		463,210	3,907		469,041
Due to Other Funds/Agencies		220,451	37,806	21,120,467	481,620	1,309,538	23,169,882
Due to Department of Revenue - Taxes				163		6,216	6,379
Deferred Revenue	4	1,441,941	39,986	849,039	1,146,417	9,913,381	13,390,764
Unclaimed Property Refund Liability	5					14,712	14,712
Liability for Cancelled Warrants	6	2,711		100		690	3,501
<b>TOTAL LIABILITIES</b>		<b>3,044,332</b>	<b>137,478</b>	<b>76,030,271</b>	<b>1,747,401</b>	<b>11,255,858</b>	<b>92,215,339</b>
<b>FUND BALANCE:</b>							
Nonspendable Consumable Inventories	3					1,269,850	1,269,850
Restricted for Unspent Bond Proceeds	7			29,588,816			29,588,816
Restricted for Operations and Maintenance	7			2,565,733			2,565,733
Restricted for Unspent GARVEE Bond Proceeds	7			517,394,950			517,394,950
Restricted for Transportation	7	3,912,335		17,312,854			21,225,188
Committed for Transportation	8		1,046,636		1,604,290		2,650,925
Unassigned						(1,269,850)	(1,269,850)
<b>TOTAL FUND BALANCE:</b>		<b>3,912,335</b>	<b>1,046,636</b>	<b>566,862,353</b>	<b>1,604,290</b>	<b>0</b>	<b>573,425,613</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>		<b>6,956,666</b>	<b>1,184,114</b>	<b>642,892,624</b>	<b>3,351,690</b>	<b>11,255,858</b>	<b>665,640,953</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.

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### COMBINING BALANCE SHEET

#### State Fiscal Year 2012, Quarter Ending June 30, 2012

Notes:

**TNB Motor Vehicle Account Obligation** – The TNB Account is obligated to repay \$5.288 million loaned from the Motor Vehicle Account during the 05/07 biennium. As directed by legislation, all net TNB Civil Penalty Revenue received under the future Notice of Civil Penalty Adjudication process must be transferred to the Motor Vehicle Account each biennium as repayment of the outstanding obligation until the full amount of the original loan (\$5.288 million) has been repaid.

**HOT Lanes Operating Expenditures in Other Accounts** - Currently the High Occupancy Toll (HOT) Lanes Account pays most costs associated with operations and maintenance of the HOT Lanes on SR 167. However, the monthly cost associated with Toll Lane vendor warranty as well as some WSDOT staffing has been funded outside of the HOT Lanes Account. Based upon the 2013 biennium budgeted amounts, the additional project costs that are currently estimated to be funded outside of the HOT Lanes Account are approximately \$43,500 per quarter (\$174,000 per fiscal year).

**520 Bridge Motor Vehicle Account Obligation** - During the current biennium, the 520 Bridge Account is required to transfer out \$57,913 for expenditures incurred by the Motor Vehicle Account on behalf of the 520 Bridge Account.

Detailed Notes:

1. Accounts Receivable consists of:
  - (a) TNB and 520 Bridge Accounts consist primarily of: (1) Crossings where a Toll Bill has been sent to the customer via Pay-by-Mail, (2) Customer payments made by credit card which had yet to settle by June 30, (3) and the Accounts allocated share of NSF fee, transponder sales, and toll bill reprocessing fee receivables. The TNB Account also includes accounts receivable related to notice of civil penalties.
  - (b) HOT Lanes Account consists of amounts due from customers because their prepaid account had an insufficient balance and HOT Lanes allocated share of NSF fee and transponder sales receivables.
  - (c) 520 Civil Penalty Account consist of all outstanding amounts due related to 520 Bridge notice of civil penalties.
  - (d) Central Toll Account consists primarily of customer payments made by credit card which had yet to settle by the close of the reporting period.
2. For TNB, HOT Lanes and the 520 Bridge and Civil Penalty Accounts, the Due from Toll Vendor consists primarily of amounts due from the CSC operations vendor (ETCC) due to renegotiation of the CSC operations contract. For the Central Toll Account amount are due from the CSC operations vendor ETCC due to operational and system errors that have required manual corrections and have resulted in amounts due to WSDOT.
3. Consumable inventory consists of toll transponders. Consumable inventory is valued at cost using the first in, first out (FIFO) method.
4. Deferred Revenue is comprised of:
  - (a) TNB Account - amounts associated with TNBs long-term portion of the toll vendor receivable as well as notice of civil penalty amounts not yet recognized because the adjudication process has not been completed.
  - (b) HOT Lanes and the 520 Bridge Account - amounts associated with the accounts long-term portion of the toll vendor receivable.
  - (c) 520 Civil Penalty Account - notice of civil penalty amounts not yet recognized because the adjudication process has not been completed.
  - (d) Central Toll Account – amounts from customers on deposit for prepaid *GoodToGo!* accounts. No revenue is ever recognized in the Central Toll Account. Funds from the prepaid accounts, held in the Central Toll Account, is transferred to the applicable toll facility when a transponder is “read” as the customers’ vehicle crosses one of the toll facilities. Until this event, the prepaid toll account balance represents a liability to the state and is owed to the customer.
5. After twenty-four months of inactivity, prepaid toll accounts are closed and remaining balances, less any associated fees, are refunded to the customer. In cases where the Good to Go vendor cannot locate the customer, WSDOT remits the prepaid toll account balance to the Department of Revenue’s Unclaimed Property Section. The balance in Unclaimed Property Refund Liability represents amounts that will be remitted to the Department of Revenue.
6. 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.
7. The Unspent Bond Proceeds and Operations and Maintenance Restrictions and Reserves which are required by the Master Bond Resolutions. Additionally, fund balance is considered “restricted” if its usage is limited by creditors, other governments, or through constitutional provisions.
8. Fund balance is considered “committed” if usage is limited by the governing authority.