

SR 520 and SR 99 Toll Facilities Model Updates

SR 520 (Incorporates Phase 2 FY 2020 Actuals,
September 2020 Forecast
& Expected FY 2021 Defeasance)

and

SR 99 (Incorporates September 2020 Forecast)

Office of the State Treasurer

October 20, 2020





SR 520



SR 520 Financial Model

Reflecting September 23, 2020 TRFC Forecast & FY 2021 Defeasance*

[A]	[B]	[C]	[D]	[E] = [B+C+D]	[F]	[G]	[H]	[I]	[J] = [F+G+H+I]	[K] = [E+J]	[L]	[M]	[N]	[O]	[P] = [K+L+O]
Fiscal Year	Gross Rev	O&M	Net (Deposits) to / Draws from Revenue Stabilization Sub-Account	Net RSA Adjusted Toll Revenue Available for Debt Service	First Tier Toll Revenue Bond Debt Service Sub-Account	Second Tier Debt Service Sub-Account	Third Tier Triple Pledge Debt Service Sub-Account	Fourth Tier TIFIA Debt Service Sub-Account	Total Debt Service (from Tolls)	Net Revenues After Debt Service	O&M Reserve Sub-Account	Deferred Sales Tax Sub-Account	Motor Vehicle Fund Repaymt	Repair & Replacement Reserve Sub-Account	Net Revenues After Required Deposits
2020	76,479,568	(21,046,642)	11,000,000	66,432,926	-	-	(43,243,025)	(12,685,912)	(55,928,937)	10,503,989	-	-	-	-	10,503,989
2021	56,183,000	(24,967,692)	11,152,886	42,368,194	-	-	(31,925,631)	(12,685,912)	(44,611,543)	(2,243,350)	(628,291)	-	-	-	(2,871,641)
2022	75,482,000	(25,136,528)	6,652,072	56,997,544	-	-	(38,188,550)	(12,685,912)	(50,874,462)	6,123,082	(84,418)	(9,350,000)	-	(5,125,615)	(8,436,950)
2023	86,076,000	(25,133,917)	-	60,942,083	-	-	(38,186,550)	(12,685,912)	(50,872,462)	10,069,621	-	(12,050,000)	-	(5,917,315)	(7,897,694)
2024	95,383,000	(26,708,426)	-	68,674,574	-	-	(38,183,550)	(12,685,912)	(50,869,462)	17,805,112	(785,949)	(13,325,000)	-	(7,143,192)	(3,449,030)
2025	96,367,000	(26,720,622)	-	69,646,378	-	-	(38,187,800)	(12,685,912)	(50,873,712)	18,772,666	(6,098)	(14,450,000)	-	(8,764,661)	(4,448,092)
2026	97,694,000	(27,668,529)	-	70,025,471	-	-	(38,190,450)	(12,685,912)	(50,876,362)	19,149,109	(473,954)	(15,550,000)	-	(9,658,193)	(6,533,038)
2027	100,894,000	(28,225,656)	-	72,668,344	-	-	(38,183,750)	(12,685,912)	(50,869,662)	21,798,682	(278,564)	(15,850,000)	-	(11,186,692)	(5,516,574)
2028	103,633,000	(28,501,280)	-	75,131,720	-	-	(38,185,500)	(12,685,912)	(50,871,412)	24,260,308	(137,812)	(16,465,000)	-	(12,500,000)	(4,842,504)
2029	105,689,000	(28,841,343)	-	76,847,657	-	-	(38,186,250)	(12,685,912)	(50,872,162)	25,975,495	(170,032)	(16,465,000)	-	(12,500,000)	(3,159,537)
2030	122,173,809	(29,736,522)	(13,200,036)	79,237,251	-	-	(38,188,750)	(12,685,912)	(50,874,662)	28,362,589	(447,589)	(15,415,000)	-	(12,500,000)	-
2031	124,912,936	(30,548,727)	(15,166,695)	79,197,514	-	-	(38,190,500)	(12,685,912)	(50,876,412)	28,321,102	(406,102)	(15,415,000)	-	(12,500,000)	-
