



**TO:** HIGH PERFORMANCE TRANSPORTATION ENTERPRISE BOARD OF DIRECTORS  
**FROM:** KAY HRUSKA, ENTERPRISES CONTROLLER  
 PIPER FRODE, ENTERPRISES BUDGET & POLICY ANALYST  
**DATE:** SEPTEMBER 20, 2017  
**SUBJECT:** FISCAL YEAR 2016-17 YEAR END REPORT

**Purpose**

This memorandum provides a Fiscal Year (FY) 2016-17 year-end report for the Colorado High Performance Transportation Enterprise (HPTE) Fund 536 and Fund 537. Information provided includes FY 2016-17 unaudited revenue reconciliation information, cost center balances that are eligible to be rolled into FY 2017-18 and final budget to actual statements through June 2017.

**Action**

The purpose of this memo is informational only and is provided for HPTE Board review and comment.

**Fiscal Year 2016-17 Year End Details**

At the close of each fiscal year, the Office of Financial Management and Budget (OFMB) within the Division of Accounting and Finance (DAF) compares the forecasted revenues to the actual revenues received, as well as reviews all remaining cost center balances to determine if they are eligible to roll forward to the next fiscal year. As outlined in the HPTE annual budget guidelines, staff is committed to bringing this information to the Board prior to October.

***FY 2016-17 Revenue Reconciliation***

A comparison of FY 2016-17 estimated revenues for HPTE Fund 536 (Special Revenue Fund) and Fund 537 (Operating Fund) to revenues actually received is shown below in Table 1. Although fiscal year-end has closed, figures are unaudited and subject to change. Should there be any notable changes following the annual audit, staff will provide an update to the Board at that time.

Table 1: High Performance Transportation Revenue Reconciliation Summary

Revenue Source	FY 2016-17 Estimated Revenue	FY 2016-17 Actual Revenue*	Difference
<b>Fund 536</b>			
Fee for Service Revenue	\$ 2,075,736	\$ 2,075,736	\$ -
Interest Income	\$ 200,000	\$ 383,216	\$ 183,216
Transponder Revenue	\$ 450,000	\$ 762,711	\$ 312,711
Concessionaire Management Fee	\$ 400,000	\$ 406,847	\$ 6,847
Express Lanes Marketing Contribution	\$ 70,000	\$ 70,000	\$ -
I-70 West Mountain Express Lane Tolling & Fine Revenue	\$ 720,000	\$ 1,418,712	\$ 698,712
I-25 North US36-120th Express Lane Tolling & Fine Revenue	\$ 2,269,192	\$ 5,850,385	\$ 3,581,193
CDOT Region Payment for Services	\$ -	\$ 179,755	\$ 179,755
<i>Fund 536 Sub-Total</i>	\$ 6,184,928	\$ 11,147,361	\$ 4,962,433
<b>Fund 537</b>			
Fee for Service Revenue	\$ 2,371,114	\$ 2,371,114	\$ -
Interest Income	\$ 8,800	\$ 22,335	\$ 13,535
Miscellaneous Revenue		\$ 483	\$ 483
<i>Fund 537 Sub-Total</i>	\$ 2,379,914	\$ 2,393,932	\$ 14,018
<b>TOTAL</b>	\$ 8,564,842	\$ 13,541,293	\$ 4,976,450.71

\*Revenues are still unaudited and are subject to change

Based on the latest budget amendments that have been approved by the HPTE Board, the Colorado High Performance Transportation Enterprise (HPTE) estimated revenues for FY 2016-17 of \$8.6 million, and received actual revenues in the amount of \$13.5 million. The main factor behind the surplus was that tolling revenues came in significantly higher than expected. Transponder sales, higher than estimated interest income and miscellaneous revenue account for the remainder of the revenue surplus. For a more detailed breakout of Fund 536 and Fund 537 revenues and expenses by corridor, please see the attached budget to actual statements.

***FY 2016-17 Cost Center Roll Forward***

In accordance with Policy Directive PD 703.0 and statute, all HPTE fiscal year end cost center balances are eligible for automatic roll forward from the previous to the current fiscal year. Roll forward numbers for HPTE encompass various cost centers that are under Funds 536 and 537. The majority of the total roll forward number corresponds to the balances in cost centers that are set up for the managed lanes corridors. Per statute those funds are restricted to be used for managed lane projects and operations. Table 2 provides a summary of the remaining cost center balances that were rolled forward from FY 2016-17 to FY 2017-18.

Table 2: HPTE Cost Center Roll Forward Detail

Budget Category	Cost Center	Amount of Available Budget Rolled to FY 2017-18
US 36 Managed Lanes	T8620-536	\$ 3,116,247
I-25 North, Segment 3	T8630-536	\$ -
Mountain Express Lane (MEXL)	T8640-536	\$ 463,555
C-470 Express Lanes	T8650-536	\$ -
Program Operations & Administration	T8700-537	\$ 1,851,143
Out of State Travel	T8710-537	\$ 691
	<b>Total</b>	<b>\$ 5,431,636</b>

***Final Budget to Actual Statement for June 2017***

Listed below is a summary of key details related to June 2017 and an overall review of HPTE’s Fiscal Year 2017 financial transactions for Funds 536 and 537.

