

Transportation Funding

Transportation Implementation Working Group

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Overview of Transportation Revenues

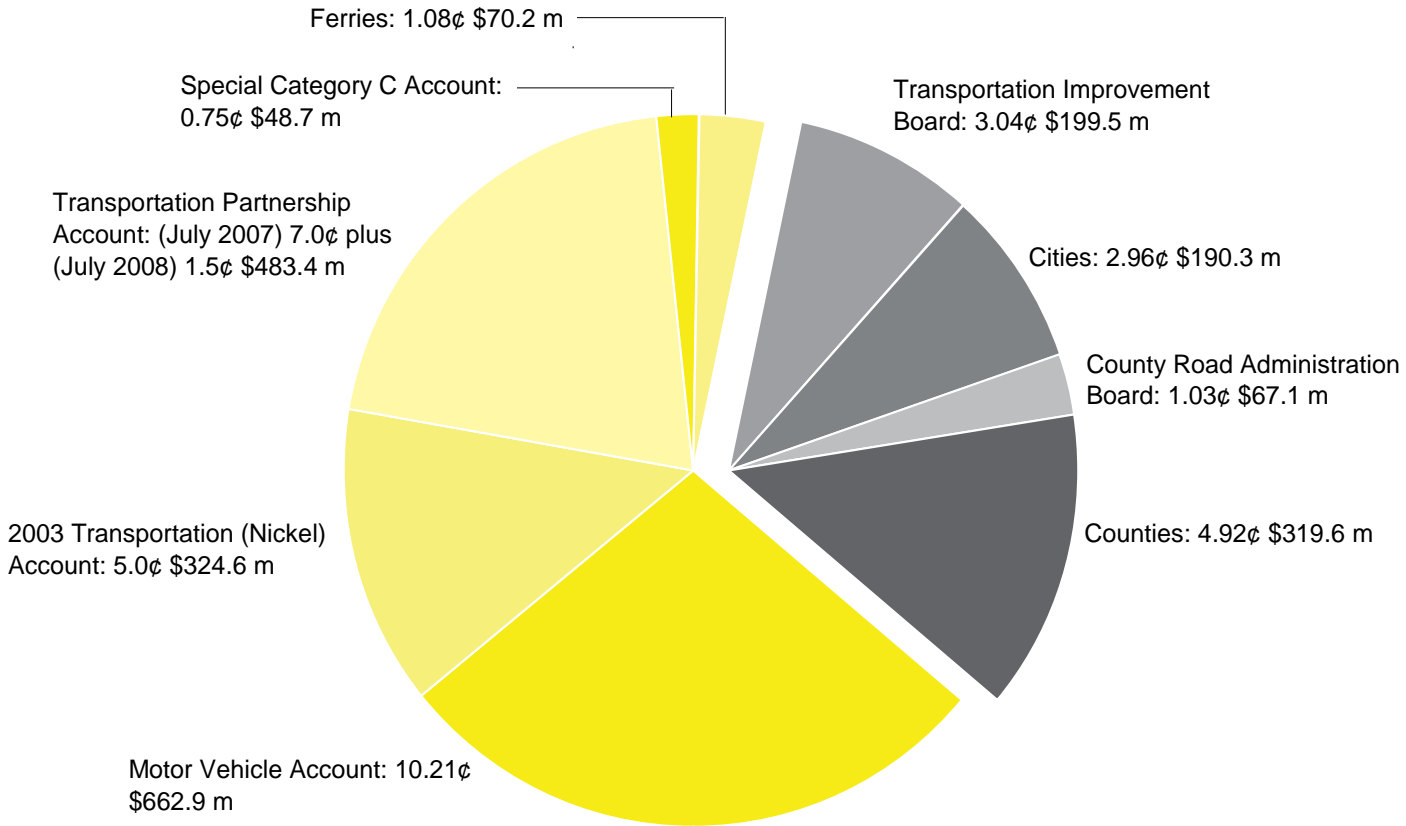
Major Transportation Revenues:

- Gas Tax
- Licenses, Permits, and Fees
- Ferry Fares
- Toll Revenue

Gas Tax Revenue Distribution

2007-2009 Biennium 36¢-37.5 ¢ Gas Tax Revenue Distribution \$2,366.3 million

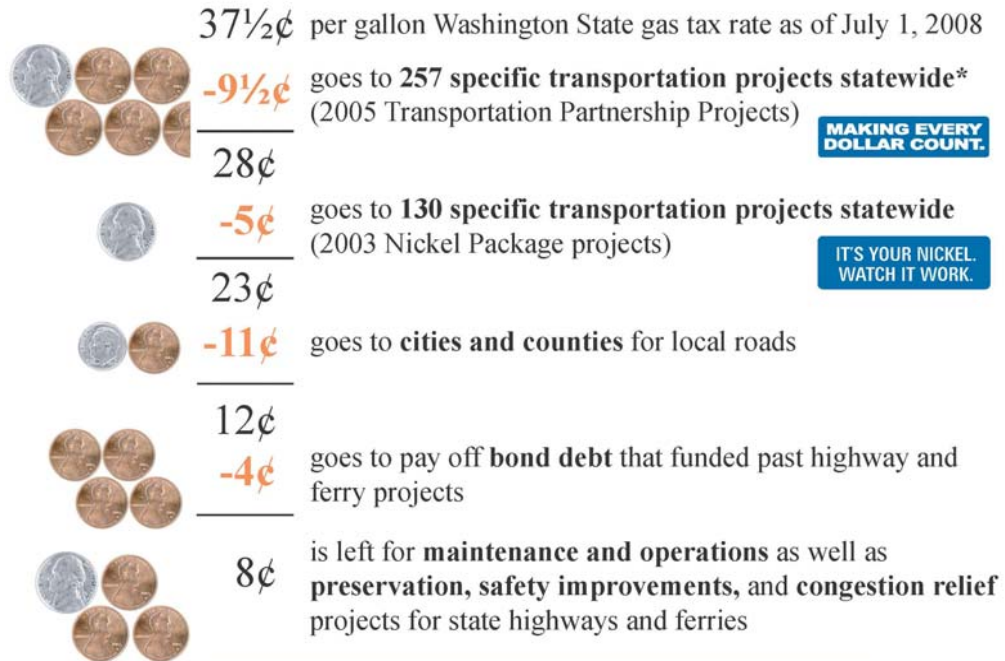
By July 2008, all of the 9.5¢ gas tax enacted by the 2005 Legislature (1.5¢ increase in July 2008) will be implemented (8.5¢ to the Transportation Partnership Account, 0.5¢ to counties and 0.5¢ to cities).



Gas Tax Revenue Distribution based on the June 2008 Transportation Revenue Forecast

Totals may not add due to rounding

Where does the gas tax go?



How much does the state gas tax cost you each year?

If you drive 12,000 miles a year:

Miles per gallon	Base 23¢ Gas Tax	2003 5¢ Gas Tax*	2005 9.5¢ Gas Tax	Total Annual State Gas Tax
30	\$92	\$20	\$38	\$150
20	\$138	\$30	\$57	\$225
10	\$276	\$60	\$114	\$450

*The nickel tax will be eliminated when all bonds associated with it have been paid. This will occur about 25 years after the last bond issue is sold. (according to the current financial plan the tax will be eliminated sometime in 2046)