2032	127,800,462	(31,629,719)	(1,444,777)	94,725,966	-	-	(38,184,000)	(12,685,912)	(50,869,912)	43,856,054	(540,496)	(10,565,000)	-	(12,500,000)	20,250,558
2033	128,786,579	(33,327,561)	-	95,459,018	-	-	(38,187,000)	(12,685,912)	(50,872,912)	44,586,106	(848,921)	-	-	(12,500,000)	31,237,185
2034	129,984,230	(33,993,739)	-	95,990,491	-	-	(38,191,250)	(12,685,912)	(50,877,162)	45,113,329	(333,089)	-	-	(12,500,000)	32,280,241
2035	130,934,478	(34,712,795)	-	96,221,683	-	-	(38,188,750)	(12,685,912)	(50,874,662)	45,347,021	(359,528)	-	-	(12,500,000)	32,487,493
2036	132,535,519	(35,561,805)	-	96,973,714	-	-	(38,186,750)	(12,685,912)	(50,872,662)	46,101,052	(424,505)	-	-	(12,500,000)	33,176,547
2037	133,531,254	(36,262,307)	-	97,268,947	-	-	(38,192,000)	(12,685,912)	(50,877,912)	46,391,035	(350,251)	-	-	(12,500,000)	33,540,784
2038	134,713,813	(37,152,250)	-	97,561,563	-	-	(38,190,750)	(12,685,912)	(50,876,662)	46,684,901	(444,972)	-	-	(12,500,000)	33,739,929
2039	135,673,652	(37,883,456)	-	97,790,196	-	-	(38,189,750)	(12,685,912)	(50,875,662)	46,914,534	(365,603)	-	-	(12,500,000)	34,048,931
2040	136,890,371	(38,800,385)	-	98,089,986	-	-	(38,190,250)	(12,685,912)	(50,876,162)	47,213,824	(458,465)	-	-	(12,500,000)	34,255,359
2041	137,644,413	(39,556,973)	-	98,087,440	-	-	(38,183,250)	(12,685,912)	(50,869,162)	47,218,278	(378,294)	-	-	(12,500,000)	34,339,985
2042	139,073,855	(40,622,569)	-	98,451,286	-	-	-	(23,790,745)	(23,790,745)	74,660,541	(532,798)	-	-	(12,500,000)	61,627,742
2043	140,262,464	(41,432,418)	-	98,830,047	-	-	-	(23,790,745)	(23,790,745)	75,039,301	(404,924)	-	-	(12,500,000)	62,134,377
2044	141,901,405	(42,529,713)	-	99,371,692	-	-	-	(23,790,745)	(23,790,745)	75,580,946	(548,648)	-	-	(12,500,000)	62,532,299
2045	142,702,252	(43,466,093)	-	99,236,159	-	-	-	(23,790,745)	(23,790,745)	75,445,414	(468,190)	-	-	(12,500,000)	62,477,224
2046	143,400,184	(44,401,958)	-	98,998,226	-	-	-	(23,790,745)	(23,790,745)	75,207,481	(467,933)	-	-	(12,500,000)	62,239,549
2047	144,129,896	(45,365,082)	-	98,764,814	-	-	-	(23,790,745)	(23,790,745)	74,974,069	(481,562)	-	-	(12,500,000)	61,992,506
2048	145,399,770	(46,465,377)	-	98,934,394	-	-	-	(23,790,745)	(23,790,745)	75,143,648	(550,147)	-	-	(12,500,000)	62,093,501
2049	145,373,932	(47,235,487)	-	98,138,445	-	-	-	(23,790,745)	(23,790,745)	74,347,700	(385,055)	-	-	(12,500,000)	61,462,644
2050	145,815,648	(48,239,518)	-	97,576,130	-	-	-	(23,790,745)	(23,790,745)	73,785,385	(502,015)	-	-	(12,500,000)	60,783,369
2051	146,246,512	(49,200,709)	-	97,045,803	-	-	-	(23,790,745)	(23,790,745)	73,255,057	(480,595)	-	-	(12,500,000)	60,274,462

