

MEMORANDUM

TO: THE TRANSPORTATION COMMISSION  
 FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER  
 DATE: JANUARY 15, 2020  
 SUBJECT: SIXTH AMENDMENT TO THE FY2019-20 ANNUAL BUDGET

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**Purpose**

To review the sixth amendment to the FY 2019-20 Annual Budget in accordance with Policy Directive (PD) 703.0.

**Action**

The Division of Accounting and Finance (DAF) is requesting Transportation Commission (TC) review and approval of the sixth amendment to the FY 2019-20 Annual Budget. The sixth amendment includes one item requiring TC approval, described below, resulting in the reallocation of funds to Snow and Ice Control.

**Budget Amendments**

**Snow and Ice Control**

**\$7.2 million from Maintenance Reserve Fund (Line 35) to Snow and Ice Control (Line 28):**

The Division of Maintenance and Operations (DMO) is requesting \$7,193,100 from the Transportation Commission Maintenance Contingency Reserve Fund to cover a projected budget deficit associated with winter operations.

The DMO projects estimated winter snow and ice costs. If the projection shows a deficit through the end of the winter season, DMO requests a percentage of that total deficit from the Maintenance Contingency Reserve Fund according to the following schedule:

Month	Percentage Request	Month	Percentage Request
October	0%	March	70%
November	0%	April	80%
December	40%	May	90%
January	50%	June	100%
February	60%		

Section	Budget	Expenditure	Winter Remaining	Budget Remaining	Surplus/Deficit	S&I Contingency Request
<b>Greeley</b>	\$13,452,239.30	\$7,708,119.82	58.74%	42.70%	(\$2,157,725.89)	\$1,078,900.00
<b>G.J.</b>	\$15,211,031.88	\$10,351,245.08	58.74%	31.95%	(\$4,075,173.33)	\$2,037,600.00
<b>Durango</b>	\$4,148,148.82	\$3,156,810.32	58.74%	23.90%	(\$1,445,284.12)	\$722,600.00
<b>Pueblo</b>	\$11,226,252.60	\$6,604,946.01	58.74%	41.17%	(\$1,972,994.19)	\$986,500.00
<b>Aurora</b>	\$14,988,259.25	\$8,508,927.43	58.74%	43.23%	(\$2,324,771.67)	\$1,162,400.00
<b>Craig</b>	\$5,804,200.95	\$2,635,398.80	58.74%	54.59%	(\$240,585.49)	\$120,300.00
<b>Alamosa</b>	\$3,624,417.91	\$2,330,504.59	58.74%	35.70%	(\$835,069.76)	\$417,500.00
<b>EJMT</b>	\$10,433,249.33	\$5,478,065.90	58.74%	47.49%	(\$1,173,307.23)	\$586,700.00
<b>Aurora T</b>	\$0.00	\$0.00	58.74%	100.00%	\$0.00	\$0.00
<b>Pueblo T</b>	\$0.00	\$0.00	58.74%	100.00%	\$0.00	\$0.00
<b>G.J. T</b>	\$0.00	\$8,346.25	58.74%	100.00%	\$0.00	*\$8,300.00
<b>Greeley T</b>	\$0.00	\$41,137.56	58.74%	100.00%	\$0.00	*\$41,100.00
<b>Durango T</b>	\$0.00	\$31,248.65	58.74%	100.00%	\$0.00	*\$31,200.00
<b>State</b>	\$78,887,800.04	\$46,854,750.44	58.74%	40.61%	(\$14,224,911.67)	\$7,193,100.00
<b>Total S&amp;I Contingency Request: \$7,193,100.00</b>						

DMO is currently forecasting a total deficit through the end of the winter season of \$14.2 million, and is requesting allocation of 50% of that deficit (\$7,193,100) in January.

#### Options and Recommendation

1. Approve proposed Budget Amendment (see temporary resolution #6) -- **STAFF RECOMMENDATION.**
2. Approve proposed Budget Amendment with modifications
3. Request additional information and defer action to a subsequent month.

