

Resolution- HPTE #165

Approving FY15 Second HPTE Budget Supplement

“BE IT RESOLVED, that the Second Supplement to the Fiscal Year 2014-2015 attached hereto is hereby approved by the High Performance Enterprise Board of Directors. “

Signed as of April 15, 2015

Secretary, HPTE Board of Directors



To: HPTE Board of Directors
Date: April 15, 2015
From: Piper Frode, Enterprises Budget Analyst
Subject: Review of Amendments to the Fiscal Year 2015 Budgets for Fund 536 and 537

Purpose:

This memorandum presents an overview of the amendments that have been made to the current FY2015 Annual Budgets for Fund 536 and Fund 537.

Action:

The Board is asked to review the attached amended budgets for Fund 536 and 537 and to pass Resolution #165 approving the second Budget Supplement for FY2015.

Background:

These budget amendments are a result of Board approval for the encumbrance of funds for switchable transponders and the Express Lanes Advertising Campaign by Resolution #161 in March 2015, updated carry forward amounts from FY2014 following a program audit, a revised Annual Concessionaire Management Fee from Plenary Roads Denver (PRD) and new line item for Aconex Document Management Services.

Details:

Specific changes to Fund 536 highlighted in yellow on attachment A are as follows:

- The current carry forward amount from prior years has been revised from \$12,221,077 to \$5,844,443. This is the result of a program audit which reviewed all transactions from the creation of HPTE in 2009 to the current year. Discrepancies were found in the amount of funds that were reported as carried forward on the budget in comparison to what was actually rolled forward in SAP.
- The amount of the annual PRD concessionaire management fee has been increased from \$375,000 to \$390,943. The increase is due to the calculation of the annual 2014-2015 fee which is based Consumer Price Index (CPI) figures.
- New budget line items for switchable transponders in the amount of \$1,175,000 and the Express Lanes Advertising Campaign in the amount of \$1,100,000 have been added.

Specific changes to Fund 537 highlighted in yellow on attachment B are as follows:

- The current carry forward amount from prior years has been revised from \$201,234 to \$1,214,996. This is the result of a program audit which reviewed all transactions from the creation of HPTE in 2009 to the current year. Discrepancies were found in the amount of funds that were reported as carried forward on the budget in comparison to what was actually rolled forward in SAP
- A new budget line item for Aconex Document Management Services has been added. This service is being implemented following the US36 Audit recommendation to improve document management for P3 and major projects.

Key Benefits

N/A

Recommendation

Staff recommends approving the second Budget Supplement of FY2015 via Resolution #165 amending the current FY2015 budgets for Fund 536 and Fund 537.

Next Steps

In coordination with the Attorney General's office, staff will continue to work on any necessary agreements or commitment letters that give permission for CDOT or HPTE to invoice each other and another letter of agreement from Plenary for their contribution to the Express Lanes Advertising Campaign.

Attachments:

Attachment A: Amended HPTE FY2015 Fund 536 Budget

Attachment B: Amended HPTE FY2015 Fund 537 Budget

Attachment A: Amended HPTE FY2015 Fund 536 Budget

FY 2015 Adopted HPTE Fund 536 Budget				
Revenue/ Expense	FY 2015 Estimated Budget	First Board Supplement- January 2015	Second Board Supplement- April 2015	
I 25 Express Lanes/US 36 Phase I/II (Cost Center T8620-536)				
Carry Forward Funds From Prior Years (Restricted)	\$ 12,221,077	\$ 12,221,077	\$ 5,844,443.00	
Carry Forward Funds From Prior Years (Unrestricted)	125,000	\$ 125,000	\$ 125,000.00	
Revenue				
Interest Earnings (99% Restricted)	\$ 200,000	\$ 200,000	\$ 200,000.00	
Annual Concessionaire Management Fee (Unrestricted)	375,000	\$ 375,000	\$ 390,943.00	
Total Carry Forward and FY 2015 Revenue	\$ 12,921,077	\$ 12,921,077	\$ 6,560,386.00	
Expenses				
Bus Travel Time Reporting	\$ 13,000	\$ 13,000	\$ 13,000	
HPTE Staff Costs	\$ 20,000	\$ 20,000	\$ 20,000	
CDOT Staff Costs	\$ 12,000	\$ 12,000	\$ 12,000	
Annual Audit	\$ 5,100	\$ 5,100	\$ 5,100	
Attorney General Fees	115,000	\$ 115,000	\$ 115,000	
Legal Fees	41,000	\$ 41,000	\$ 41,000	
Transfer TIFIA Loan Debt Service Reserve to Concessionaire	\$ 1,595,000	\$ 1,595,000	\$ 1,595,000	
Program Management Contract	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	
O&M	\$ 1,045,500	\$ 1,045,500	\$ 1,045,500	
Miscellaneous		\$ 445,155	\$ 445,155	
Switchable Transponders			\$ 1,175,000.00	
Express Lanes Advertising Campaign			\$ 1,100,000.00	
Total Expenses	\$ 4,346,600	\$ 4,791,755	\$ 7,066,754.60	
Estimated Carry Forward for FY 2016**	\$ 8,574,477	\$ 8,129,322	\$ (506,368.60)	
Total FY 2015 Carry Forward and Revenues minus Total FY 2015 Expenses and Estimated FY 2016 Carryforward	\$ -			
Project Revenue and Allocations				
Project Revenues				
			19,916,000	
Project Allocations				
US 36 Phase I*			18,000,000	
US 36 Phase II			1,916,000	
Total Project Allocations			19,916,000	
Total Project Revenues minus Allocations			-	

Attachment B: Amended HPTE FY2015 Fund 537 Budget

FY 2015 Adopted HPTE Fund 537 Budget						
Revenue/ Expense	FY 2015 Estimated Budget	Director Amendment- July 2014	First Board Supplement- January 2015	Director Amendment- February 2015	Second Board Supplement- April 2015	
HPTE Operating Fund (Cost Center T8700-537)						
Carry Forward Funds From Prior Years	\$ 201,234	\$ 201,234	\$ 201,234	\$ 201,234	\$ 1,214,966	
Revenue						
Interest Earnings	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800
Total Revenue	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800	\$ 8,800
TC Loan	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Total Funds Available (Carry Forward, FY 2015 Revenue & Loan)	\$ 1,210,034	\$ 1,210,034	\$ 1,210,034	\$ 1,210,034	\$ 2,223,766	
Expenses						
HPTE Staff Costs	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000
CDOT Staff Costs	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000	\$ 140,000
Temporary Staff	-	-	-	-	\$ 24,900	\$ 24,900
Attorney General Services	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000	\$ 38,000
P3 Advisor	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing Research	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
T&R Consultant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tolling Consultant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Relations	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Annual Audit	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100
Accounting Services	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Board Expenses	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Travel, Conferences, and Dues	\$ 24,500	\$ 24,500	\$ 24,500	\$ 24,500	\$ 24,500	\$ 24,500
Operating Expenses	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500	\$ 10,500
Interest Expense on TC Loan	\$ 113,200	\$ 113,200	\$ 113,200	\$ 113,200	\$ 113,200	\$ 113,200
Ten Year Performance Plan	\$ -	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Miscellaneous	\$ 125,000	\$ 75,000	\$ 207,715	\$ 182,815	\$ -	\$ -
Aconex Document Management System					\$ 200,000	\$ 200,000
Total Expenses	\$ 1,111,300	\$ 1,111,300	\$ 1,244,015	\$ 1,244,015	\$ 1,261,200	\$ 1,261,200
Estimated Carry Forward for FY 2016 Expenses and Estimated FY 2016 Carryforward	\$ 98,734	\$ 98,734	\$ (33,980.90)	\$ (33,981)	\$ 962,566.42	\$ 962,566.42