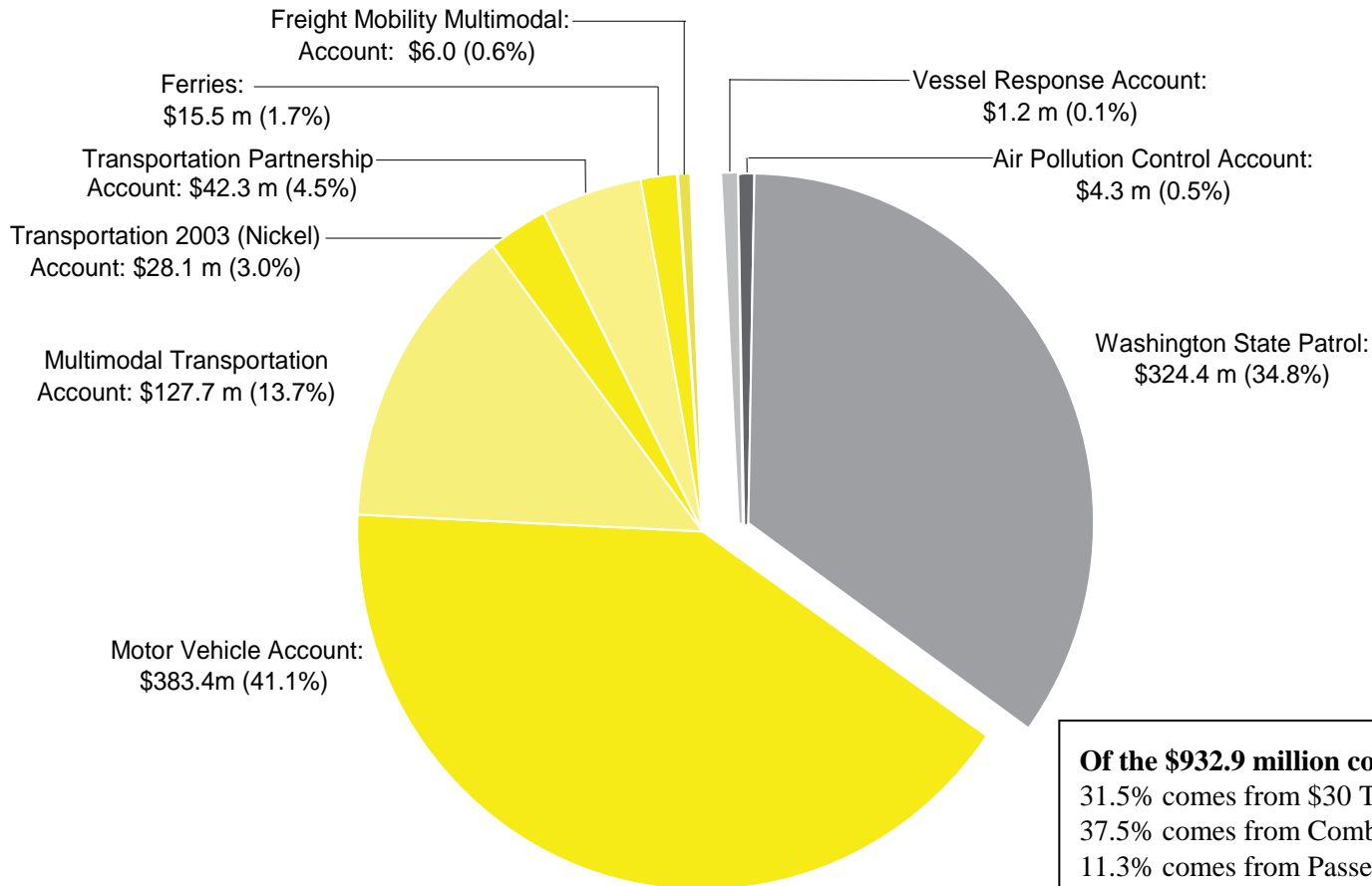
*Of the 9½ cents, 8½ cents is used by the state for highway projects, 1 cent goes to cities and counties for improvements to streets and roads.

The 2003 Funding Package funded 160 projects statewide. 130 projects are funded through the nickel gas tax, the other 30 projects utilize multimodal funds provided from increases in various licenses, permits, and fees, as well as an increase to the sales tax on new and used vehicles.

The 2005 Funding Package funded 274 projects statewide. 257 projects are funded through the 9.5¢ gas tax increase, the remaining 17 are funded through the multimodal program from increases to various licenses, permits, and fees as well as a vehicle weight tax.

License, Permits, and Fees Distribution

2007-2009 Biennium Licenses, Permits, and Fees \$932.9 million



Of the \$932.9 million collected:
 31.5% comes from \$30 Tab Fees
 37.5% comes from Combined License Fees
 11.3% comes from Passenger Vehicle Weight Fees
 19.6% comes from Other Licenses Permits or Fees

WSDOT Receives 64.6% of all License Permits and Fees collected

LPF Revenue Distribution based on the June 2008 Transportation Revenue Forecast
 Totals may not add due to rounding

Ferry Facts

2007 Ferry Statistics	
Number of Vessels*	28
Ports of Call (Terminals)	20
Number of Routes	10
Passengers Carried	13.0 million
Vehicles and Driver	10.7 million
Gallons of Fuel Used	17.2 million
Trips Scheduled	167,355

* 20 boats are currently in service

2008 Summer Ferry Fare Rates

Fare Description*	Mukilteo to Clinton	Seattle Pier 52 to Bainbridge Island	Anacortes to Friday Harbor
Passenger - Adult (age 19-64)	\$3.95	\$6.70	\$11.85
Passenger - Senior (age 65 & over)	\$1.95	\$3.35	\$5.90
Passenger - Youth (age 6-18)	\$3.20	\$5.40	\$9.50
Multi-Ride Commuter Card			
Passenger Only **	\$31.60	\$53.60	\$71.20
Vehicle Under 20' & Driver	\$8.60	\$14.45	\$46.15
Multi-Ride Commuter Card			
Vehicle Under 20' & Driver ***	\$109.60	\$184.80	\$142.15
Motorcycle & Driver	\$3.70	\$6.25	\$19.95

*All fares are quoted as one-way.

