

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION  
INTERSTATE 405 ACCOUNT  
STATE FISCAL YEAR 2018, QUARTER ENDED JUNE 30, 2018**

	NOTES	JUL THROUGH SEP	OCT THROUGH DEC	JAN THROUGH MAR	APR THROUGH JUN	YEAR-TO-DATE
<b>REVENUES</b>						
Toll revenue	1	\$ 4,763,457	\$ 6,666,987	\$ 5,872,434	6,778,870	\$ 24,081,748
Civil penalty	2	813,419	285,938	1,010,687	348,992	2,459,035
Transponder sales	3	94,901	90,833	80,919	87,763	354,416
Toll vendor contractual damages	4	1,057	1,854	1,236	1,235	5,382
Toll bill reprocessing fee	5	146,654	241,850	86,605	135,491	610,601
Interest income		30,483	54,017	74,686	151,543	310,728
Miscellaneous	6	5,153	5,361	5,202	4,991	20,707
<b>TOTAL REVENUES</b>		<b>5,855,124</b>	<b>7,346,839</b>	<b>7,131,768</b>	<b>7,508,886</b>	<b>27,842,618</b>
<b>EXPENDITURES</b>						
Goods and Services						
Toll operations vendor contracts	7	872,843	849,637	954,970	1,149,482	3,826,932
Credit card and bank fees		105,968	131,739	110,845	135,217	483,769
Transponder cost of goods sold	8	73,650	66,688	62,763	59,284	262,386
Washington State Patrol	9	223,342	123,109	195,854	234,387	776,692
Pay-by-mail		173,208	178,077	166,486	164,863	682,633
Other	10	87,548	72,142	55,235	89,077	304,001
Total Goods and Services		1,536,559	1,421,393	1,546,152	1,832,310	6,336,414
Personal service contracts	11	133,540	211,413	176,359	153,625	674,937
Salaries and benefits		271,011	260,642	273,919	313,473	1,119,045
Civil penalty adjudication cost	12	140,300	149,222	143,356	143,042	575,921
Capital outlay		1,080,072	919,928	-	1,208,204	3,208,204
<b>TOTAL EXPENDITURES</b>		<b>3,161,482</b>	<b>2,962,598</b>	<b>2,139,787</b>	<b>3,650,654</b>	<b>11,914,521</b>
<b>EXCESS / (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>		<b>2,693,643</b>	<b>4,384,242</b>	<b>4,991,981</b>	<b>3,858,232</b>	<b>15,928,097</b>
<b>OTHER FINANCING SOURCES (USES)</b>	13	(2,019,000)	-	-	-	(2,019,000)
<b>TOTAL OTHER FINANCING USES</b>		<b>(2,019,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,019,000)</b>
<b>NET CHANGE IN FUND BALANCE</b>		<b>674,643</b>	<b>4,384,242</b>	<b>4,991,981</b>	<b>3,858,232</b>	<b>13,909,097</b>
<b>FUND BALANCE - BEGINNING</b>		<b>18,902,902</b>	<b>19,577,544</b>	<b>23,961,786</b>	<b>28,953,767</b>	<b>18,902,902</b>
<b>FUND BALANCE - ENDING</b>		<b>\$ 19,577,544</b>	<b>\$ 23,961,786</b>	<b>\$ 28,953,767</b>	<b>\$ 32,811,999</b>	<b>\$ 32,811,999</b>

*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. Interstate 405 portion of these expenditures are \$321,564 for current quarter and \$952,944 for fiscal year to date.

**Detailed Notes**

1. **Toll Revenue** – Revenue earned, net of any adjustments, from tolls on vehicles traveling in the I 405 express toll lanes, which are collected by either *Good To Go!* electronic toll accounts or pay-by-mail.
2. **Civil Penalty**- Revenue earned when any of the following conditions exist: (a) Payment of Notice of Civil Penalty is received, or (b) Notice of Civil Penalty payment due date passes without receiving a request for an administrative hearing, or (c) an Administrative Law Judge upholds the Notice of Civil Penalty.
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 Operations Vendor Contract** – Payment for monthly operations costs.
8. **Transponder Cost of Goods Sold** – Cost of purchasing, packaging, and shipping transponders. Transponder Cost of Goods Sold is directly related to Transponder Sales Revenue.
9. **The Washington State Patrol** – Support for the enforcement of the laws governing the use of 405 Express Toll Lanes by issuing citations to 405 violators.
10. **Other Goods and Services** – Expenditures for supplies, communications, rents, repairs, services 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.
12. **Civil Penalty Adjudication Costs** – I-405's share of the adjudication system vendor contract with ETCC for the adjudication system module, as well as its share of supplies, communications, credit card fees, Office of Administrative Hearings costs, and salaries and benefits of WSDOT staff.
13. **Other Financing Sources (Uses)** – Operating transfer out to reimburse Motor Vehicle Fund.