

**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 DECEMBER 31, 2017**

	<u>NOTES</u>	<u>JUL THROUGH SEP</u>	<u>OCT THROUGH DEC</u>	<u>YEAR-TO-DATE</u>
REVENUES				
Toll revenue	1	\$ 18,090,047	\$ 22,305,100	\$ 40,395,147
Debt service reimbursement (FHWA)	2	85,339,588	-	85,339,588
Transponder sales	3	223,831	219,755	443,586
Toll vendor contractual damages	4	2,466	4,627	7,093
Toll bill reprocessing fee	5	325,581	273,420	599,001
Interest income		131,759	191,315	323,074
Miscellaneous	6	12,754	29,365	42,119
TOTAL REVENUES		<u>104,126,025</u>	<u>23,023,582</u>	<u>127,149,608</u>
EXPENDITURES				
Goods and Services				
Toll CSC operations vendor contract	7	1,761,049	1,638,690	3,399,739
Toll lane vendor contract		-	164,981	164,981
Insurance	8	2,439,764	12,774	2,452,539
Credit card and bank fees		380,764	478,763	859,527
Transponder cost of goods sold	9	162,470	149,292	311,762
Pay-by-mail		326,561	372,985	699,546
Other	10	163,530	185,556	349,086
Total Goods and Services		<u>5,234,138</u>	<u>3,003,041</u>	<u>8,237,179</u>
Personal service contracts	11	548,185	654,905	1,203,090
Salaries and benefits		425,520	451,906	877,427
Cost of financing	12	-	-	-
Maintenance and preservation	13	423,584	689,187	1,112,771
TOTAL EXPENDITURES		<u>6,631,428</u>	<u>4,799,039</u>	<u>11,430,467</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>97,494,598</u>	<u>18,224,543</u>	<u>115,719,141</u>
OTHER FINANCING SOURCES (USES)				
Bonds issued	14	-	-	-
Operating Transfer In	15	-	-	-
Operating transfers out - debt service	16	(99,334,369)	(13,990,765)	(113,325,134)
Operating transfers out - GARVEE debt service		-	-	-
Operating transfers out		-	-	-
TOTAL OTHER FINANCING USES		<u>(99,334,369)</u>	<u>(13,990,765)</u>	<u>(113,325,134)</u>
NET CHANGE IN FUND BALANCE		(1,839,771)	4,233,778	2,394,007
FUND BALANCE - BEGINNING		<u>71,240,161</u>	<u>69,400,390</u>	<u>71,240,161</u>
FUND BALANCE - ENDING		<u>\$ 69,400,390</u>	<u>\$ 73,634,168</u>	<u>\$ 73,634,168</u>

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 2018, QUARTER ENDED DECEMBER 31, 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.
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 associated with the bond issuance planning and management.
13. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the SR520 corridor. Maintenance totaled \$488,064 and preservation totaled \$201,123.
14. **Bond Issued** – Bonds issued for SR 520 Bridge.
15. **Operating Transfer In** – Toll revenue transferred from NOCP account per transfer authority in 2016 Session Laws Chapter 14 Section 408.
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 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).