

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
THE STATE ROUTE NUMBER 520 CORRIDOR ACCOUNT
STATE FISCAL YEAR 2017, QUARTER ENDED JUNE 30, 2017**

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 19,073,826	\$ 18,031,557	\$ 18,130,217	\$ 19,743,447	\$ 74,979,046
Debt service reimbursement (FHWA)	2	83,706,338	-	16,364,588	-	100,070,925
Transponder sales	3	238,679	206,897	191,433	214,687	851,696
Toll vendor contractual damages	4	68,924	65,228	66,903	68,356	269,412
Toll bill reprocessing fee	5	282,747	272,335	270,884	258,154	1,084,120
Interest income		89,029	226,621	247,975	387,217	950,842
Miscellaneous	6	14,140	31,588	(5,772)	2,863,884	2,903,841
TOTAL REVENUES		103,473,683	18,834,226	35,266,228	23,535,746	181,109,882
EXPENDITURES						
Goods and Services						
Toll CSC operations vendor contract	7	1,383,041	1,374,434	1,366,505	1,481,981	5,605,961
Toll lane vendor contract		135,502	150,541	143,021	(47,674)	381,390
Insurance	8	2,196,374	17,973	9,223	18,918	2,242,488
Credit card and bank fees		413,734	394,806	324,114	425,406	1,558,060
Transponder cost of goods sold	9	170,939	145,011	133,931	142,502	592,383
Pay-by-mail		357,893	302,663	291,240	332,356	1,284,152
Other	10	175,119	163,259	260,329	204,770	803,476
Total Goods and Services		4,832,602	2,548,687	2,528,362	2,558,260	12,467,910
Personal service contracts	11	450,322	705,904	337,383	479,461	1,973,070
Salaries and benefits		368,722	386,550	449,634	472,532	1,677,438
Cost of financing	12	129,229	-	-	133,123	262,352
Maintenance and preservation	13	314,085	554,843	421,796	1,283,326	2,574,050
Capital outlay	14	2,488,115	39,171,480	31,820,586	53,983,301	127,463,482
TOTAL EXPENDITURES		8,583,076	43,367,463	35,557,762	58,910,003	146,418,303
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		94,890,607	(24,533,237)	(291,534)	(35,374,256)	34,691,579
OTHER FINANCING SOURCES (USES)						
Bonds issued	15	111,012,060	-	-	-	111,012,060
Operating Transfer In	16	1,184,579	-	-	815,000	1,999,579
Operating transfers out - debt service	17	(9,214,995)	(9,341,434)	(16,039,069)	(12,268,309)	(46,863,807)
Operating transfers out - GARVEE debt service		(83,706,338)	-	(16,364,588)	-	(100,070,925)
Operating transfers out	18	(19,000)	-	-	-	(19,000)
TOTAL OTHER FINANCING USES		19,256,306	(9,341,434)	(32,403,657)	(11,453,309)	(33,942,093)
NET CHANGE IN FUND BALANCE		114,146,913	(33,874,671)	(32,695,191)	(46,827,565)	749,485
FUND BALANCE - BEGINNING		70,490,675	184,637,588	150,762,917	118,067,726	70,490,675
FUND BALANCE - ENDING		\$ 184,637,588	\$ 150,762,917	\$ 118,067,726	\$ 71,240,161	\$ 71,240,161

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

**NOTES TO THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
THE STATE ROUTE NUMBER 520 CORRIDOR ACCOUNT
STATE FISCAL YEAR 2017, QUARTER ENDED JUNE 30, 2017**

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). 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 ETCC for not meeting Key Performance Indicators (KPIs).
5. **Toll Bill Reprocessing Fee Revenue** – The allocated portion of fees associated with the issuance of second toll billings.
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. Q4 increase due to sale of Medina property for \$2.85 million.
7. **Toll CSC Operations Vendor Contract** – Payment for monthly CSC operations costs.
8. **Insurance** – Annual premium for insuring the facility and monthly insurance brokerage fee paid to the 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. **Cost of Financing** – Costs representing the underwriter's discount and cost of issuance charged by OST for the issuance of the second Triple Pledge bond sale (2017C) in September 2016.
13. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the SR520 corridor. Maintenance totaled \$2,345,848 and Preservation totaled \$210,649.
14. **Capital Outlay** – Costs associated with construction of the new replacement 520 Floating Bridge.
15. **Bond Issued** – Triple pledge bonds were issued in September 2016.
16. **Operating Transfer In** – The transfer amount in Q1 represents amounts transferred back to 16J due to withholding more than required for the TIFIA loan. The transfer amount in Q4 represents toll revenue transferred from NOCP account per transfer authority in 2016 Session Laws Chapter 14 Section 408.
17. **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 2012C, 2012F, 2014C and 2017C bonds. The GARVEE transfer out for the Series 2012F & 2014C bonds is paid by a reimbursement from FHWA (Note 2).
18. **Operating transfers out** – Amount of transfer resulting from the Moore V HCA settlement. See 2ESHB 2376 section 708.