

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
STATE ROUTE 520 CORRIDOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STATE FISCAL YEAR 2023, QUARTER ENDED JUNE 30, 2023

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 17,031,929	\$ 14,379,685	\$ 15,224,482	\$ 17,324,555	63,960,650
Debt service reimbursement (FHWA)	2	94,799,910	-	4,619,500	-	99,419,410
Transponder sales	3	236,236	186,064	189,758	197,378	809,436
Toll vendor contractual damages	4	42,077	60,700	56,218	65,273	224,268
Toll bill reprocessing fee	5	1,700	4,395	428,129	475,045	909,269
Interest income		453,394	863,180	1,094,019	2,005,045	4,415,638
Miscellaneous	6	1,633	33,330	64,037	2,182	101,183
TOTAL REVENUES		112,566,880	15,527,354	21,676,143	20,069,478	169,839,855
EXPENDITURES						
Goods and Services						
Toll operations vendor contracts	7	981,482	1,540,619	1,426,331	1,540,782	5,489,213
Insurance	8	7,172,834	16,505	16,505	16,505	7,222,349
Credit card and bank fees		519,014	551,409	473,843	625,876	2,170,143
Transponder cost of goods sold	9	173,877	152,733	151,922	139,041	617,574
Pay-by-mail		224,414	282,046	357,270	592,727	1,456,457
Other	10	191,189	173,522	112,786	138,067	615,564
Total Goods and Services		9,262,812	2,716,833	2,538,657	3,052,998	17,571,299
Personal service contracts	11	262,080	253,102	373,727	319,841	1,208,750
Salaries and benefits		371,456	381,035	371,914	305,473	1,429,878
Maintenance and preservation	12	597,054	568,052	672,236	625,547	2,462,888
Capital Outlays	13	10,194,371	16,527,852	-	44,063,777	70,786,000
Other Agency/Program Expenditures	14	153,947	186,587	206,669	342,610	889,814
TOTAL EXPENDITURES		20,841,720	20,633,461	4,163,203	48,710,245	94,348,629
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		91,725,160	(5,106,107)	17,512,940	(28,640,767)	75,491,226
OTHER FINANCING SOURCES (USES)						
Operating transfers in	15	29,866,822	-	-	742,000	30,608,822
Operating transfers out	16	(107,613,723)	(12,726,710)	(17,338,636)	(12,721,765)	(150,400,834)
TOTAL OTHER FINANCING USES		(77,746,901)	(12,726,710)	(17,338,636)	(11,979,765)	(119,792,012)
NET CHANGE IN FUND BALANCE		13,978,258	(17,832,817)	174,304	(40,620,532)	(44,300,787)
FUND BALANCE - BEGINNING		173,977,012	187,955,271	170,122,454	170,296,758	173,977,012
FUND BALANCE - ENDING		\$ 187,955,271	\$ 170,122,454	\$ 170,296,758	\$ 129,676,226	129,676,226

The notes to the financial statements are an integral part of this statement

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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. State Route Number 520 Corridor portion of these expenditures in Fiscal Year 2023 are:

	<u>Q1</u>		<u>Q2</u>		<u>Q3</u>		<u>Q4</u>		<u>Total</u>
BOS CSC Procurement Allocation \$	-	\$	21,214	\$	-	\$	29,464	\$	50,678

Detailed Notes

1. **Toll Revenue** – Revenue earned, net of any adjustments, from tolls on vehicles traveling over the 520 Bridge, which are collected by either *Good To Go!* electronic toll accounts or pay-by-mail.
2. **Debt Service Reimbursement (FHWA)** – Federal Highway Administration Revenue provided for debt service on GARVEE bonds (Series 2012F, Series 2014C, and Series R-2022E). These revenues are received every six months and the associated operating transfers out occur at the same time.
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 Kapsch for damages 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. New revenue is being reported due to system functionality implemented in March. Revenue is adjusted for Allowance for Doubtful Accounts.
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 Contract** – Payment for monthly 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, service provided by outside vendors, printing, and registered owner look up costs.
11. **Personal Service Contracts** – Expenditures incurred for traffic and revenue forecast consulting and CSC operations consulting. Increase in services provided by Jacobs.
12. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the SR520 corridor.

	Q1		Q2		Q3		Q4		Total
Maintenance	\$ 522,374	\$	535,865	\$	626,159	\$	580,621	\$	2,265,019
Preservation	74,680		32,186		46,076		44,927		197,869
Total	\$ 597,054	\$	568,051	\$	672,235	\$	625,548	\$	2,462,888

13. **Capital Expenditures** – Legislature appropriated \$70.786 million to support work on the SR520 Bridge West End. Audited financial statements show these as uncapitalized Maintenance and Preservation expenditures per GASB 34.

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

	Q1		Q2		Q3		Q4		Total
Transportation Commission (L)	\$ 35,700	\$	34,100	\$	34,100	\$	34,100	\$	138,000
Traffic Operations (Q)	-		-		147		216,140		216,286
Transportation Management (S)	23,251		23,251		23,251		23,247		93,000
Transportation Planning (T)	36,373		75,113		95,049		-		206,535
Charges From Other Agencies (U)	4,500		-		-		15,000		19,500
Washington State Patrol	54,123		54,123		54,123		54,123		216,492
Total	\$ 153,947	\$	186,587	\$	206,669	\$	342,610	\$	889,813

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 administrative transfer from account 17P.

16. **Operating Transfers Out – debt service** – Transfers of cash to the Toll Facility Bond Retirement Account to facilitate the payment of debt service on the Series 2012F, 2014C, 2017CR-2021A and R-2022E bonds. The GARVEE transfer out for the Series 2012F, 2014C, and R-2022E bonds is paid by a reimbursement from FHWA (Note 2).