* - FY 2020 reflects Phase 2 actuals as of September 14, 2020.

- FY 2021 reflects \$10.4 million in defeasance.

- FY 2021 through FY 2029 reflect September 23, 2020 TRFC (adjusted gross toll revenue) and November 2019 T&R (O&M; O&M for FY 2021 adjusted for 2020 Transportation Budget (WSDOT)).

- FY 2030+ reflect November 2019 T&R.



SR 520 Coverage Ratio Results

Reflecting September 23, 2020 TRFC Forecast & FY 2021 Defeasance

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]
Fiscal Year	Net Revenues	Deposits to Revenue Stabilization Sub-Account	Draws From Revenue Stabilization Sub-Account (Max 25% of Annual DS)	Net Revenues for Coverage Calculations	First Tier Debt Coverage	Second Tier Debt Coverage	Third Tier (3x Pledge) Debt Coverage	Fourth Tier (TIFIA) Debt Coverage	Deferred Sales Tax Coverage	Sufficiency Coverage
2020	55,432,926	-	11,000,000	66,432,926			1.536	1.188	1.188	1.188
2021	31,215,308	-	11,152,886	42,368,194			1.327	0.950	0.950	0.937
2022	50,345,472	-	6,652,072	56,997,544			1.493	1.120	0.946	0.871
2023	60,942,083	-	-	60,942,083			1.596	1.198	0.969	0.885
2024	68,674,574	-	-	68,674,574			1.799	1.350	1.070	0.952
2025	69,646,378	-	-	69,646,378			1.824	1.369	1.066	0.940
2026	70,025,471	-	-	70,025,471			1.834	1.376	1.054	0.915
2027	72,668,344	-	-	72,668,344			1.903	1.429	1.089	0.929
2028	75,131,720	-	-	75,131,720			1.968	1.477	1.116	0.939
2029	76,847,657	-	-	76,847,657			2.012	1.511	1.141	0.961
2030	92,437,287	(13,200,036)	-	79,237,251			2.075	1.557	1.195	1.000
2031	94,364,209	(15,166,695)	-	79,197,514			2.074	1.557	1.195	1.000
2032	96,170,743	(1,444,777)	-	94,725,966			2.481	1.862	1.542	1.272
2033	95,459,018	-	-	95,459,018			2.500	1.876	1.876	1.486
2034	95,990,491	-	-	95,990,491			2.513	1.887	1.887	1.507
2035	96,221,683	-	-	96,221,683			2.520	1.891	1.891	1.510
2036	96,973,714	-	-	96,973,714			2.539	1.906	1.906	1.520
2037	97,268,947	-	-	97,268,947			2.547	1.912	1.912	1.526
2038	97,561,563	-	-	97,561,563			2.555	1.918	1.918	1.529
2039	97,790,196	-	-	97,790,196			2.561	1.922	1.922	1.534
2040	98,089,986	-	-	98,089,986			2.568	1.928	1.928	1.537
2041	98,087,440	-	-	98,087,440			2.569	1.928	1.928	1.539
2042	98,451,286	-	-	98,451,286				4.138	4.138	2.674
2043	98,830,047	-	-	98,830,047				4.154	4.154	2.693
2044	99,371,692	-	-	99,371,692				4.177	4.177	2.697
2045	99,236,159	-	-	99,236,159				4.171	4.171	2.700
2046	98,998,226	-	-	98,998,226				4.161	4.161	2.693
2047	98,764,814	-	-	98,764,814				4.151	4.151	2.686
2048	98,934,394	-	-	98,934,394				4.159	4.159	2.685
2049	98,138,445	-	-	98,138,445				4.125	4.125	2.676
2050	97,576,130	-	-	97,576,130				4.101	4.101	2.652
2051	97,045,803	-	-	97,045,803				4.079	4.079	2.639

Rate Covenant Requirements:

Triple Pledge: 1.25X

TIFIA: 1.10x

Sufficiency Ratio: 1.00x

Rate Policy Requirements:

Triple Pledge: 1.30X

TIFIA: 1.15x

Sufficiency Ratio: 1.00x

Other:

RSA draws are treated as current Toll Revenue, up to a maximum of 25% of Annual Debt Service