#### Attachments

Attachment A: Memorandum from Division of Maintenance and Operations  
Attachment B: Presentation  
Attachment C: Amended FY 2019-20 Annual Budget





**COLORADO**  
**Department of Transportation**  
Division of Maintenance & Operations  
2829 W. Howard Place, 4<sup>th</sup> Floor  
Denver CO 80204

**TO:** Transportation Commission  
**FROM:** Kyle Lester, Director, Division of Maintenance and Operations  
**CC:** Jeffrey J. Sudmeier, Chief Financial Officer

**DATE:** January 7, 2020  
**SUBJECT:** FY20 Maintenance Contingency Request

**Purpose**

The Division of Maintenance and Operations (DMO) is requesting \$7,193,100 from the Transportation Commission Maintenance Contingency Reserve.

**Action Requested**

Approval of requested additional funds.

**Background**

Colorado has had more snow fall earlier in winter throughout much of the state, 22% more snowplow miles in November 2019 than any other November since 2006. DMO is requesting 50% of the projected budget shortfall to ensure all of the Maintenance and Traffic sections remain solvent for the winter season and are able to complete summer maintenance activities.

**PROCESS**

Within the DMO, winter is defined as October 14<sup>th</sup> through May 8<sup>th</sup>. Using the MLOS Section Snow and Ice Report, a request for supplemental funding is recommended, if the Remaining Winter exceeds the S&I Section Budget Remaining. The following guidelines are used to determine the Section TC Recommendation.

**Snow and Ice Section Recommendation Percentage Guide**

Month	Percentage Request	Month	Percentage Request
October	0%	March	70%
November	0%	April	80%
December	40%	May	90%
January	50%	June	100%
February	60%		

Section	Budget	Expenditure	Winter Remaining	Budget Remaining	Surplus/Deficit	S&I Contingency Request
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<b>State</b>	\$78,887,800.04	\$46,854,750.44	58.74%	40.61%	(\$14,224,911.67)	<b>\$7,193,100.00</b>
<b>Total S&amp;I Contingency Request: \$7,193,100.00</b>						

\*Requesting 100% reimbursement for the Traffic Sections. Traffic Sections do not receive budget for Snow and Ice Operations.



**COLORADO**  
Department of Transportation

FY 2019-20 Budget Amendment  
January 2020



## **FY 2019-20 Budget Amendment:**

- Transfer to Snow and Ice Control - \$7,193,100





# DMO Request for Snow and Ice Control

The Division of Maintenance and Operations (DMO) is requesting a transfer of \$7,193,100 from the Maintenance Reserve Fund (Line 35) to Snow and Ice Control (Line 28) to cover additional costs associated with winter operations.





# Snow and Ice Section Recommendation

## Snow and Ice Section Recommendation Percentage Guide

Month	Percentage Request	Month	Percentage Request
October	0%	March	70%
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December	40%	May	90%
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State	\$78,887,800.04	\$46,854,750.44	58.74%	40.61%	(\$14,224,911.67)	\$7,193,100.00
<b>Total S&amp;I Contingency Request: \$7,193,100.00</b>						





**COLORADO**  
Department of Transportation

Questions?