**Multi Ride Passenger Commuter card, all routes listed - 10 rides

*** Multi Ride Vehicle Commuter card: Mukilteo to Clinton, Seattle Pier 52 to Bainbridge Island - 20 rides, Anacortes to Friday Harbor 5 Rides



2007 Ridership by Route

Route	Ridership
Anacortes-InterIsland-Sidney	134,417
Anacortes-San Juans	1,721,540
Port Townsend-Keystone	688,616
Mukilteo-Clinton	4,036,352
Edmonds-Kingston	4,292,762
Tahlequah-Point Defiance	652,376
Fauntleroy-Vashon-Southworth	3,138,578
Seattle-Vashon-Passenger Only	125,024
Seattle Bainbridge Island	6,412,504
Seattle - Bremerton	2,498,756
Seattle-Port Townsend*	8,172
Total Ridership	23,709,097

* This was a temporary route and is no longer in service

For 2007-2009

Estimated Ferry Fare Revenue: \$295 million
 Farebox Fares cover about 68% of operating expenses.

Toll Revenue



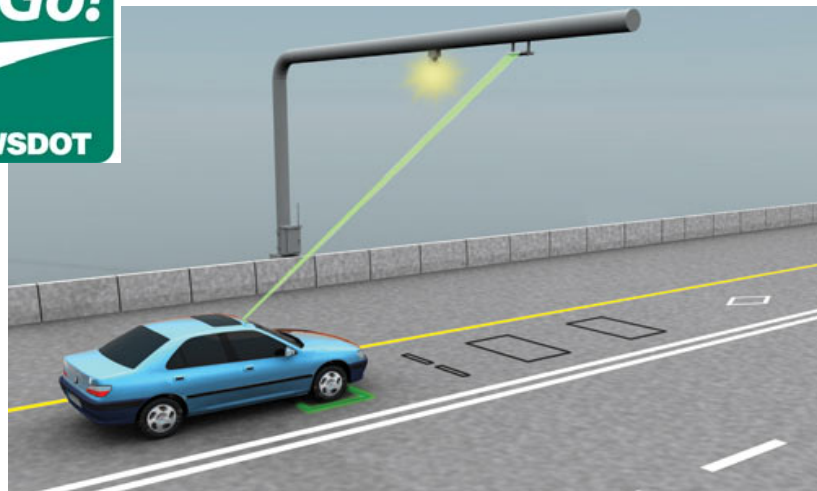
Current Toll rates for the Tacoma Narrows Bridge:
\$4.00 per vehicle, round trip
\$2.75 per vehicle with *Good To Go!* transponder, round trip

For 2007-2009

Estimated Toll Revenue: \$75 million
Estimated Debt Service: \$41.6 million
Estimated Operating Costs: \$32.5 million



Future toll facilities will also use *Good To Go!* transponders. The SR 167 Hot lanes, opened in 2008 and also uses the *Good To Go!* transponders to collect tolls.



Forecast Comparison

Current Forecast and Legislative Baseline Comparison for Transportation Revenues
June 2008 • millions of dollars