SR 520 -- Repair and Replacement (R&R) Subaccount

\$0 Deposits for FY 2020 and FY 2021

	[A]	[B]	[C]	[D]	[E]
Fiscal Year	Beginning Balance in R&R	Deposits to R&R	Draws from R&R	Interest on R&R	Ending Balance in R&R
2012	-	-	-	-	-
2013	-	1,875,000	-	-	1,875,000
2014	1,875,000	1,875,000	-	-	3,750,000
2015	3,750,000	-	(347,232)	-	3,402,768
2016	3,402,768	-	(477,605)	-	2,925,162
2017	2,925,162	12,767,880	(1,008,177)	-	14,684,866
2018	14,684,866	8,560,142	(2,841,258)	-	20,403,750
2019	20,403,750	7,509,319	(4,102,140)	-	23,810,929
2020	23,810,929	-	(5,049,778)	-	18,761,151
2021	18,761,151	-	(247,088)	-	18,514,062
2022	18,514,062	5,125,615	(207,928)	-	23,431,749
2023	23,431,749	5,917,315	(1,617,029)	-	27,732,034
2024	27,732,034	7,143,192	(1,476,030)	-	33,399,196
2025	33,399,196	8,764,661	(632,373)	-	41,531,485
2026	41,531,485	9,658,193	(2,008,874)	-	49,180,804
2027	49,180,804	11,186,692	(4,133,664)	-	56,233,833
2028	56,233,833	12,500,000	(11,258,667)	-	57,475,165
2029	57,475,165	12,500,000	(3,403,160)	-	66,572,005
2030	66,572,005	12,500,000	(6,395,555)	-	72,676,450
2031	72,676,450	12,500,000	(37,524,400)	-	47,652,050
2032	47,652,050	12,500,000	(105,611)	-	60,046,438
2033	60,046,438	12,500,000	(9,835,253)	-	62,711,185
2034	62,711,185	12,500,000	(1,221,337)	-	73,989,848
2035	73,989,848	12,500,000	(1,061,656)	-	85,428,191
2036	85,428,191	12,500,000	(9,300,234)	-	88,627,958
2037	88,627,958	12,500,000	(4,152,681)	-	96,975,276
2038	96,975,276	12,500,000	(14,364,607)	-	95,110,669
2039	95,110,669	12,500,000	(3,842,111)	-	103,768,558
2040	103,768,558	12,500,000	(8,209,021)	-	108,059,537
2041	108,059,537	12,500,000	(21,795,232)	-	98,764,306
2042	98,764,306	12,500,000	(171,058)	-	111,093,248
2043	111,093,248	12,500,000	(12,047,154)	-	111,546,094
2044	111,546,094	12,500,000	(142,036)	-	123,904,059
2045	123,904,059	12,500,000	(1,036,216)	-	135,367,842
2046	135,367,842	12,500,000	(134,463,615)	-	13,404,228



SR 520 -- Deferred Sales Tax Subaccount

\$0 Deposits for FY 2020 and FY 2021

	[A]	[B]	[C]	[D]	[E]
Fiscal Year	Beginning Balance in Deferred Sales Tax Subaccount	Deposits to Deferred Sales Tax SubAccount	Draws from Deferred Sales Tax SubAccount	Interest on Deferred Sales Tax Subaccount	Deferred Sales Tax Fund Ending Balance
2012	-	-	-	-	-
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	-	-	-	-	-
2016	-	-	-	-	-
2017	-	-	-	-	-
2018	-	1,000,000	-	-	1,000,000
2019	1,000,000	3,500,000	-	-	4,500,000
2020	4,500,000	-	-	-	4,500,000
2021	4,500,000	-	-	-	4,500,000
2022	4,500,000	9,350,000	-	-	13,850,000
2023	13,850,000	12,050,000	(15,940,000)	-	9,960,000
2024	9,960,000	13,325,000	(15,940,000)	-	7,345,000
2025	7,345,000	14,450,000	(15,940,000)	-	5,855,000
2026	5,855,000	15,550,000	(15,940,000)	-	5,465,000
2027	5,465,000	15,850,000	(15,940,000)	-	5,375,000
2028	5,375,000	16,465,000	(15,940,000)	-	5,900,000
2029	5,900,000	16,465,000	(15,940,000)	-	6,425,000
2030	6,425,000	15,415,000	(15,940,000)	-	5,900,000
2031	5,900,000	15,415,000	(15,940,000)	-	5,375,000
2032	5,375,000	10,565,000	(15,940,000)	-	0
2033	0	-	-	-	0



SR 520 -- Resources / Strategies

Included assumptions:

- 1) Draw from Revenue Stabilization Account (RSA)
 - FY 2020: \$11,000,000 (implemented)
 - FY 2021: \$11,152,886 (assumed in in model)
 - FY 2022: \$ 6,652,072 (assumed in in model)
- 2) Debt service defeasance
 - (\$10.4 million is assumed in FY 2021)

Additional resources/strategies:

- 3) Appropriations from the SR 520 Civil Penalties Account (17P)
 - \$13.1 million balance as of 9/25/2020 (requires legislative action)
- 4) Draws from unrestricted balances
 - Approximately \$30 million available as of 9/25/2020
- 5) Toll rate increase(s)
- 6) O&M cost reduction
- 7) TIFIA refinancing



Defeasance Mechanics

- 1) Transfer from Account 16J (SR 520 Corridor Account) to Account 389 (Toll Facility Bond Retirement Account)
- 2) Payment of debt service from Account 389 to Escrow Agent for deposit into an irrevocable defeasance escrow
- 3) Payment of debt service by Escrow Agent from irrevocable defeasance escrow to Fiscal Agent (and then payment to the bondholders)



SR 99 (AWV)