**Attachment A: FY 2019 - 2020 CDOT AMENDED ANNUAL BUDGET**

Line	Budget Category / Program	Rollforward from FY 2018-19	FY 2019-20 Allocation Plan	Proposed TC Amendments	Approved TC Amendments	EMT and Staff Approved Adjustments	Total FY20 Program Budget Available including Changes	Funding Source
<b>1</b>	<b>COLORADO DEPARTMENT OF TRANSPORTATION</b>							
2	Capital Construction	\$452.6 M	\$1,085.9 M	\$0.0 M	\$218.4 M	\$100.8 M	\$1,857.8 M	
3	Asset Management	\$77.5 M	\$318.9 M	\$0.0 M	\$0.0 M	-\$1.3 M	\$395.1 M	
4	Surface Treatment	\$2.7 M	\$222.0 M	\$0.0 M	\$0.0 M	-\$0.8 M	\$223.9 M	FHWA / SH / SB 09-108
5	Structures	\$2.0 M	\$56.6 M	\$0.0 M	\$0.0 M	-\$1.1 M	\$57.5 M	FHWA / SH / SB 09-108
6	System Operations-AM*	\$4.8 M	\$24.1 M	\$0.0 M	\$0.0 M	\$0.0 M	\$28.9 M	FHWA / SH
7	Geohazards Mitigation	\$0.5 M	\$9.7 M	\$0.0 M	\$0.0 M	\$0.0 M	\$10.2 M	SB 09-108
8	Permanent Water Quality Mitigation	\$16.1 M	\$6.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$22.6 M	FHWA / SH
9	Emergency Relief	\$51.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.6 M	\$51.9 M	FHWA
10	Safety	\$18.6 M	\$140.5 M	\$0.0 M	-\$11.4 M	-\$1.6 M	\$146.2 M	
11	Highway Safety Improvement Program	\$5.1 M	\$44.0 M	\$0.0 M	-\$11.4 M	\$0.0 M	\$37.7 M	FHWA / SH
12	Railway-Highway Crossings Program	\$5.6 M	\$3.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$9.0 M	FHWA / SH
13	Hot Spots	\$0.0 M	\$2.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.2 M	FHWA / SH
14	FASTER Safety	\$2.3 M	\$68.5 M	\$0.0 M	\$0.0 M	-\$1.6 M	\$69.2 M	SB 09-108
15	ADA Compliance	\$5.7 M	\$22.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$28.1 M	FHWA / SH
16	Mobility	\$356.4 M	\$626.5 M	\$0.0 M	\$229.8 M	\$103.8 M	\$1,316.5 M	
17	Regional Priority Program	\$31.4 M	\$48.4 M	\$0.0 M	\$0.0 M	\$0.9 M	\$80.7 M	FHWA / SH
18	Strategic Projects	\$283.5 M	\$555.0 M	\$0.0 M	\$229.8 M	\$103.5 M	\$1,171.8 M	SB 17-267 / SB 19-262
19	National Highway Freight Program	\$41.5 M	\$23.1 M	\$0.0 M	\$0.0 M	-\$0.7 M	\$64.0 M	FHWA / SH
20	Maintenance and Operations	\$38.4 M	\$336.0 M	\$0.0 M	\$39.3 M	-\$10.9 M	\$402.6 M	
21	Asset Management	\$26.7 M	\$315.4 M	\$0.0 M	\$24.9 M	-\$3.3 M	\$363.7 M	
22	Maintenance Program Areas	\$4.3 M	\$265.7 M	\$7.2 M	\$2.8 M	\$5.6 M	\$285.5 M	
23	Roadway Surface	\$0.6 M	\$36.5 M	\$0.0 M	\$0.4 M	\$0.8 M	\$38.2 M	SH
24	Roadside Facilities	\$0.4 M	\$24.4 M	\$0.0 M	\$0.3 M	\$0.5 M	\$25.5 M	SH
25	Roadside Appearance	\$0.2 M	\$10.7 M	\$0.0 M	\$0.1 M	\$0.2 M	\$11.2 M	SH
26	Structure Maintenance	\$0.1 M	\$6.1 M	\$0.0 M	\$0.1 M	\$0.1 M	\$6.4 M	SH
27	Tunnel Activities	\$0.1 M	\$6.0 M	\$0.0 M	\$0.1 M	\$0.1 M	\$6.3 M	SH
28	Snow and Ice Control	\$1.3 M	\$79.2 M	\$7.2 M	\$0.8 M	\$1.7 M	\$90.2 M	SH
29	Traffic Services	\$1.1 M	\$65.4 M	\$0.0 M	\$0.7 M	\$1.4 M	\$68.5 M	SH
30	Materials, Equipment, and Buildings	\$0.3 M	\$17.3 M	\$0.0 M	\$0.2 M	\$0.4 M	\$18.1 M	SH
31	Planning and Scheduling	\$0.3 M	\$17.7 M	\$0.0 M	\$0.2 M	\$0.4 M	\$18.6 M	SH
32	Toll Corridor General Purpose Lanes	\$0.0 M	\$2.3 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.4 M	SH
33	Property	\$0.3 M	\$17.6 M	\$0.0 M	\$5.7 M	\$1.6 M	\$25.2 M	SH
34	Road Equipment	\$22.1 M	\$22.1 M	\$0.0 M	\$4.4 M	-\$10.5 M	\$38.1 M	SH
35	Maintenance Reserve Fund	\$0.0 M	\$10.0 M	-\$7.2 M	\$12.0 M	\$0.0 M	\$14.8 M	SH
