

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
STATE ROUTE 16 TACOMA NARROWS BRIDGE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STATE FISCAL YEAR 2022, QUARTER ENDED JUNE 30, 2022

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 20,664,180	\$ 21,965,341	\$ 19,532,955	\$ 21,168,131	\$ 83,330,607
Civil penalty	2	147,133	(324,962)	(426,666)	(153,925)	(758,420)
Transponder sales	3	115,357	190,321	124,799	114,396	544,874
Toll vendor contractual damages	4	153,160	1,441	5,422	157,865	317,888
Toll bill reprocessing fee	5	(10,532)	(47,161)	(54,157)	(61,665)	(173,515)
Interest income		16,900	27,204	37,999	65,777	147,881
Miscellaneous	6	(500)	62,449	(1,825)	17,022	77,146
TOTAL REVENUES		<u>21,085,698</u>	<u>21,874,633</u>	<u>19,218,528</u>	<u>21,307,602</u>	<u>83,486,460</u>
EXPENDITURES						
Goods and Services						
Toll operations vendor contracts	7	2,570,687	1,560,892	1,505,498	1,814,851	7,451,928
Insurance	8	1,490,252	6,028	4,521	3,014	1,503,814
Credit card and bank fees		461,261	634,029	624,298	678,748	2,398,336
Transponder cost of goods sold	9	58,115	140,363	107,458	94,978	400,913
Pay-by-mail		7,064	216,180	142,318	153,239	518,802
Other	10	76,319	133,883	131,148	99,807	441,157
Total Goods and Services		<u>4,663,697</u>	<u>2,691,374</u>	<u>2,515,241</u>	<u>2,844,638</u>	<u>12,714,950</u>
Personal service contracts	11	128,309	194,102	212,261	172,027	706,699
Salaries and benefits		363,831	286,030	307,867	287,274	1,245,002
Civil penalty adjudication costs	12	34,049	39,092	6,089	11,592	90,822
Maintenance and preservation	13	138,879	132,006	209,991	390,763	871,638
Other Agency/Program Expenditures	14	32,124	32,324	88,674	54,274	207,396
TOTAL EXPENDITURES		<u>5,360,888</u>	<u>3,374,928</u>	<u>3,340,123</u>	<u>3,760,567</u>	<u>15,836,506</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>15,724,810</u>	<u>18,499,704</u>	<u>15,878,405</u>	<u>17,547,035</u>	<u>67,649,954</u>
OTHER FINANCING USES						
Operating transfer in	15	3,786,625	11,640,125	3,786,625	3,786,625	23,000,000
Operating transfers out	16	(18,384,000)	(13,138,925)	(24,891,000)	(21,621,925)	(78,035,850)
TOTAL OTHER FINANCING USES		<u>(14,597,375)</u>	<u>(1,498,800)</u>	<u>(21,104,375)</u>	<u>(17,835,300)</u>	<u>(55,035,850)</u>
NET CHANGE IN FUND BALANCE		<u>1,127,435</u>	<u>17,000,904</u>	<u>(5,225,970)</u>	<u>(288,265)</u>	<u>12,614,104</u>
FUND BALANCE - BEGINNING		<u>9,451,995</u>	<u>10,579,430</u>	<u>27,580,334</u>	<u>22,354,364</u>	<u>9,451,995</u>
FUND BALANCE - ENDING		<u>\$ 10,579,430</u>	<u>\$ 27,580,334</u>	<u>\$ 22,354,364</u>	<u>\$ 22,066,099</u>	<u>\$ 22,066,099</u>

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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 2021-23 biennium is \$1,493,000.

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 2022 are:

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>		<u>Total</u>
BOS CSC Procurement Allocation	\$ 416,998	\$	66,474	\$	16,684	\$	203,090	\$	703,246

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 collected at toll booths, as electronic toll accounts, or pay-by-mail.
2. **Civil Penalty**- 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. No new revenue has been reported since system conversion and WSDOT is working with its toll vendor to resume collection as soon as possible. Negative revenue is due to Allowance for Doubtful Accounts (ADA) adjustments.
3. **Transponder Sales** – Sales of transponder devices to potential and existing *Good to Go!* electronic toll account customers.
4. **Toll Vendor Contractual Damages** – 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. No new revenue has been reported since system conversion and WSDOT is working with its toll vendor to resume collection as soon as possible. Reported revenue is due to Allowance for Doubtful Accounts (ADA) adjustments.
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 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.

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>		<u>Total</u>
Maintenance	\$ 138,879	\$	132,006	\$	145,320	\$	234,366	\$	650,571
Preservation	-		-		64,671		156,396		221,067
Total	<u>\$ 138,879</u>	<u>\$</u>	<u>132,006</u>	<u>\$</u>	<u>209,991</u>	<u>\$</u>	<u>390,762</u>	<u>\$</u>	<u>871,638</u>

13. **Other Agency/Program Expenditures** – Costs for other agencies and operating programs within the Washington State Department of Transportation (WSDOT).

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>		<u>Total</u>
Transportation Commission (L)	\$ 22,500	\$	22,700	\$	22,800	\$	21,800	\$	89,800
Traffic Operations (Q)	-		-		-		-		-
Transportation Management (S)	-		-		56,250		18,750		75,000
Transportation Planning (T)	-		-		-		-		-
Charges From Other Agencies (U)	-		-		-		4,100		4,100
Washington State Patrol	9,624		9,624		9,624		9,624		38,496
Total	<u>\$ 32,124</u>	<u>\$</u>	<u>32,324</u>	<u>\$</u>	<u>88,674</u>	<u>\$</u>	<u>54,274</u>	<u>\$</u>	<u>207,396</u>

15. **Operating Transfers In** – Operating transfers in reflect amounts from the American Rescue Plan Act (ARPA) provided to various transportation accounts in the 2021-23 enacted budget, as well as a transfer from the Transportation Partnership Account. Half of the ARPA funds provided were transferred in FY 2022, with the rest expected to be transferred in FY 2023.

16. **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).