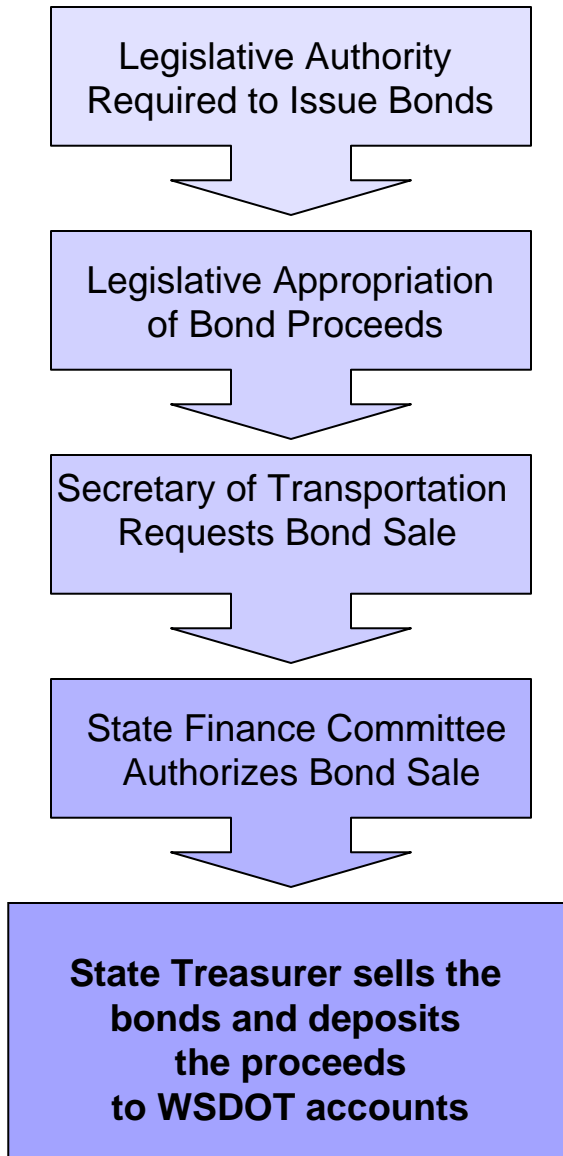
	Current Biennium 2007-09			2009-11			16-Year Period (2007-2023)		
	June 2008 Forecast	Change from Baseline*	Percent Change from Baseline	June 2008 Forecast	Change from Baseline*	Percent Change from Baseline	June 2008 Forecast	Change from Baseline*	Percent Change from Baseline
Sources of Revenue									
Motor Vehicle Fuel Taxes	2,532	(55)	-2.1%	2,703	(95)	-3.4%	24,121	(503)	-2.0%
Licenses, Permits and Fees	933	(8)	-0.9%	967	(15)	-1.5%	8,422	(107)	-1.3%
Ferry Fares†	295	(7)	-2.2%	320	(9)	-2.6%	3,178	(59)	-1.8%
Toll Revenue	75	(2)	-2.5%	120	(7)	-5.2%	1,329	(17)	-1.2%
Aeronautics Revenues	5.89	(0.1)	-2.3%	6	(0.2)	-3.6%	53	(1)	-1.8%
Rental Car Tax	47	0.2	0.5%	47	(2)	-3.5%	486	(8)	-1.5%
Vehicle Sales Tax	69	(5)	-6.8%	73	(8)	-9.8%	747	(17)	-2.2%
Driver Licenses and Other									
Driver-Related Fees	153	(1)	-0.9%	162	(3)	-1.7%	1,369	(15)	-1.1%
Miscellaneous Revenues	22	2	10.4%	21	1	3.4%	192	12	6.5%
Total Revenues	4,134	(76)	-1.8%	4,419	(137)	-3.0%	39,897	(714)	-1.8%

* 08LEG - Conference draft 4/15/08

† Scenario #2 – 2.5% fare increases each October, 2009 through 2024.

Components may not add due to rounding.

The Bonding Process



Bonding authorizations require 60% majority vote of the legislature.

The Legislature also must appropriate the bond proceeds to programs and expected projects.

The Secretary of Transportation requests a bond sale when proceeds are needed based on a detailed cash flow analysis. In the recent past, bond sales have occurred twice each year.

The State Finance Committee authorizes the sale of the bonds.

Bonds are sold and the proceeds are directed to the proper WSDOT account by the State Treasurer.

Authorization Amounts

The 2008 Enacted Supplemental Budget includes \$1.8 billion in bonds for transportation capital projects.

