

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
STATE ROUTE 520 CORRIDOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
STATE FISCAL YEAR 2022, QUARTER ENDED JUNE 30, 2022

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
REVENUES						
Toll revenue	1	\$ 13,342,871	\$ 15,924,653	\$ 14,586,939	\$ 16,147,892	60,002,355
Debt service reimbursement (FHWA)	2	92,726,647	-	6,893,291	(0)	99,619,938
Transponder sales	3	150,420	256,411	176,466	168,187	751,485
Toll vendor contractual damages	4	356,655	91,012	12,618	376,513	836,798
Toll bill reprocessing fee	5	(14,338)	(66,845)	(76,872)	(75,717)	(233,772)
Interest income		71,706	104,431	120,606	354,076	650,819
Miscellaneous	6	(687)	84,838	312	28,233	112,696
TOTAL REVENUES		106,633,275	16,394,500	21,713,360	16,999,184	161,740,319
EXPENDITURES						
Goods and Services						
Toll operations vendor contracts	7	2,580,560	1,056,406	954,614	1,740,055	6,331,634
Insurance	8	5,816,082	19,519	14,640	9,760	5,860,001
Credit card and bank fees		252,599	429,179	440,651	492,023	1,614,452
Transponder cost of goods sold	9	75,802	188,408	123,233	168,155	555,599
Pay-by-mail		9,577	306,341	200,350	218,708	734,977
Other	10	92,335	269,963	187,077	206,653	756,027
Total Goods and Services		8,826,957	2,269,816	1,920,565	2,835,353	15,852,690
Personal service contracts	11	337,367	391,402	306,394	323,682	1,358,845
Salaries and benefits		409,922	327,492	385,731	379,082	1,502,228
Maintenance and preservation	12	409,442	481,356	462,645	512,717	1,866,160
Other Agency/Program Expenditures	13	238,817	110,879	186,232	153,372	689,299
TOTAL EXPENDITURES		10,222,504	3,580,946	3,261,567	4,204,206	21,269,223
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		96,410,771	12,813,554	18,451,793	12,794,979	140,471,096
OTHER FINANCING SOURCES (USES)						
Debt Service - Additional Proceeds		-	-	-	1,366	1,366
Operating transfers in	14	-	29,783,500	-	71,635,322	101,418,822
Operating transfers out	15	(105,457,060)	(12,727,036)	(19,613,114)	(12,723,074)	(150,520,284)
TOTAL OTHER FINANCING USES		(105,457,060)	17,056,464	(19,613,114)	58,913,614	(49,100,096)
NET CHANGE IN FUND BALANCE		(9,046,289)	29,870,018	(1,161,321)	71,708,592	91,371,000
FUND BALANCE - BEGINNING		82,606,012	73,559,723	103,429,741	102,268,420	82,606,012
FUND BALANCE - ENDING		\$ 73,559,723	\$ 103,429,741	\$ 102,268,420	\$ 173,977,012	173,977,012

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 2022 are:

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
BOS CSC Procurement Allocation	\$ 970,407	\$ 154,695	\$ 38,826	\$ 472,617	\$ 1,636,545

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 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. No new revenue has been reported since system conversion and WSDOT is working with its toll vendor to resume collection as soon as possible. Reported revenue is due to Allowance for Doubtful Accounts (ADA) adjustments.
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.

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Maintenance	\$ 397,819	\$ 481,069	\$ 449,135	\$ 510,106	\$ 1,838,129
Preservation	<u>11,623</u>	<u>287</u>	<u>13,510</u>	<u>2,611</u>	<u>28,031</u>
Total	\$ 409,442	\$ 481,356	\$ 462,645	\$ 512,717	\$ 1,866,160

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

	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Total</u>
Transportation Commission (L)	\$ 33,700	\$ 34,100	\$ 34,100	\$ 36,100	\$ 138,000
Traffic Operations (Q)	8,075	-	-	233	8,308
Transportation Management (S)	-	-	69,753	23,247	93,000
Transportation Planning (T)	142,919	22,656	28,256	33,169	226,999
Charges From Other Agencies (U)	-	-	-	6,500	6,500
Washington State Patrol	<u>54,123</u>	<u>54,123</u>	<u>54,123</u>	<u>54,123</u>	<u>216,492</u>
Total	\$ 238,817	\$ 110,879	\$ 186,232	\$ 153,372	\$ 689,299

14. **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. Half of the provided funds were transferred in FY 2022, with the rest expected to be transferred in FY 2023. Q4 includes a one-time transfer of funds as part of the Move Ahead Washington revenue package.
15. **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).