

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
HIGH OCCUPANCY TOLL OPERATIONS ACCOUNT
STATE FISCAL YEAR 2019, QUARTER ENDED SEPTEMBER 30, 2018**

	<u>NOTES</u>	<u>JUL THROUGH SEP</u>	<u>YEAR-TO-DATE</u>
REVENUES			
Toll revenue	1	\$ 816,487	\$ 816,487
Transponder sales	2	25,763	25,763
Toll vendor contractual damages	3	209	209
Interest income		18,541	18,541
Miscellaneous	4	1,014	1,014
TOTAL REVENUES		<u>862,013</u>	<u>862,013</u>
EXPENDITURES			
Goods and Services			
Toll operations vendor contracts	5	155,831	155,831
Credit card and bank fees		19,643	19,643
Transponder cost of goods sold	6	17,051	17,051
Washington state patrol	7	39,786	39,786
Other	8	16,275	16,275
Total Goods and Services		<u>248,587</u>	<u>248,587</u>
Personal service contracts	9	20,559	20,559
Salaries and benefits		110,577	110,577
Maintenance and preservation	10	-	-
TOTAL EXPENDITURES		<u>379,723</u>	<u>379,723</u>
EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES		<u>482,290</u>	<u>482,290</u>
OTHER FINANCING USES			
Operating transfers out		-	-
TOTAL OTHER FINANCING USES		<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE		482,290	482,290
FUND BALANCE - BEGINNING		<u>6,325,655</u>	<u>6,325,655</u>
FUND BALANCE - ENDING		<u>\$ 6,807,945</u>	<u>\$ 6,807,945</u>

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. High Occupancy Toll Operations portion of these expenditures are \$57,924 for current quarter and 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.