- ✓ \$17 million bond sale for the Tacoma Narrows Bridge.
- ✓ \$105 million bond sale for Washington State Ferries.
- ✓ \$825 million bond sale for the 2003 Transportation (Nickel) Account specified projects.
- ✓ \$144.5 million in State General Obligation (GO) bonds for the Multimodal Account.
- ✓ \$740 million bond sale for the 2005 Transportation Partnership Account specified projects.
- ✓ \$ 21 million bond sale for Special Category C Highway Projects

2008 Legislative 16-Year Bond Sale Plan

Millions of dollars

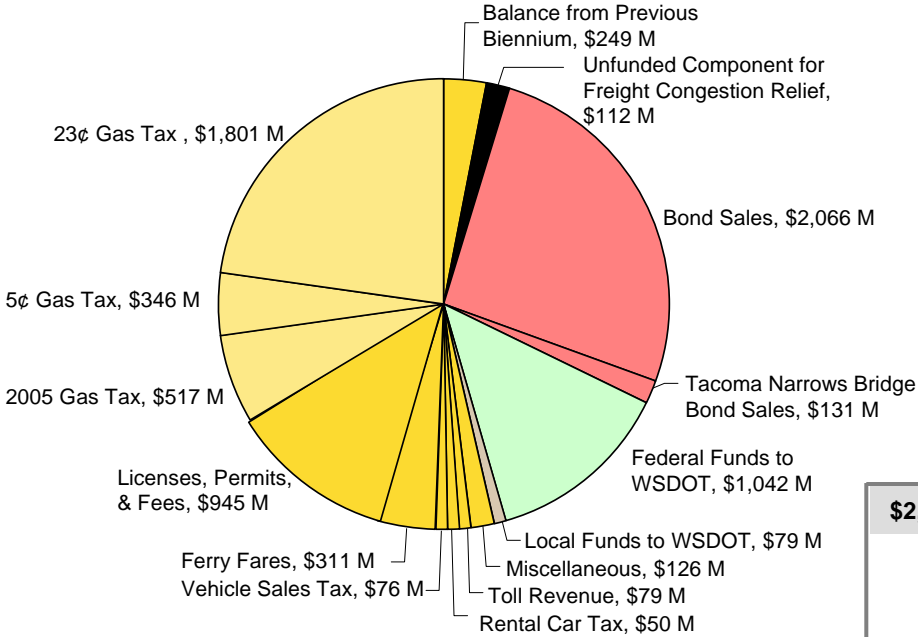
Bond Authorization <i>millions of dollars</i>	Authorized in Statute	Additional Authorization 2007 Legislative Session	Total Authorization	Remaining Authorization as of July 1, 2007	2007-2009 Budget	Amount Planned for the 16 -Year Plan	Total 16-Year Bond Sale Plan (2007-2023)	Remaining Authorization as of June 30, 2023
Referendum 49 Bonds <i>RCW 47.10.813*</i>								
State and Local Highway Improvements	\$1,100	\$0		\$228	\$105	\$236	\$341	(\$113)
Set-aside for Tacoma Narrows Bridge	\$800	\$0		\$131	\$17	\$0	\$17	\$114
Total R 49 Bond Authorization	\$1,900	\$0	\$1,900	\$359	\$122	\$236	\$358	\$1
Transportation 2003 (Nickel) Account <i>RCW 47.10.861</i>								
Highway Improvements (I)	\$2,600	\$600	\$3,200	\$2,101	\$825	\$1,147	\$1,972	\$129
Multimodal Bonds (GO Bonds) <i>RCW 47.10.867</i>								
Multimodal Transportation Projects	\$349.5	\$0	\$349.5	\$292.7	\$144.5	\$143	\$287.1	\$6
Transportation Partnership Account <i>RCW 47.10.873</i>								
Highway Improvements (I)	\$5,100	\$200	\$5,300	\$5,195	\$740	\$4,430	\$5,170	\$25
Special Category C <i>RCW 47.10.812</i>								
Highway Improvements (I)	\$330	\$270	\$600	\$270	\$21	\$112	\$134	\$136
	Total Bond Sales Required to Support the 2007-2009 Budget and 16-Year Plan				\$1,853	\$6,068	\$7,921	\$297

*The 2007-09 Budget includes the entire remaining bond authorization for the Tacoma Narrows Bridge. The current estimate of unissued bonds for Tacoma Narrows Bridge is approximately \$114 million.

