

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

**COMBINING BALANCE SHEET
State Fiscal Year 2010, Quarter Ended June 30, 2010**

	NOTES	TNB ACCOUNT (Fund 511)	HOT LANES ACCOUNT (Fund 09F)	CENTRAL TOLL ACCOUNT (Fund 495)	COMBINED
ASSETS					
CURRENT ASSETS:					
Cash and Cash Equivalents		17,728,781	881,049	3,745,340	22,355,171
Cash Held with Escrow Agents	1	671,365	0	0	671,365
Accounts Receivable					
Accounts Receivable	2	395,686	0	656	396,342
Due From Other Governments	5	46,571	0	0	46,571
Due From Other Funds/Agencies	6	28,024	12,550	6,783	47,357
Consumable Inventories	3	387,239	13,356	0	400,595
Total Current Assets		<u>19,257,665</u>	<u>906,955</u>	<u>3,752,780</u>	<u>23,917,400</u>
TOTAL ASSETS		<u>19,257,665</u>	<u>906,955</u>	<u>3,752,780</u>	<u>23,917,400</u>
LIABILITIES AND FUND BALANCE					
CURRENT LIABILITIES:					
Accounts Payable	4	1,677,613	66,458	6	1,744,077
Retained Percentages Payable	1	671,365	0	0	671,365
Due to Other Governments	5	751	0	0	751
Due to Other Funds	6	51,236	19,530	6,224	76,990
Due to Other Agencies	6	48,423	23,150	0	71,572
Due to Department of Revenue - Taxes	7	5,424	0	0	5,424
Deferred Revenue	8	0	0	3,741,311	3,741,311
Unclaimed Property Refund Liability	9	0	0	4,523	4,523
Liability for Cancelled Warrants	10	2,728	0	718	3,446
Total Current Liabilities		<u>2,457,539</u>	<u>109,138</u>	<u>3,752,780</u>	<u>6,319,457</u>
TOTAL LIABILITIES		<u>2,457,539</u>	<u>109,138</u>	<u>3,752,780</u>	<u>6,319,457</u>
FUND BALANCE					
Reserved for Inventories	3	387,239	13,356	0	400,595
Unreserved/Undesignated Fund Balance	11	16,412,887	784,462	0	17,197,348
Total Fund Balance		<u>16,800,126</u>	<u>797,818</u>	<u>0</u>	<u>17,597,943</u>
TOTAL LIABILITIES AND FUND BALANCE		<u>19,257,665</u>	<u>906,956</u>	<u>3,752,780</u>	<u>23,917,400</u>

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental type funds.

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State Fiscal Year 2010, Quarter Ended June 30, 2010**

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 30 wherein the cash transfer from the credit card companies will occur after June 30.
- 3 Consumable inventory, consisting of toll transponders and transponder disabling devices, 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
- 4 Accounts payable represents accrued payments due to non-governmental vendors as of June 30.
- 5 Inter-governmental activity is for goods and/or services provided to or by local governments.
- 6 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.
- 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 money collected from customers for prepaid Good to Go electronic toll accounts. No revenue from the prepaid accounts is recognized until the transponder is "read" as the customers' vehicle crosses the Tacoma Narrows Bridge or enters a HOT Lane on SR-167 as a single occupant vehicle. Until this event, the prepaid toll account balance represents a liability to the state and is owed to the customer.
- 9 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.
- 10 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.
- 11 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.