

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
HIGH OCCUPANCY TOLL OPERATIONS 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 | \$ 844,465 | \$ 807,363 | \$ 745,805 | \$ 2,397,634 |
| Transponder sales | 2 | 23,172 | 21,024 | 21,517 | 65,713 |
| Toll vendor contractual damages | 3 | 192 | 289 | 200 | 681 |
| Interest income | | 7,336 | 12,578 | 16,067 | 35,981 |
| Miscellaneous | 4 | 984 | 2,748 | 1,026 | 4,758 |
| TOTAL REVENUES | | <u>876,149</u> | <u>844,003</u> | <u>784,616</u> | <u>2,504,767</u> |
| EXPENDITURES | | | | | |
| Goods and Services | | | | | |
| Toll operations vendor contracts | 5 | 130,057 | 142,847 | 165,901 | 438,805 |
| Credit card and bank fees | | 15,142 | 16,240 | 16,027 | 47,409 |
| Transponder cost of goods sold | 6 | 16,837 | 14,283 | 14,234 | 45,355 |
| Washington state patrol | 7 | 49,360 | 21,262 | 39,340 | 109,962 |
| Other | 8 | 16,999 | 13,143 | 16,345 | 46,487 |
| Total Goods and Services | | <u>228,395</u> | <u>207,775</u> | <u>251,847</u> | <u>688,018</u> |
| Personal service contracts | 9 | 21,738 | 35,695 | 24,001 | 81,434 |
| Salaries and benefits | | 82,148 | 74,296 | 84,706 | 241,150 |
| Maintenance and preservation | 10 | - | - | - | - |
| TOTAL EXPENDITURES | | <u>332,281</u> | <u>317,767</u> | <u>360,554</u> | <u>1,010,602</u> |
| EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | <u>543,867</u> | <u>526,235</u> | <u>424,061</u> | <u>1,494,164</u> |
| OTHER FINANCING USES | | | | | |
| Operating transfers out | | - | - | - | - |
| TOTAL OTHER FINANCING USES | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | | 543,867 | 526,235 | 424,061 | 1,494,164 |
| FUND BALANCE - BEGINNING | | 4,388,130 | 4,931,997 | 5,458,233 | 4,388,130 |
| FUND BALANCE - ENDING | | <u>\$ 4,931,997</u> | <u>\$ 5,458,233</u> | <u>\$ 5,882,294</u> | <u>\$ 5,882,294</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
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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. High Occupancy Toll Operations portion of these expenditures are \$44,754 for current quarter and \$97,959 for fiscal year to date.

Detailed Notes

1. **Toll Revenue** – Revenue 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. **Transponder Sales** – Sales of transponder devices to potential and existing *Good To Go!* electronic toll account customers.
3. **Toll Vendor Contractual Damages** – Charges to ETCC for not meeting Key Performance Indicators (KPIs).
4. **Miscellaneous Revenue** – This can include revenue for administrative and statement fees, NSF check fees, cash over, and prior period recoveries.
5. **Toll Operations Vendor Contracts** – The cost of capturing traffic activity in tolled lanes.
6. **Transponder Cost of Goods Sold** – Cost of purchasing, packaging, and shipping transponders. Transponder Cost of Goods Sold is directly related to Transponder Sales Revenue.
7. **The Washington State Patrol** – Support for the enforcement of the laws governing the use of the HOT Lanes by issuing citations to HOT Lane violators.
8. **Other Goods and Services** – Expenditures for supplies, communications, rents, repairs, services provided by outside vendors, etc.
9. **Personal Service Contracts** – Expenditures incurred for traffic and revenue forecast consulting and CSC operations consulting.
10. **Maintenance and Preservation** – Cost of maintenance and preservation activities on the HOT Lanes.