SR 99 Financial Model – Cash-flows & Coverage

Reflecting September 23, 2020 TRFC Forecast*

State of Washington – Alaskan Way Viaduct
 DRAFT Preliminary Financial Analysis 9/29/2020

Toll Scenario: Scenario A as of 5/14/2019 (and 9/23/2020 TRFC FYs 2020-29)
 Finance Scenario: \$200 million MVFT GO Bonds to be reimbursed by Net Toll Revenues

Toll Revenue Projections and Projected Debt Service Coverage

[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]	[K]	[L]	[M]	[N]	[O]	[P]	[Q]	[R]	[S]
Fiscal Year Ending	Gross Toll Revenues ⁽¹⁾	Gross Toll Revenue Adjustments ⁽¹⁾	Adjusted Gross Toll Revenues ⁽¹⁾	MVA Loan Receipts	Revenue Stabilization Acct. Draws/ (Deposits)	O&M Expenses ⁽¹⁾	Net Revenues Available for Debt Service	Debt Service ⁽²⁾	Debt Service Coverage [H]/[J]	Net Revenues Available After Debt Service [H+I]	Toll Equipment R&R Deposits ⁽³⁾	Toll Equipment R&R Coverage [H]/[H+L]	MVA Loan Repayment	Loan Repayment Coverage [H]/[H+N]	Toll Facility R&R Deposits ⁽¹⁾	Toll Facility R&R Coverage [H]/[H+N+P]	Net Revenues After Deposits [K+L+N+P]	Cumulative Net Revenues After Deposits
30-Jun			[B+C]				[D+E+F+G]											
2019	-	-	-	9,992,000	(3,137,520)	(1,654,392)	5,200,088	(1,470,322)	3.54	3,729,766	(3,729,766) ⁽⁴⁾	1.00	-	1.00	-	1.00	0	0
2020	13,753,715	55,907	13,809,622	-	3,137,520	(11,939,181)	5,007,960	(7,435,750)	0.67	(2,427,790)	(2,996,997)	0.48	-	0.48	(13,093)	0.48	(5,437,880)	(5,437,879)
2021	19,982,000	629,000	20,611,000	-	-	(16,517,921)	4,093,079	(8,871,833)	0.46	(4,778,755)	-	0.46	(9,992,000)	0.22	-	0.22	(14,770,755)	(20,208,634)
2022	27,668,000	1,401,000	29,069,000	-	-	(17,521,618)	11,547,382	(12,326,750)	0.94	(779,368)	-	0.94	-	0.94	(13,533)	0.94	(792,901)	(21,001,535)
2023	30,191,000	1,771,000	31,962,000	-	-	(17,812,911)	14,149,089	(12,323,250)	1.15	1,825,589	(2,263,190)	0.97	-	0.97	-	0.97	(437,601)	(21,439,136)
2024	30,389,000	1,769,000	32,158,000	-	-	(18,131,783)	14,026,217	(12,323,250)	1.14	1,700,467	(2,134,267)	0.97	-	0.97	(13,973)	0.97	(447,774)	(21,886,910)
2025	30,600,000	1,790,000	32,390,000	-	-	(18,590,500)	13,799,500	(12,327,750)	1.12	1,471,750	(1,898,538)	0.97	-	0.97	-	0.97	(426,789)	(22,313,698)
2026	31,429,000	1,765,000	33,194,000	-	-	(18,934,356)	14,259,644	(12,329,000)	1.16	1,930,644	(2,371,664)	0.97	-	0.97	(14,413)	0.97	(455,433)	(22,769,131)
2027	31,671,000	1,761,000	33,432,000	-	-	(19,323,654)	14,108,346	(12,329,000)	1.14	1,779,346	(2,215,686)	0.97	-	0.97	-	0.97	(436,341)	(23,205,472)
2028	31,932,000	1,780,000	33,712,000	-	-	(19,745,633)	13,966,367	(12,327,250)	1.13	1,639,117	(2,071,067)	0.97	-	0.97	(5,782,286)	0.69	(6,214,236)	(29,419,707)
2029	32,839,000	1,758,000	34,597,000	-	-	(20,161,710)	14,435,290	(12,323,250)	1.17	2,112,040	(2,558,492)	0.97	-	0.97	(3,162,370)	0.80	(3,608,822)	(33,028,530)
2030	37,011,000	1,546,806	38,557,806	-	-	(20,623,668)	17,934,137	(12,326,500)	1.45	5,607,637	(2,020,811)	1.25	1.25	1.25	(8,070,362)	0.80	(4,483,534)	(37,512,064)
2031	37,340,000	1,560,249	38,900,249	-	-	(20,994,860)	17,905,389	(12,326,500)	1.45	5,579,389	(1,998,311)	1.25	1.25	1.25	(8,057,425)	0.80	(4,476,347)	(41,988,411)
2032	38,458,000	1,543,974	40,001,974	-	-	(21,447,446)	18,554,529	(12,326,250)	1.51	6,228,279	(2,517,373)	1.25	1.25	1.25	(8,349,538)	0.80	(4,638,632)	(46,627,043)
2033	38,822,000	1,542,499	40,364,499	-	-	(22,811,872)	17,552,627	(12,326,500)	1.42	5,226,127	(1,715,602)	1.25	1.25	1.25	(7,898,682)	0.80	(4,388,157)	(51,015,200)
2034	39,190,000	1,558,372	40,748,372	-	-	(23,412,371)	17,336,000	(12,331,000)	1.41	5,005,000	(1,537,800)	1.25	1.25	1.25	(5,393,422)	0.90	(1,926,222)	(52,941,422)
2035	40,431,000	1,545,836	41,976,836	-	-	(23,957,501)	18,019,335	(12,328,750)	1.46	5,690,585	(2,086,718)	1.25	1.25	1.25	(5,606,015)	0.90	(2,002,148)	(54,943,571)