36	Safety	\$2.2 M	\$0.0 M	\$0.0 M	\$11.4 M	-\$6.4 M	\$7.2 M	
37	Strategic Safety Program	\$2.2 M	\$0.0 M	\$0.0 M	\$11.4 M	-\$6.4 M	\$7.2 M	FHWA / SH
38	Mobility	\$9.4 M	\$20.6 M	\$0.0 M	\$3.0 M	-\$1.2 M	\$31.7 M	
39	Real-Time Traffic Operations	\$0.1 M	\$10.6 M	\$0.0 M	\$2.8 M	-\$1.4 M	\$12.0 M	SH
40	ITS Investments	\$9.4 M	\$10.0 M	\$0.0 M	\$0.2 M	\$0.2 M	\$19.7 M	FHWA / SH
41	Multimodal Services	\$92.0 M	\$71.9 M	\$0.0 M	-\$14.3 M	\$17.7 M	\$167.4 M	
42	Mobility	\$92.0 M	\$71.9 M	\$0.0 M	-\$14.3 M	\$17.7 M	\$167.4 M	
43	Innovative Mobility Programs	\$16.0 M	\$12.1 M	\$0.0 M	-\$14.3 M	\$0.0 M	\$13.8 M	FHWA / SH
44	Strategic Transit and Multimodal Projects	\$67.3 M	\$50.0 M	\$0.0 M	\$0.0 M	\$16.3 M	\$133.6 M	SB 17-267
45	Rail Commission	\$2.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$2.5 M	SL
46	Bustang	\$6.2 M	\$9.9 M	\$0.0 M	\$0.0 M	\$1.4 M	\$17.5 M	SB 09-108 / Fare Rev.
47	Suballocated Programs	\$425.7 M	\$243.6 M	\$0.0 M	\$0.0 M	-\$33.4 M	\$635.9 M	
48	Aeronautics	\$18.1 M	\$33.3 M	\$0.0 M	\$0.0 M	\$0.6 M	\$51.9 M	
49	Aviation System Programs	\$18.1 M	\$33.3 M	\$0.0 M	\$0.0 M	\$0.6 M	\$51.9 M	SA
50	Highway	\$237.5 M	\$123.6 M	\$0.0 M	\$0.0 M	-\$19.1 M	\$341.9 M	
51	STP-Metro	\$147.2 M	\$55.4 M	\$0.0 M	\$0.0 M	-\$4.9 M	\$197.7 M	FHWA / LOC
52	Congestion Mitigation and Air Quality	\$73.2 M	\$50.2 M	\$0.0 M	\$0.0 M	-\$14.6 M	\$108.7 M	FHWA / LOC
53	Metropolitan Planning	\$1.6 M	\$8.6 M	\$0.0 M	\$0.0 M	-\$0.4 M	\$9.8 M	FHWA / FTA / LOC
54	Off-System Bridge Program	\$15.4 M	\$9.4 M	\$0.0 M	\$0.0 M	\$0.8 M	\$25.7 M	FHWA / FSH / LOC
55	Transit and Multimodal	\$170.2 M	\$86.8 M	\$0.0 M	\$0.0 M	-\$14.9 M	\$242.0 M	
56	Recreational Trails	\$2.4 M	\$1.6 M	\$0.0 M	\$0.0 M	-\$2.1 M	\$1.9 M	FHWA
57	Safe Routes to School	\$7.9 M	\$3.1 M	\$0.0 M	\$0.0 M	\$1.9 M	\$12.9 M	FHWA
58	Transportation Alternatives Program	\$31.8 M	\$12.3 M	\$0.0 M	\$0.0 M	-\$0.5 M	\$43.5 M	FHWA / LOC
59	Transit Grant Programs	\$56.3 M	\$47.3 M	\$0.0 M	\$0.0 M	\$0.0 M	\$103.6 M	FTA / LOC / SB 09-108
60	Multimodal Options Program	\$71.8 M	\$22.5 M	\$0.0 M	\$0.0 M	-\$14.1 M	\$80.1 M	SB 19-125
61	Administration & Agency Operations	\$21.4 M	\$103.3 M	\$0.0 M	\$6.0 M	\$22.0 M	\$152.8 M	
61	Agency Operations*	\$21.4 M	\$65.0 M	\$0.0 M	\$6.0 M	\$22.0 M	\$114.4 M	FHWA / SH / SA / SB 09-108
62	Administration	\$0.0 M	\$38.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$38.4 M	SH
63	Debt Service	\$0.0 M	\$62.8 M	\$0.0 M	\$1.9 M	\$0.0 M	\$64.7 M	
64	Debt Service	\$0.0 M	\$62.8 M	\$0.0 M	\$1.9 M	\$0.0 M	\$64.7 M	FHWA / SH
65	Contingency Reserve	\$184.2 M	\$23.8 M	\$0.0 M	-\$175.3 M	\$68.7 M	\$101.4 M	
66	Contingency Fund	\$20.2 M	\$15.0 M	\$0.0 M	\$17.4 M	\$0.0 M	\$52.6 M	FHWA / SH
67	Reserve Fund	\$164.1 M	\$8.8 M	\$0.0 M	-\$192.7 M	\$68.7 M	\$48.9 M	FHWA / SH
68	Other Programs	\$17.2 M	\$27.9 M	\$0.0 M	\$0.0 M	\$1.5 M	\$46.6 M	
69	Safety Education	\$9.4 M	\$12.9 M	\$0.0 M	\$0.0 M	\$1.6 M	\$23.9 M	NHTSA / SSE
70	Planning and Research	\$7.8 M	\$14.6 M	\$0.0 M	\$0.0 M	-\$0.1 M	\$22.3 M	FHWA / SH
71	State Infrastructure Bank	\$0.0 M	\$0.4 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.4 M	SIB
72	<b>TOTAL - CDOT</b>	<b>\$1,231.5 M</b>	<b>\$1,955.1 M</b>	<b>\$0.0 M</b>	<b>\$76.0 M</b>	<b>\$166.6 M</b>	<b>\$3,429.2 M</b>	

