

THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION  
TACOMA NARROWS BRIDGE ACCOUNT  
STATE FISCAL YEAR 2020, QUARTER ENDED MARCH 31, 2020

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	YEAR-TO-DATE
<b>REVENUES</b>					
Toll revenue	1	\$ 21,951,986	\$ 20,332,390	\$ 17,869,208	\$ 60,153,585
Civil penalty	2	666,888	810,503	580,119	2,057,511
Transponder sales	3	122,871	127,841	90,877	341,588
Toll vendor contractual damages	4	5,594	2,120	1,883	9,596
Toll bill reprocessing fee	5	151,018	138,648	125,339	415,005
Interest income		92,546	152,028	134,236	378,810
Miscellaneous	6	6,234	6,137	5,190	17,562
<b>TOTAL REVENUES</b>		<b>22,997,138</b>	<b>21,569,667</b>	<b>18,806,852</b>	<b>63,373,657</b>
<b>EXPENDITURES</b>					
Goods and Services					
Toll operations vendor contracts	7	2,306,737	2,072,946	1,984,446	6,364,128
Insurance	8	1,214,950	5,482	5,482	1,225,915
Credit card and bank fees		515,472	463,618	437,114	1,416,205
Transponder cost of goods sold	9	73,394	85,574	69,179	228,147
Pay-by-mail		59,980	219,958	115,281	395,219
Other	10	111,554	91,028	82,265	284,848
Total Goods and Services		4,282,088	2,938,607	2,693,767	9,914,462
Personal service contracts	11	125,090	139,456	138,863	403,409
Salaries and benefits		311,833	255,958	265,135	832,927
Civil penalty adjudication costs	12	153,427	215,606	174,337	543,370
Maintenance and preservation	13	143,377	249,583	295,292	688,252
<b>TOTAL EXPENDITURES</b>		<b>5,015,815</b>	<b>3,799,211</b>	<b>3,567,394</b>	<b>12,382,420</b>
<b>EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>17,981,323</b>	<b>17,770,456</b>	<b>15,239,458</b>	<b>50,991,237</b>
<b>OTHER FINANCING USES</b>					
Operating transfer in		1,567,875	1,567,875	1,567,875	4,703,625
Operating transfers out	14	(17,507,420)	(17,016,130)	(25,162,420)	(59,685,970)
<b>TOTAL OTHER FINANCING USES</b>		<b>(15,939,545)</b>	<b>(15,448,255)</b>	<b>(23,594,545)</b>	<b>(54,982,345)</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>2,041,778</b>	<b>2,322,201</b>	<b>(8,355,087)</b>	<b>(3,991,108)</b>
<b>FUND BALANCE - BEGINNING</b>		<b>22,069,598</b>	<b>24,111,376</b>	<b>26,433,577</b>	<b>22,069,598</b>
<b>FUND BALANCE - ENDING</b>		<b>\$ 24,111,376</b>	<b>\$ 26,433,577</b>	<b>\$ 18,078,490</b>	<b>\$ 18,078,490</b>

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

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**Motor Vehicle Account (MVA) Obligation** – In 2005-07, as tolling began on the Tacoma Narrows Bridge (TNB), an operating loan of \$5,288,000 was made from the Motor Vehicle Account to capitalize the Tacoma Narrows Bridge Account (Chapter 518, Laws of 2007, Section 1005(15)). RCW 46.63.160 requires that net civil penalties deposited in the Tacoma Narrows Bridge Account must first be allocated toward repayment of the operating loan. In order to transfer the funds the State Treasurer’s Office must be provided administrative transfer authority. The remaining obligation at the beginning of 2019-21 biennium is \$2,438,000.

**Tolling Operations System and Customer Service** - In Fiscal Year (FY) 2018, WSDOT procured and contracted with a new toll system vendor and a customer service vendor. The costs for design and implementation of the new toll system and customer service center are allocated to all toll facilities. Design and implementation costs are reported in several categories on the financial statements. Tacoma Narrows Bridge portion of these expenditures in fiscal year 2020 are \$227,145 for current quarter and \$766,718 for the fiscal year.

**Detailed Notes**

1. **Tolling Revenue** – Revenue earned, net of any adjustments, from tolls on vehicles traveling in the eastbound direction over the TNB, which are
2. **Civil Penalty Revenue** – Revenue earned when any of the following conditions exist: (a) Payment of Notice of Civil Penalty is received, or (b) Notice of Civil Penalty payment due date passes without receiving a request for an administrative hearing, or (c) an Administrative Law Judge upholds the Notice of Civil Penalty.
3. **Transponder Sales** – Sales of transponder devices to potential and existing *Good to Go!* electronic toll account customers.
4. **Toll Vendor Contractual Damages** – Charges to ETCC for not meeting Key Performance Indicators (KPIs).
5. **Toll Bill Reprocessing Fee Revenue** – The allocated portion of fees associated with the issuance of second toll billings.
6. **Miscellaneous Revenue** – This can include revenue for administrative and statement fees, NSF check fees, cash over, payments related to sale of surplus property, and prior period recoveries.
7. **Toll Operations Vendor Contracts** – Payment for monthly toll operations costs.
8. **Insurance** – Annual premium for insuring the facility and monthly insurance brokerage fee paid to the Department of Enterprise Services (DES).
9. **Transponder Cost of Goods Sold** – Cost of purchasing, packaging, and shipping transponders. Transponder Cost of Goods Sold is directly related to Transponder Sales Revenue.
10. **Other Goods and Services** – Expenditures for supplies, communications, rents, repairs, outside vendor services, printing, and registered owner look up costs.
11. **Personal Service Contracts** – Expenditures incurred for traffic and revenue forecast consulting and CSC operations consulting.
12. **Civil Penalty Adjudication Costs** – TNB’s share of the adjudication system vendor contract with ETCC for the adjudication system module, as well as its share of supplies, communications, credit card fees, Office of Administrative Hearings costs, and salaries and benefits of WSDOT staff.
13. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the new TNB. 3<sup>rd</sup> quarter Maintenance totaled \$183,747 and preservation totaled \$111,545. Year to date Maintenance totaled \$392,766 and Preservation totaled \$295,486.
14. **Operating Transfers Out** – Total includes amount transferred to MVA for debt service pursuant to RCW 47.46.140.