2036	40,844,000	1,540,473	42,384,473	-	-	(24,482,336)	17,902,137	(12,329,250)	1.45	5,572,887	(1,992,459)	1.25	1.25	1.25	(5,569,554)	0.90	(1,989,126)	(56,932,697)
2037	41,260,000	1,571,808	42,831,808	-	-	(25,154,351)	17,677,457	(12,326,500)	1.43	5,350,957	(1,815,466)	1.25	1.25	1.25	(5,499,653)	0.90	(1,964,162)	(58,896,859)
2038	42,619,000	1,554,129	44,173,129	-	-	(25,698,142)	18,474,987	(12,324,750)	1.50	6,150,237	(2,455,240)	1.25	1.25	1.25	(5,747,774)	0.90	(2,052,776)	(60,949,635)
2039	43,100,000	1,554,326	44,654,326	-	-	(26,273,260)	18,381,066	(12,328,000)	1.49	6,053,066	(2,376,853)	1.25	1.25	1.25	(5,718,554)	0.90	(2,042,341)	(62,991,976)
2040	43,545,000	1,578,824	45,123,824	-	-	(26,794,389)	18,329,436	(12,325,000)	1.49	6,004,436	(2,338,549)	1.25	1.25	1.25	(5,702,491)	0.90	(2,036,604)	(65,028,580)
2041	44,852,000	1,523,189	46,375,189	-	-	(27,290,155)	19,085,034	(12,330,000)	1.55	6,755,034	(2,938,027)	1.25	1.25	1.25	(5,937,566)	0.90	(2,120,559)	(67,149,139)
2042	45,139,000	1,514,406	46,653,406	-	-	(27,960,214)	18,693,191	(12,326,500)	1.52	6,366,691	(2,628,053)	1.25	1.25	1.25	(5,815,659)	0.90	(2,077,021)	(69,226,161)
2043	45,407,000	1,527,172	46,934,172	-	-	(28,565,364)	18,368,808	(12,328,750)	1.49	6,040,058	(2,366,296)	1.25	1.25	1.25	(5,714,740)	0.90	(2,040,979)	(71,267,139)
2044	46,761,000	1,497,366	48,258,366	-	-	(29,244,789)	19,013,577	(12,330,250)	1.54	6,683,327	(2,880,612)	1.25	1.25	1.25	(5,915,335)	0.90	(2,112,620)	(73,379,759)
2045	47,049,000	1,479,970	48,528,970	-	-	(30,003,368)	18,525,602	(12,326,500)	1.57	7,202,102	(3,475,498)	1.25	1.25	1.25	(5,763,521)	0.90	(2,058,400)	(75,438,159)
2046	47,337,000	1,490,899	48,827,899	-	-	(30,673,676)	18,154,223	(12,326,500)	1.51	6,827,723	(3,648,777)	1.25	1.25	1.25	(5,647,981)	0.90	(2,017,136)	(77,455,295)
2047	48,759,000	1,462,371	50,221,371	-	-	(31,429,647)	18,791,724	-	-	18,791,724	(13,670,266)	1.37	1.37	1.37	(7,209,427)	0.90	(2,087,969)	(79,543,264)
2048	49,058,000	1,451,307	50,509,307	-	-	(32,174,127)	18,335,180	-	-	18,335,180	-	1.37	1.37	1.37	(7,209,427)	0.90	(2,087,969)	(79,543,264)
2049	49,348,000	1,453,773	50,801,773	-	-	(32,860,238)	17,941,535	-	-	17,941,535	-	1.37	1.37	1.37	(7,209,427)	0.90	(2,087,969)	(79,543,264)
2050	50,838,000	1,424,879	52,262,879	-	-	(33,456,950)	18,805,929	-	-	18,805,929	-	1.37	1.37	1.37	(7,209,427)	0.90	(2,087,969)	(79,543,264)
2051	51,147,000	1,421,036	52,568,036	-	-	(34,066,686)	18,501,350	-	-	18,501,350	-	1.37	1.37	1.37	(7,209,427)	0.90	(2,087,969)	(79,543,264)
2052	51,439,000	1,433,148	52,872,148	-	-	(34,924,486)	17,947,662	-	-	17,947,662	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2053	53,003,000	1,399,979	54,402,979	-	-	(35,818,378)	18,584,601	-	-	18,584,601	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2054	53,336,000	1,377,978	54,713,978	-	-	(36,926,992)	17,786,986	-	-	17,786,986	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2055	53,648,000	1,387,850	55,035,850	-	-	(37,885,331)	17,150,520	-	-	17,150,520	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2056	55,283,000	1,350,164	56,633,164	-	-	(38,669,368)	17,963,797	-	-	17,963,797	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2057	55,607,000	1,329,030	56,936,030	-	-	(39,568,281)	17,367,749	-	-	17,367,749	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2058	55,940,000	1,339,937	57,279,937	-	-	(40,630,863)	16,649,074	-	-	16,649,074	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
2059	57,640,000	1,306,020	58,946,020	-	-	(41,579,202)	17,366,818	-	-	17,366,818	-	1.37	1.37	1.37	(7,209,427)	0.88	(2,454,594)	(90,173,857)
Total	1,684,665,715	58,747,675	1,743,413,390	9,992,000	-	(1,085,711,970)	667,693,420	(311,086,905)	356,606,516	(89,139,212)	(9,992,000)	(224,779,616)	32,695,888	-	32,695,888	-	32,695,888	32,695,888

