



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
STEVE HARELSON, CDOT CHIEF ENGINEER
JANE FISHER, DIRECTOR, PROGRAM MANAGEMENT OFFICE (PMO)
DATE: FEBRUARY 20, 2020
SUBJECT: MONTHLY CASH AND PROGRAM MANAGEMENT INFORMATION UPDATE

Purpose

To provide an update on cash and program management, including forecasts of monthly revenues, expenditures, and cash balances in Fund 400, the State Highway Fund.

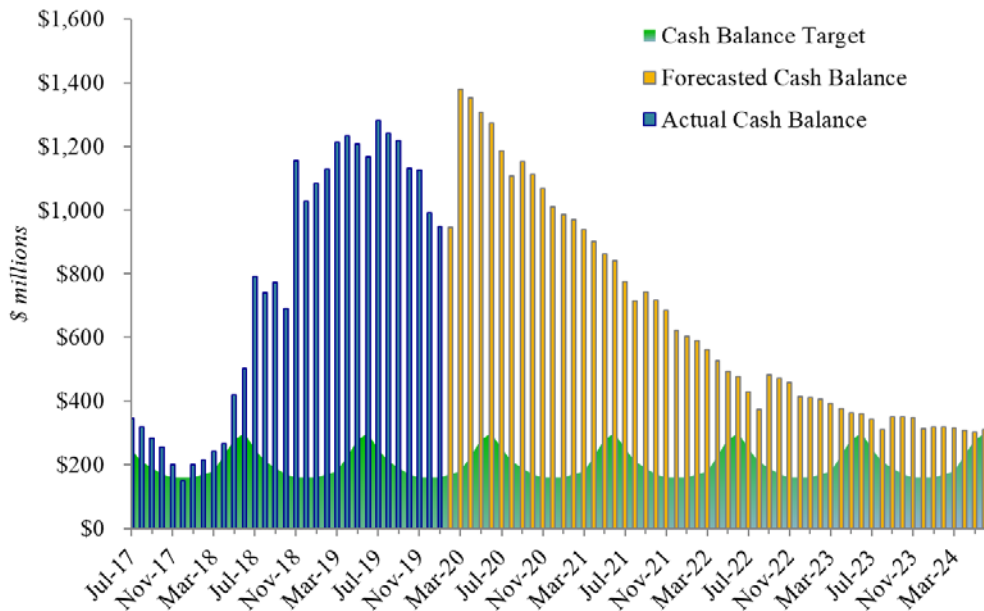
Action

No action requested or required.

Background

Figure 1 below depicts the forecast of the closing Fund 400 cash balance in each month, as compared to the targeted minimum cash balance for that month (green shaded area). The targeted minimum cash balances reflect the Transportation Commission’s directive (Policy Directive #703) to limit the risk of a cash overdraft at the end of a month to, at most, a probability of 1/1,000 (1 month of 1,000 months ending with a cash overdraft).

Figure 1 – Fund 400 Cash Forecast





The projected closing cash balance in January 2020 (some final figures were unavailable at the time of writing on February 10th) was \$948 million; \$788 million above that month’s cash balance target of \$160 million. The large cash balance results from the additional revenues listed below.

Cash Revenues

The forecast of revenues and capital proceeds includes:

Senate Bill 17-267: \$425 million in November 2018, \$500 million in March 2020, and then \$0 thereafter.

Senate Bill 18-001: \$346.5 million in July 2018, and \$105 million in July 2019.

Senate Bill 19-262: \$60 million in July 2019.

The forecast does not include \$500 million of revenues in each of FY21 and FY22 from SB 17-267 capital proceeds. The transit grants and the portions of projects that are to be funded from these sources are also excluded from this forecast. Revenues and expenditures for these sources will be added when there is more certainty regarding the availability of these revenues, likely after the conclusion of the legislative session. Cash balances will be drawn down closer to the target balances over the course of fiscal years 2020, 2021, 2022, and 2023 as projects funded with SB 18-001, SB 17-267, SB 19-262 progress through construction.

January’s closing cash balance is \$475 million lower than the December’s forecast of that balance, largely due to a change in the schedule for the receipt of year 2 SB 17-267 funds from January 2020 to March 2020. Also, the variance in the cash balance was affected by lower than expected federal reimbursements and contractor payouts.

Cash Payments to Construction Contractors

The current forecast of payments to construction contractors under state contracts (grants paid out under inter-government agreements for construction are accounted for elsewhere in the expenditure forecast) from Fund 400 is shown in Figure 2 below.

Figure 2 – Forecasted Payments - Existing and New Construction Contracts

<i>\$ millions</i>	<i>CY 2017 (actual)</i>	<i>CY 2018 (actual)</i>	<i>CY 2019 (actual)</i>	<i>CY 2020 (forecast)</i>	<i>CY 2021 (forecast)</i>	<i>CY 2022 (forecast)</i>	<i>CY 2023 (forecast)</i>	<i>CY 2024 (forecast)</i>
Expenditures	\$642	\$578	\$669	\$915	\$830	\$651	\$430	\$362

See the Dashboard of Major Projects memo for additional information on CY 2020 construction expenditures.





MEMORANDUM

TO: THE TRANSPORTATION COMMISSION
FROM: JEFF SUDMEIER, CDOT CHIEF FINANCIAL OFFICER
DATE: FEBRUARY 20, 2020
SUBJECT: STATE INFRASTRUCTURE BANK ACTIVITY REPORT FOR FISCAL YEAR 2019-20

Purpose

This memo summarizes information related to State Infrastructure Bank (SIB) activity in the State fiscal year (FY) 2019-20 to date.

