

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
STATE ROUTE 16 TACOMA NARROWS BRIDGE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STATE FISCAL YEAR 2020, QUARTER ENDED JUNE 30, 2020

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 21,951,986	\$ 20,332,390	\$ 17,869,208	\$ 15,312,468	\$ 75,466,053
Civil penalty	2	666,888	810,503	580,119	336,358	2,393,869
Transponder sales	3	122,871	127,841	90,877	50,245	391,833
Toll vendor contractual damages	4	5,594	2,120	1,883	178,946	188,542
Toll bill reprocessing fee	5	151,018	138,648	125,339	(747)	414,258
Interest income		92,546	152,028	134,236	135,195	514,005
Miscellaneous	6	6,234	6,137	5,190	17,940	35,502
TOTAL REVENUES		22,997,138	21,569,667	18,806,852	16,030,404	79,404,061
EXPENDITURES						
Goods and Services						
Toll operations vendor contracts	7	2,306,737	2,072,946	1,984,446	2,137,614	8,501,742
Insurance	8	1,214,950	5,482	5,482	5,482	1,231,397
Credit card and bank fees		515,472	463,618	437,114	253,081	1,669,286
Transponder cost of goods sold	9	73,394	85,574	69,179	28,462	256,609
Pay-by-mail		59,980	219,958	115,281	92,077	487,296
Other	10	111,554	91,028	82,265	84,540	369,387
Total Goods and Services		4,282,088	2,938,607	2,693,767	2,601,256	12,515,717
Personal service contracts	11	125,090	139,456	138,863	151,849	555,258
Salaries and benefits		311,833	255,958	265,135	306,745	1,139,672
Civil penalty adjudication costs	12	153,427	215,606	174,337	164,256	707,627
Maintenance and preservation	13	143,377	249,583	295,292	367,527	1,055,779
TOTAL EXPENDITURES		5,015,815	3,799,211	3,567,394	3,591,633	15,974,053
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		17,981,323	17,770,456	15,239,458	12,438,772	63,430,008
OTHER FINANCING USES						
Operating transfer in		1,567,875	1,567,875	1,567,875	1,567,875	6,271,500
Operating transfers out	14	(17,507,420)	(17,016,130)	(25,162,420)	(18,061,130)	(77,747,100)
TOTAL OTHER FINANCING USES		(15,939,545)	(15,448,255)	(23,594,545)	(16,493,255)	(71,475,600)
NET CHANGE IN FUND BALANCE		2,041,778	2,322,201	(8,355,087)	(4,054,483)	(8,045,592)
FUND BALANCE - BEGINNING		22,069,598	24,111,376	26,433,577	18,078,490	22,069,598
FUND BALANCE - ENDING		\$ 24,111,376	\$ 26,433,577	\$ 18,078,490	\$ 14,024,006	\$ 14,024,006

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 \$288,739 for current quarter and \$1,014,602 for the fiscal year.

Detailed Notes

1. **Toll 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) and accrued liquidated damages levied against ETAN for delays related to the development and deployment of a new Back Office System (BOS).
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. For the quarter, Maintenance totaled \$253,130 and preservation totaled \$114,397. Year to date Maintenance totaled \$645,896 and Preservation totaled \$409,883.
14. **Operating Transfers Out** – Total includes amount transferred to MVA for debt service pursuant to RCW 47.46.140 and MVA loan repayment of \$5M per enacted budget (ESHB 2322.SL).