\*Allocated plan amounts do not reflect budget originally pushed due to reorganization

73 COLORADO BRIDGE ENTERPRISE							
74	Capital Construction	\$48.3 M	\$96.9 M	\$0.0 M	\$0.0 M	\$13.7 M	\$158.9 M
75	Asset Management	\$48.3 M	\$96.9 M	\$0.0 M	\$0.0 M	\$13.7 M	\$158.9 M
76	Bridge Enterprise Projects-CBE	\$48.3 M	\$96.9 M	\$0.0 M	\$0.0 M	\$13.7 M	\$158.9 M
77	Maintenance and Operations	\$0.8 M	\$0.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$1.3 M
78	Asset Management	\$0.8 M	\$0.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$1.3 M
79	Maintenance and Preservation-CBE	\$0.8 M	\$0.5 M	\$0.0 M	\$0.0 M	\$0.0 M	\$1.3 M
80	Administration & Agency Operations	\$2.4 M	\$1.8 M	\$0.0 M	\$0.0 M	\$0.0 M	\$4.2 M
81	Agency Operations-CBE	\$2.4 M	\$1.8 M	\$0.0 M	\$0.0 M	\$0.0 M	\$4.2 M
82	Debt Service	\$0.0 M	\$18.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$18.2 M
83	Debt Service-CBE	\$0.0 M	\$18.2 M	\$0.0 M	\$0.0 M	\$0.0 M	\$18.2 M
84	TOTAL - BRIDGE ENTERPRISE	\$51.5 M	\$117.4 M	\$0.0 M	\$0.0 M	\$13.7 M	\$182.6 M

