

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
INTERSTATE 405 AND STATE ROUTE 167 ETL
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STATE FISCAL YEAR 2025, QUARTER ENDED DECEMBER 31, 2024

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 8,995,651	\$ 9,656,861			\$ 18,652,512
Civil penalty	2	(831,492)	914,555			83,063
Transponder sales	3	214,680	187,091			401,771
Toll vendor contractual damages	4	25,484	132,261			157,745
Toll bill reprocessing fee	5	141,740	178,063			319,803
Interest income		1,761,331	2,226,962			3,988,293
Miscellaneous	6	182,946	2,663			185,609
TOTAL REVENUES		<u>10,490,340</u>	<u>13,298,456</u>	<u>-</u>	<u>-</u>	<u>23,788,796</u>
EXPENDITURES						
Goods and Services						
Toll operations vendor contracts	7	1,036,015	1,613,366			2,649,381
Credit card and bank fees		292,269	285,787			578,056
Transponder cost of goods sold	8	135,905	128,492			264,397
Pay-by-mail		225,439	215,800			441,239
Washington State Patrol	9	218,849	214,270			433,119
Other	10	94,893	79,612			174,505
Total Goods and Services		2,003,371	2,537,327	-	-	4,540,698
Personal service contracts	11	127,522	109,820			237,342
Salaries and benefits		438,270	426,714			864,984
Civil penalty adjudication cost	12	150,802	147,130			297,932
Maintenance and Preservation	13	969,920	74,839			1,044,759
Capital outlays		12,037,591	29,362,146			41,399,737
Other Agency/Program Expenditures	14	398,687	398,553			797,240
TOTAL EXPENDITURES		<u>16,126,164</u>	<u>33,056,529</u>	<u>-</u>	<u>-</u>	<u>49,182,693</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>(5,635,823)</u>	<u>(19,758,073)</u>	<u>-</u>	<u>-</u>	<u>(25,393,896)</u>
OTHER FINANCING SOURCES (USES)						
Operating transfers in		-	-	-	-	-
Operating transfers out		-	-	-	-	-
TOTAL OTHER FINANCING USES		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE		<u>(5,635,823)</u>	<u>(19,758,073)</u>	<u>-</u>	<u>-</u>	<u>(25,393,896)</u>
FUND BALANCE - BEGINNING		<u>250,440,472</u>	<u>244,804,649</u>			<u>250,440,472</u>
FUND BALANCE - ENDING		<u>\$ 244,804,649</u>	<u>\$ 225,046,576</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 225,046,576</u>

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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. I-405 AND SR 167 ETL portion of these expenditures in fiscal year 2025 are:

	Q1	Q2	Q3	Q4	Total
BOS CSC Procurement Allocation \$	-	\$ 21,105	-	-	\$ 21,105

Detailed Notes

1. **Toll Revenue** – Revenue is earned, net of any adjustments, from tolls on vehicles traveling in the I 405 express toll lanes, which are collected by either *Good To Go!* electronic toll accounts or pay-by-mail. Revenue is earned from single occupancy vehicles traveling in the High Occupancy Vehicle (HOV) Lanes on SR167 with a *Good To Go!* transponder account. A variable fee, based on traffic volumes, is automatically charged to their account.
2. **Civil Penalty**- Civil Penalty- Revenue is recognized when an unpaid toll escalates to a Notice of Civil Penalty (NOCP), which can occur 80 days after the toll trip date per RCW 46.63.160. Civil penalty revenue, comprising the toll amount plus a \$40 Civil Penalty, is recorded when the NOCP is issued to the registered owner of the tolled vehicle.
For Q1, negative revenue is due to Allowance for Doubtful Accounts (ADA) adjustments. Specifically, ADA adjustments reduce Civil Penalty Revenue based on unpaid NOCP balances outstanding for more than a year. In Q4 2023, WSDOT activated escalations in the back-office system, recognizing NOCP revenue from 21 months of unpaid bills. However, in Q1 2025, a large number of NOCPs aged beyond a year, leading to an increase in ADA adjustments and a significant decrease in NOCP revenue.
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. **Transponder Cost of Goods Sold** – Cost of purchasing, packaging, and shipping transponders. Transponder Cost of Goods Sold is directly related to Transponder Sales Revenue.
9. **Washington State Patrol** – Invoiced services not included in Other Agency/Program Expenditures as allowed by budget appropriation.
10. **Other Goods and Services** – Expenditures for supplies, communications, rents, repairs, services 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.
12. **Civil Penalty Adjudication Costs** – I-405 and SR 167 ETL share of the adjudication system vendor contract with ETAN for the adjudication system module, as well as its share of supplies, communications, credit card fees, Office of Administrative Hearings costs, and salaries and benefits of WSDOT staff.
13. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the I-405 and SR167 ETL.

	Q1	Q2	Q3	Q4	Total
Maintenance	\$ 681,690	\$ (833)			\$ 680,857
Preservation	288,230	75,672			363,902
Total	\$ 969,920	\$ 74,839	-	-	\$ 1,044,759

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)	\$ 18,600	\$ 18,600			\$ 37,200
Traffic Operations (Q)	4,115	3,981			8,096
Transportation Management (S)	14,098	14,098			28,196
Transportation Planning (T)	-	-			-
Charges From Other Agencies (U)	-	-			-
Washington State Patrol	361,874	361,874			723,748
Total	\$ 398,687	\$ 398,553	-	-	\$ 797,240