* - FY 2020 through FY 2029 reflect the September 23, 2020 TRFC "Adjusted Gross Toll Revenues & Fees" and O&M from the May 14, 2019 T&R update.
 - FY 2030 and beyond reflects the May 14, 2019 T&R update.
 - Toll revenues reflect 3% toll rate increases every 3 years starting with FY 2023 (as per WAC 468-270-040).
 - Debt service reflects a projected \$77.951 million (net proceeds) sale in the beginning of 2021.



SR 99 -- Resources / Strategies

- 1) Toll rate increase(s)
- 2) O&M cost reduction
- 3) Additional loan(s) from Motor Vehicle Account



Appendix A -- RCW Requirements



RCW Requirements

Toll Rates to Generate Sufficient Revenues

RCW 47.56.850

Transportation commission as state tolling authority—Powers and duties—Toll rates—Restrictions on toll revenue.

- (1) Unless these powers are otherwise delegated by the legislature, the transportation commission is the tolling authority for the state. The tolling authority shall:
- (a) Set toll rates, establish appropriate exemptions, if any, and make adjustments as conditions warrant on eligible toll facilities;
 - (b) Review toll collection policies, toll operations policies, and toll revenue expenditures on the eligible toll facilities and report annually on this review to the legislature.
- (2) The tolling authority, in determining toll rates, shall consider the policy guidelines established in RCW 47.56.830.
- (3) Unless otherwise directed by the legislature, in setting and periodically adjusting toll rates, **the tolling authority must ensure that toll rates will generate revenue sufficient to:**
- (a) Meet the **operating costs** of the eligible toll facilities, including necessary **maintenance, preservation, renewal, replacement, administration**, and toll **enforcement** by public law enforcement;
 - (b) Meet obligations for the timely payment of **debt service** on bonds issued for eligible toll facilities, and any other associated financing costs including, but not limited to, required reserves, minimum debt coverage or other appropriate contingency funding, insurance, and compliance with all other financial and other covenants made by the state in the bond proceedings;
 - (c) Meet obligations to **reimburse the motor vehicle fund** for excise taxes on motor vehicle and special fuels applied to the payment of bonds issued for eligible toll facilities; and
 - (d) Meet any other obligations of the tolling authority to provide its **proportionate share of funding contributions** for any projects or operations of the eligible toll facilities.
- (4) The established toll rates may include variable pricing, and should be set to optimize system performance, recognizing necessary trade-offs to generate revenue for the purposes specified in subsection (3) of this section. Tolls may vary for type of vehicle, time of day, traffic conditions, or other factors designed to improve performance of the system.
- (5) In fixing and adjusting toll rates under this section, the only toll revenue to be taken into account must be toll revenue pledged to bonds that includes toll receipts, and the only debt service requirements to be taken into account must be debt service on bonds payable from and secured by toll revenue that includes toll receipts.
- (6) The legislature pledges to appropriate toll revenue as necessary to carry out the purposes of this section. When the legislature has specifically identified and designated an eligible toll facility and authorized the issuance of bonds for the financing of the eligible toll facility that are payable from and secured by a pledge of toll revenue, the legislature further agrees for the benefit of the owners of outstanding bonds issued by the state for eligible toll facilities to continue in effect and not to impair or withdraw the authorization of the tolling authority to fix and adjust tolls as provided in this section. The state finance committee shall pledge the state's obligation to impose and maintain tolls, together with the application of toll revenue as described in this section, to the owners of any bonds.