Action

This is for information purposes only. No action is requested or required by the Transportation Commission regarding this item.

Background

The State Infrastructure Bank was created in 43-1-113.5 CRS, and in accordance with Procedural Directive (PD) 0720.1:

“The Division of Accounting and Finance (DAF) shall prepare a financial summary and review of the Transportation Infrastructure Revolving Fund (Fund 715) on a periodic basis. OFMB shall present the report to the Colorado Transportation Commission (TC) at their monthly meeting in August for the period ending June 30th of the previous State fiscal year, and as a mid-year review, in February for the period ending December 31st of the current State fiscal year.”

Summary Narrative

As of December 31, 2019 the Colorado SIB had \$28.6 million in total assets. Of the total assets, 78.1 percent (\$22.3 million) was attributed to the Aeronautics account and 21.9 percent (\$6.3 million) was attributed to the Highway account. The Transit and Rail accounts of the Colorado SIB have never been capitalized, nor have any loans been made from that account.

As of December 31, 2019, there was a total of \$14.0 million available to loan, of which \$9.1 million was in the Aeronautics account and \$4.9 million was in the Highway account.

To date, the Colorado SIB has seven outstanding loans totaling \$18.9 million. Five loans are from the Aeronautics account totaling \$16.8 million, and two loans are from the Highway account totaling \$2.1 million.



In September 2019, the Transportation Commission approved an aeronautics SIB loan in the amount of \$7.5 million with the Colorado Springs Airport. As this loan was not executed as of December 31, 2019 it is not reflected in Tables 1 and 2 below, or in the figures above.

The interest rate was raised starting July 1, 2018 to three (3%) percent for the first half of fiscal year 2018-19, and increased to three and one quarter (3.25%) percent the second half of fiscal year 2018-2019. The Transportation Commission approved a rate reduction to two and one half (2.5%) percent in December, 2019, to be effective for the second half of 2019-20. There were no loans paid in full in the second half of FY2018-19. As of December 31, 2019, all Colorado SIB loans were current.

DAF continues to work with municipalities and the Division of Aeronautics to advertise the State Infrastructure Bank Program, including meeting with general use airports and presenting at the Colorado Airport Operators Association annual meeting.

Table 1: Colorado SIB Assets Summary, As of December 31, 2019

Overview of Colorado SIB Assets			
As Of 12/31/2019			
Assets	Aeronautics	Highways	Total
Cash:			
Fund 715	\$ 9,095,376	\$ 4,887,890	\$ 13,983,266
Authorized Federal Funds	\$ -	\$ -	\$ -
Amount Available to Loan	\$ 9,095,376	\$ 4,887,890	\$ 13,983,266
Accounts Receivable:			
Outstanding Loan Balances	\$ 13,222,694	\$ 1,368,661	\$ 14,591,355
Accrued Interest	\$ -	\$ -	\$ -
Total Accounts Receivable	\$ 13,222,694	\$ 1,368,661	\$ 14,591,355
Total Assets	\$ 22,318,070	\$ 6,256,551	\$ 28,574,621
Percent of Account/Fund Loaned	59.25%	21.88%	51.06%



Table 2, Colorado SIB Loan Summary, As of December 31, 2019

Colorado SIB Loans Summary As Of 12/31/2019								
	Original Loan	Balance Due	Debt Service	Interest Rate	Original Loan Date	Next Payment Due Date	Termination Date	Contract No.
Aeronautics Account:								
Colorado Springs	\$ 2,336,000	\$ 1,240,011	\$ 266,908	2.50%	12/1/2014	12/1/2019	12/1/2024	AVNFY2015-001
Colorado Springs	\$ 3,431,183	\$ 2,489,232	\$ 392,043	2.50%	5/26/2016	5/26/2020	5/26/2026	AVNFY2016-002
Greeley-Weld County Airport Authority	\$ 1,000,000	\$ 192,521	\$ 197,334	2.50%	5/13/2016	5/13/2020	5/13/2021	AVNFY2016-001
Arapahoe County Airport Authority	\$ 8,000,000	\$ 7,285,930	\$ 914,070	2.50%	6/1/2018	6/1/2020	6/1/2028	AVNFY2018-001
Rocky Mountain Metropolitan Airport	\$ 2,015,000	\$ 2,015,000	\$ 236,219	3.00%	3/25/2019	3/25/2020	3/25/2029	AVNFY2019-001
Total:	\$ 16,782,183	\$ 13,222,694	\$ 2,006,575					
Highway Account:								
Central City	\$ 1,521,693	\$ 957,680	\$ 173,867	2.50%	7/17/2015	7/16/2020	7/17/2025	HWYFY2016-001
Park County	\$ 566,500	\$ 410,981	\$ 64,728	2.50%	2/26/2016	2/26/2020	2/26/2026	HWYFY2016-002
Total:	\$ 2,088,193	\$ 1,368,661	\$ 238,595					
Grand Total:	\$ 18,870,376	\$ 14,591,355	\$ 2,245,170					

Next Steps

In accordance with Procedural Directive (PD) 0720-1 (21), Staff will provide the Commission a review of year-to-date FY 2019-20 SIB activities in August 2020.