85 HIGH PERFORMANCE TRANSPORTATION ENTERPRISE							
86	Maintenance and Operations	\$45.0 M	\$18.8 M	\$0.0 M	\$0.0 M	\$3.1 M	\$66.9 M
87	Express Lanes Operations-HPTE	\$45.0 M	\$18.8 M	\$0.0 M	\$0.0 M	\$3.1 M	\$66.9 M
88	Administration & Agency Operations	\$2.8 M	\$5.7 M	\$0.0 M	\$0.0 M	\$2.5 M	\$11.0 M
89	Agency Operations-HPTE	\$2.8 M	\$5.7 M	\$0.0 M	\$0.0 M	\$2.5 M	\$11.0 M
90	Debt Service	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M
91	Debt Service-HPTE	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M	\$0.0 M
92	TOTAL - HIGH PERFORMANCE TRANSPORTATION ENTERPRISE	\$47.8 M	\$24.5 M	\$0.0 M	\$0.0 M	\$5.6 M	\$77.9 M
93	TOTAL - CDOT AND ENTERPRISES	\$1,330.8 M	\$2,097.0 M	\$0.0 M	\$76.0 M	\$185.8 M	\$3,689.7 M



MEMORANDUM

TO: THE TRANSPORTATION COMMISSION  
FROM: JEFF SUDMEIER, CHIEF FINANCIAL OFFICER  
DATE: JANUARY 16, 2020  
SUBJECT: Q2 ANNUAL REVENUE FORECAST INFORMATION UPDATE

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**Purpose**

To provide an update on the changes to the annual revenue forecast for the current FY 2019-20 Annual Budget and the proposed FY 2020-21 Annual Budget.

**Action**

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

**Background**

The Office of Financial Management and Budget (OFMB) maintains an annual revenue model that is used to guide CDOT's budget-setting process. OFMB's revenue team updates the model each quarter to monitor the course of a current year's fiscal performance, as well as inform the budget for future out-years. Some of the data used by the model includes, but is not limited to:

- National economic performance indicators (e.g. U.S. GDP and U.S. Federal Reserve interest rates).
- State population data such as net immigration, annual vehicle miles traveled (VMT) in Colorado, and the historical performance of the Highway User Tax Fund.
- Bureau of Labor Statistics & Bureau of Economic Analysis data, such as historical and forecasted year-over-year percent changes in personal income and the consumer price index.
- The forecasted, aggregated interest rates on new car loans annually, and retail gasoline prices from the Energy Information Administration.
- Estimated vehicle costs, including federal or state rebates for certain vehicles, as well vehicle fuel efficiency, and annual vehicle scrappage rates.

The model also includes federally or state-appropriated funding from grants or other sources, such as the Federal Highway and Federal Transit Administrations (FHWA & FTA), and the National Highway Traffic Safety Administration (NHTSA).

The outputs from this model are used to develop the Annual Budget Revenue Allocation Plan (i.e. the Budget One-sheet). During the annual budget development process, CDOT staff reconcile annual projected revenues with the expenditure requests from all of the Department's divisions and executive management and update the Revenue Allocation Plan as decisions are made. Staff provides draft and final versions of the Revenue Allocation Plan for formal review and approval by the Transportation Commission, which then becomes CDOT's official budget for the next fiscal year.





**Updates to Revenue Projections (FY 2019-20 and FY 2020-21)**

The Department’s total annual budget for FY 2019-20 and FY 2020-21 is \$2.134 billion and \$1.990 billion respectively, with the Highway User Tax Fund (HUTF) portion comprising about 30 percent of total revenue. However, HUTF has the most complexity with regards to modeling and forecasting CDOT’s anticipated earnings since it is fueled by consumer behavior, such as annual gasoline consumption and vehicle registrations throughout the state. The majority of the Department’s remaining revenue consists of federal funding, such as FHWA appropriations and FTA and NHTSA grants, as well as General Fund transfers from the state. No forecasting mechanism is needed in the case of these funds, since they are appropriated on an annual basis and remain largely unchanged following allocation.