Appendix B – MBR Coverage Calculations



MBR 1117 – Annual Debt Service

The term “**Annual Debt Service**” is defined, in part, to mean for any Fiscal Year the aggregate amount of principal and interest scheduled to become due and payable in that Fiscal Year “less any amounts of that principal or interest to be paid during that Fiscal Year from...(2) money or Government Obligations (as defined in Article X) set aside in a special fund and pledged irrevocably for the purpose of paying that principal or interest pursuant to Article X;....” Also note that clause (d) of the definition of “Annual Debt Service” provides in part as follows:

In any computation relating to...any computation required by...Section 7.02 [the Rate Covenant]..., there shall be excluded from the computation of Annual Debt Service principal of and interest on Bonds for which funds are, or are reasonably expected to be, available for and which are irrevocably committed to make those payments, including without limitation, (1) any such funds in an escrow account,....

Similarly, Article X provides in part that if money and/or Government Obligations sufficient to provide for the payment of the principal of and interest on defeased Bonds are set aside in a special fund (a “trust account”) to effect that payment, and are pledged irrevocably to effect that payment in accordance with a refunding or defeasance plan, “then only the debt service on the Bonds which are not defeased Bonds and the refunding bonds...shall be included in the computation of Annual Debt Service.”



MBR 1117, Section 7.02(a)

MBR Section 7.02(a) provides:

(a) The Tolling Authority shall establish, and WSDOT shall charge and collect, Tolls for the privilege of traveling on the System of Eligible Toll Facilities at rates sufficient to meet the O&M Expenses and to produce in each Fiscal Year in which any Bonds are Outstanding Net Revenues that are in an amount at least equal to (i), (ii), (iii), (iv) and (v):

- (i) 150% of the Annual Debt Service with respect to all Outstanding 1st Tier Bonds;
- (ii) 135% of the Annual Debt Service with respect to all Outstanding 1st Tier and 2nd Tier Bonds;
- (iii) 125% of the Annual Debt Service with respect to all Outstanding 1st Tier, 2nd Tier and 3rd Tier Bonds;**
- (iv) 110% of the Annual Debt Service with respect to all Outstanding Bonds; and**
- (v) 100% of the Annual Debt Service with respect to all Outstanding Bonds and all other deposits required** by subsections (c), (e), (g) and (i) through (m) of Section 6.12 to the extent such deposits must be paid with Toll Revenue and have not been otherwise paid or provided for from Bond proceeds or other available funds.



MBR 1117, Section 7.02(d)

MBR Section 7.02(d) provides:

The failure of the System in any Fiscal Year to produce Toll Revenue in the amounts sufficient to enable the State to comply with subsection (a) above, **which failure may continue during the succeeding Fiscal Year**, shall not, in and of itself, constitute an Event of Default under this Master Resolution if:

- (1) WSDOT within 60 days after the end of the Fiscal Year requests the **written recommendations** of the Traffic Consultant as to how to increase Toll Revenue in the following Fiscal Year to the level required to comply with subsection (a) above,
- (2) within 60 days of the date of the request from WSDOT, the Traffic Consultant provides to WSDOT, the State Treasurer and the Tolling Authority the **written recommendations** described in clause (1), and
- (3) the Tolling Authority takes steps to implement those recommendations within 60 days after receipt thereof and diligently proceeds to substantially comply with the recommendations of the Traffic Consultant.