

**HIGH OCCUPANCY TOLL LANES OPERATIONS ACCOUNT (FUND 09F)
WASHINGTON STATE
DEPARTMENT OF TRANSPORTATION**

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCE
State Fiscal Year 2011, Quarter Ended June 30, 2011**

	NOTES	JULY THROUGH MARCH	APRIL THROUGH JUNE	YEAR-TO-DATE
OPERATING REVENUES:				
Tolling Revenue	1	446,054	205,136	651,190
Transponder Sales	2	57,867	12,646	70,513
Toll Vendor Contractual Damages	3	0	19,960	19,960
Miscellaneous Revenue	4	730	423	1,153
Total Operating Revenues		504,651	238,165	742,815
OPERATING EXPENDITURES:				
Goods and Services				
Toll Operator Contract	5	289,090	0	289,090
Credit Card and Bank Fees	6	12,263	4,286	16,549
Washington State Patrol	7	112,486	19,488	131,975
Transponder and TDD Cost of Goods Sold	8	55,390	11,244	66,634
Other	9	38,699	31,861	70,560
Salaries and Benefits	10	170,661	97,329	267,990
Total Operating Expenditures		678,590	164,208	842,798
EXCESS OF OPERATING REVENUE OVER EXPENDITURES		(173,939)	73,957	(99,983)
NONOPERATING INCOME (EXPENDITURES)				
Interest Income	11	6,376	1,255	7,631
Total Nonoperating Income (Expenditures)		6,376	1,255	7,631
NET CHANGE IN FUND BALANCE		(167,563)	75,212	(92,351)
FUND BALANCE - BEGINNING		797,818	630,254	797,818
FUND BALANCE - ENDING		630,254	705,466	705,466

Toll Financial Statements were prepared in accordance with Generally Accepted Accounting Principles for governmental type funds.

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

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Notes:

As of February 13, 2011, WSDOT transitioned tolling customer service center operations to a new vendor – Electronic Transaction Consultants Corporation (ETCC). With this transition, the new ETCC system encountered problems in the accuracy and timeliness of recording revenue and other accounting transactions. WSDOT and ETCC have investigated and corrected accounting records for known discrepancies. While we are not aware of material discrepancies in the accounting records for the fiscal year ending June 30, 2011, ETCC has not completed key reconciliations which ensure timely and accurate processing of financial transactions. Upon completion of these reconciliations, any discrepancies identified will be addressed and necessary correcting adjustments made during fiscal year 2012.

- 1 Tolling Revenue represents monies collected from single occupancy vehicles traveling in the High Occupancy Vehicle lanes (HOV Lanes on SR-167) with a Good to Go transponder account. A variable fee, based on traffic volumes, is automatically charged to their account.
- 2 Transponder Sales represents the sale of transponders and transponder disabling devices purchased by potential Good to Go electronic toll account customers.
- 3 Toll Vendor Contractual Damages is revenue from the HOT Lanes CSC operations vendor (ETCC) to repay HOT Lanes for costs related to WSDOT staff salaries and TransCore CSC operation costs.
- 4 Miscellaneous Revenue is the HOT Lanes fund allocated portion of administrative & statement fees, NSF, and cash over.
- 5 Toll Operator Contract expenditures are for contract payments to TransCore, for services provided in collecting tolls and managing electronic toll accounts.
- 6 Credit card fees include processing fees paid for Visa, MasterCard, American Express, and Discover.
- 7 The Washington State Patrol supports enforcement of the laws governing the use of the Hot Lanes by issuing citations to HOT Lanes violators.
- 8 Transponder and TDD Cost of Goods Sold represents the cost of transponders and TDDs sold, including the purchase price of the transponders and TDDs, packaging materials, and postage costs.
- 9 Other Goods and Services expenditures represent purchases of supplies, rents, repairs, printing, communication, and services provided by outside vendors. Year-to-date expenditures in the Other Goods and Services category are comprised of the following:

Technical Services	\$ 28,296
Supplies	\$ 619
Communications	\$ 2,616
Repairs/Copier Maintenance	\$ 477
Rentals (TEF, Leases, Copiers)	\$ 38,337
IT Software	\$ 214
total	\$ 70,560

- 10 Salaries and Benefits includes WSDOT staff supporting HOT Lanes operations.
- 11 Interest Income is a proportionate share of earnings from investments based upon the HOT Lanes average daily cash balance for the period. Interest also includes HOT Lanes proportionate share of the Central Toll Account interest. HOT Lanes share of the Central Toll Account interest was \$134 for the quarter.