Based on the most recent available data, FY 2019-20 HUTF distributions to CDOT are forecasted to be about \$8.9M less than the initial budget projection reflected in the Final FY 2019-20 Annual Budget. Additionally, FY 2020-21 HUTF distributions to CDOT are projected to be about \$7.9M less than the original budget forecast reflected in the Proposed FY 2020-21 Annual Budget. The majority of the variance for both FY 2019-20 and FY 2020-21 are from Motor Fuel Taxes and Motor Vehicle Registrations, which is summarized below in more detail in Table 1.

**Table 1 - HUTF Revenue Forecasts**

CDOT HUTF Distributions <i>In Millions</i>	FY2019-20				FY2020-21			
	FY2019-20 Budget	December Forecast	Difference	% Change	Proposed Budget	December Forecast	Difference	% Change
Motor Fuel Taxes	\$327.3	\$321.6	(\$5.6)	-1.72%	\$326.6	\$321.7	(\$4.9)	-1.51%
Motor Vehicle Registrations	\$116.9	\$114.9	(\$2.0)	-1.72%	\$116.6	\$114.9	(\$1.8)	-1.51%
Other HUTF	\$23.4	\$23.0	(\$0.4)	-1.72%	\$23.3	\$23.0	(\$0.4)	-1.51%
FASTER Collections	\$118.5	\$117.7	(\$0.8)	-0.71%	\$120.5	\$119.6	(\$0.8)	-0.70%
<b>Total</b>	<b>\$586.0</b>	<b>\$577.1</b>	<b>(\$8.9)</b>	<b>-1.52%</b>	<b>\$587.0</b>	<b>\$579.2</b>	<b>(\$7.9)</b>	<b>-1.34%</b>

The reduction in forecasted revenue is largely attributable to a slight downward adjustment in Colorado’s anticipated population growth, as well as a dip in the forecasted vehicle miles traveled within the state. Both of these variables play a significant role for forecasting the number of vehicles that are registered, as well as the amount of gasoline that’s expected to be consumed within Colorado, which impact the amount of revenue earned by the state for transportation. A similar trend is likely to continue for the foreseeable future as vehicles become increasingly more fuel-efficient and new multi-modal options emerge and permeate throughout the transportation industry (e.g. ride-sharing, micromobility, etc.).

No significant changes to General Fund or Senate Bill transfers have been made to this quarter’s forecast for either fiscal year. Senate Bill 18-001 and Senate Bill 19-262 directed General Fund transfers to CDOT in FY 2019-20. As these were one-time transfers, General Fund revenue is expected to decrease by \$187.5 million in FY 2020-21 compared with the current fiscal year. CDOT’s total General Fund revenue in FY 2019-20 and FY 2020-21 is summarized in Table 2.





## Table 2 - General Fund Revenue

### Senate Bills and Transfers

<i>In Millions</i>	FY2019-20	FY2020-21	Difference
SB 17-267	\$500.0	\$500.0	\$0.0
SB 19-262	\$60.0	\$0.0	(\$60.0)
SB 19-263	\$50.0	\$50.0	\$0.0
SB 18-001	\$127.5	\$0.0	(\$127.5)
Annual General Fund Transfers	\$0.5	\$0.5	\$0.0
<b>Total</b>	<b>\$738.0</b>	<b>\$550.5</b>	<b>(\$187.5)</b>

### Update to FY 2019-20 & FY 2020-21 Budget

At this time, staff does not believe the changes to revenue projections are substantial enough to warrant modifications to the budget allocations for FY 2019-20 or FY 2020-21. OFMB staff will update the annual revenue model again after the third quarter (March, 2020), and return to the Transportation Commission with recommendations for adjustments to balance the budget to forecasted revenues if it is determined that changes are needed.

