

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
THE STATE ROUTE NUMBER 520 CORRIDOR ACCOUNT
STATE FISCAL YEAR 2018, QUARTER ENDED MARCH 31, 2018**

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	YEAR-TO-DATE
REVENUES					
Toll revenue	1	\$ 18,090,047	\$ 22,305,100	\$ 20,598,478	\$ 60,993,624
Debt service reimbursement (FHWA)	2	85,339,588	-	14,661,563	100,001,150
Transponder sales	3	223,831	219,755	206,390	649,977
Toll vendor contractual damages	4	2,466	4,627	3,089	10,182
Toll bill reprocessing fee	5	325,581	273,420	393,510	992,511
Interest income		131,759	191,315	234,737	557,811
Miscellaneous	6	12,754	29,365	13,490	55,609
TOTAL REVENUES		<u>104,126,025</u>	<u>23,023,582</u>	<u>36,111,256</u>	<u>163,260,864</u>
EXPENDITURES					
Goods and Services					
Toll operations vendor contracts	7	1,761,049	1,803,670	2,053,502	5,618,221
Insurance	8	2,439,764	12,774	12,774	2,465,313
Credit card and bank fees		380,764	478,763	390,142	1,249,669
Transponder cost of goods sold	9	162,470	149,292	136,167	447,930
Pay-by-mail		326,561	372,985	328,370	1,027,916
Other	10	163,530	185,556	126,032	475,118
Total Goods and Services		<u>5,234,138</u>	<u>3,003,041</u>	<u>3,046,987</u>	<u>11,284,167</u>
Personal service contracts	11	548,185	654,905	566,649	1,769,739
Salaries and benefits		425,520	451,906	465,421	1,342,847
Cost of financing		-	-	-	-
Maintenance and preservation	12	423,584	689,187	447,836	1,560,606
TOTAL EXPENDITURES		<u>6,631,428</u>	<u>4,799,039</u>	<u>4,526,892</u>	<u>15,957,359</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>97,494,598</u>	<u>18,224,543</u>	<u>31,584,364</u>	<u>147,303,504</u>
OTHER FINANCING SOURCES (USES)					
Bonds issued		-	-	-	-
Operating Transfer In		-	-	-	-
Operating transfers out - debt service	13	(99,334,369)	(13,990,765)	(28,644,300)	(141,969,433)
Operating transfers out - GARVEE debt service		-	-	-	-
Operating transfers out		-	-	-	-
TOTAL OTHER FINANCING USES		<u>(99,334,369)</u>	<u>(13,990,765)</u>	<u>(28,644,300)</u>	<u>(141,969,433)</u>
NET CHANGE IN FUND BALANCE		<u>(1,839,771)</u>	<u>4,233,778</u>	<u>2,940,064</u>	<u>5,334,071</u>
FUND BALANCE - BEGINNING		<u>71,240,161</u>	<u>69,400,390</u>	<u>73,634,168</u>	<u>71,240,161</u>
FUND BALANCE - ENDING		<u>\$ 69,400,390</u>	<u>\$ 73,634,168</u>	<u>\$ 76,574,232</u>	<u>\$ 76,574,232</u>

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 are \$775,863 for current quarter and \$1,698,222 for fiscal year to date.

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.
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. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the SR520 corridor. 3rd quarter Maintenance totaled \$410,846 and preservation totaled \$36,990. Year to date Maintenance totaled \$1,287,896 and Preservation totaled \$272,710.
13. **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).