2007 - 2009 Enacted Budget

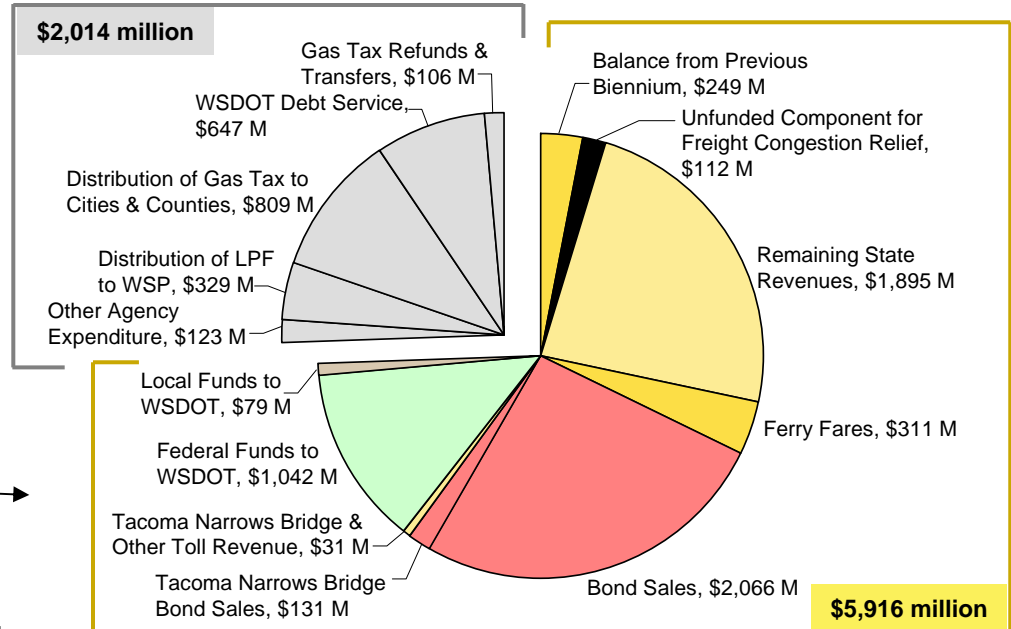
Has not been updated to include the 2008 Enacted Supplemental Budget.

Transportation Revenues and Funds Collected by the State 2007-09 • \$7.9 billion



Funding for transportation comes from a variety of sources, including fuel taxes, licenses, permits, and fees, ferry fares and concessions, rental car taxes, and miscellaneous revenues like interest earnings. A portion of the budget is also funded from bond sales, federal funds, and local funds and remaining cash balances from previous years.

Distribution of State Collected Transportation Revenues and Funds 2007-09 • \$2.0 B to other agencies and governments, \$5.9 B retained by WSDOT



Out of the total collected funds, distributions are made to various agencies and governments. During the 2007-2009 biennium, of the estimated \$7,930 million in transportation funds collected, WSDOT retains approximately \$5,916 million. The remaining \$2,014 million is distributed to cities and counties, the Washington State Patrol, the Office of the State Treasurer (to pay debt service), and other agencies.

Revenue projections based on the June 2007 Transportation Revenue Forecast

WSDOT Funds by Source: Operating and Capital Investment 2007-09 Enacted Budget*

Has not been updated to include the 2008 Enacted Supplemental Budget.

WSDOT expenditures are categorized as Operating or Capital.

WSDOT's Operating budget for 2007-09 is \$1,351 million, with \$1,309 coming from state revenues, \$35 million coming from federal funds and \$5 million coming from local funds. The operating budget funds road and facility maintenance, traffic operations, Washington State Ferries maintenance and operations, public transportation operations, rail operations, aviation operations, data collection, transportation planning and research, management and support and information technology.

The capital budget funds WSDOT's capital programs. These include preservation and improvement projects, Washington State Ferries capital construction, rail, and local programs. WSDOT's Capital budget for 2007-09 is \$4,565 million, with \$1,289 million from state funds, \$2,197 million from the sale of bonds, \$1,007 in federal funds and \$72 million in local funds.

The 2005 funding package (nickel gas tax) provides \$1,251 million and the 2005 funding package (9.5¢ gas tax) provides \$1,579 million.

2007-2009

Cash Balance	\$ 249
State Revenues	\$ 1,895
Ferry Fares	\$ 311
Tolls	\$ 31
Total State Funds	\$ 2,486
Unfunded**	\$ 112
Bonds	\$ 2,066
Tacoma Narrows Bridge Bonds	\$ 131
Federal Funds	\$ 1,042
Local Funds	\$ 79

Total Funds \$5,916

**Operating
\$1,351 M**

\$ 1,309
\$ 35
\$ 6

**Capital
\$4,565 M**

\$ 1,289
\$ 2,066
TNB \$ 131
\$ 1,007
\$ 72

* Revenue projections based on the June 2007 Transportation Revenue Forecast

** Unknown source of funds for the Freight Congestion Relief account