**Fund 536-Special Revenue Fund**

- Toll processing fees and reimbursable costs for I-25 Managed Lanes and MEXL totaled \$2,218,376 and \$184,189 respectively.
- Construction expenses for I-25 North Segment 3 totaled \$2,713,414
- Cash balance as of June 30, 2017 was \$30,780,924, which includes MEXL and Segment III loan proceeds

**Fund 537-Operating Fund**

- Transparency, outreach, and public affairs expenses totaled \$348,015
- Staff training/certifications and industry memberships were \$8,274
- Total Board expenses totaled \$11,370
- HPTE Administrative Expenses totaled \$8,792
- HPTE made a TC loan payment of \$750,852
- Cash balance as of June 30, 2017 was \$1,970,467

See Attachment A (HPTE Budget to Actual Fund 537) and Attachment B (HPTE Budget to Actual Fund 536) for final copies of the completed budget to actual statements.

**Next Steps**

- Based on the surpluses identified through the revenue reconciliation process HPTE staff will work with OFMB to make adjustments to current fiscal year HPTE pools and cost centers.
- Staff will refer to the Excess Revenue Guidelines and consult with the Board prior to spending any excess revenues.

**Attachments:** Attachment A (HPTE Budget to Actual Fund 537)  
Attachment B (HPTE Budget to Actual Fund 536)

Attachment A: HPTE Budget To Actual As of June 30, 2017  
Preliminary-Unaudited

Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537								
ITEM	Budgeted Revenues	Budgeted Expenditures	Quarter 1 Total	Quarter 2 Total	Quarter 3 Total	Quarter 4 Total	Year-To-Date	Remaining Budget
<b>Estimated Carry Forward Balance from Prior Years</b>	<b>\$ 1,493,230</b>							
<b><u>Operating Revenue</u></b>								
Interest earnings	\$ 8,800		\$ 2,697	\$ 3,002	\$ 7,534	\$ 9,102	\$ 22,335	
Fee for service	2,371,114		-	2,080,000	291,114	-	2,371,114	
Miscellaneous revenue	-		483	-	-	-	483	
Reimbursement from fund 536	-		6,794	9,593	-	-	16,387	
<b>Total Revenue</b>	<b>\$ 2,379,914</b>		<b>\$ 9,974</b>	<b>\$ 2,092,595</b>	<b>\$ 298,648</b>	<b>\$ 9,102</b>	<b>\$ 2,410,319</b>	
<b><u>Operating Expenditures</u></b>								
<b>Program Operations</b>								
HPTE staff		\$ 551,550	\$ 112,733	\$ 113,413	\$ 113,353	\$ 124,532	\$ 464,031	\$ 87,519
CDOT staff		61,500	24,095	45,973	30,244	59,277	159,589	(98,089)
Attorney General fees		75,000	9,718	15,869	18,383	34,619	78,589	(3,589)
Annual audit and accounting services		80,100	-	-	-	8,855	8,855	71,245
In-State travel		2,200	779	551	465	4,301	6,096	(3,896)
Board expenses		10,000	1,515	3,335	2,719	3,800	11,370	(1,370)
Staff training and certifications		20,000	578	-	1,275	1,169	3,022	16,978
Conferences and Industry Memberships		8,000	-	1,667	-	3,585	5,252	2,748
Administrative and office needs		12,000	4,158	3,261	1,102	271	8,792	3,208
Miscellaneous		127,200	(4,091)	2,451	-	265	(1,375)	128,575
Transportation Commission loan repayment		750,852	-	-	-	831,605	831,605	(80,753)
<b>Total Program Operations Expenses</b>		<b>\$ 1,698,402</b>	<b>\$ 336,004</b>	<b>\$ 186,519</b>	<b>\$ 167,541</b>	<b>\$ 1,072,280</b>	<b>\$ 1,575,825</b>	<b>\$ 122,577</b>
<b>Program Planning and Development</b>								
Program management		\$ 50,000	\$ -	\$ 59,829	\$ (53,319)	\$ 19,504	\$ 26,014	\$ 23,986
Transparency, outreach and communications support		333,364	1,600	28,838	35,209	56,553	122,200	211,164
Community and public affairs support		115,000	4,823	27,342	34,071	159,581	225,816	(110,816)
P3 advisor		150,000	42,567	58,512	8,123	-	109,203	40,797
Toll operations advisor		150,000	7,130	3,829	-	4,659	15,618	134,382
Professional services		150,000	-	-	19,900	-	19,900	130,100
Surveillance fees		75,000	-	-	8,970	-	8,970	66,030
Long-term strategic planning		150,000	-	387,637	40,078	(718,550)	(290,835)	440,835
Aconex document management system		224,000	115,000	-	-	76,500	191,500	32,500
Credit ratings services		20,000	3,795	234,145	29,258	(84,422)	182,777	(162,777)
Out of state travel		15,000	4,236	4,204	4,344	4,681	17,464	(2,464)
<b>Total Planning and Development Expenses</b>		<b>\$ 1,432,364</b>	<b>\$ 179,151</b>	<b>\$ 804,334</b>	<b>\$ 126,634</b>	<b>\$ (481,493)</b>	<b>\$ 628,626</b>	<b>\$ 803,738</b>
<b>Total Available Budget</b>	<b>\$ 3,873,144</b>						<b>\$ 2,410,319</b>	
<b>Total Expenditures</b>		<b>\$ 3,130,766</b>					<b>\$ 2,204,451</b>	
<b>Total Available Funds</b>							<b>\$ 205,867</b>	<b>\$ 926,315</b>
<b>Cash On Hand</b>		<b>\$ 1,970,467</b>						
<b>Transportation Commission Loan Balance</b>		<b>\$ 5,505,297</b>						



Attachment B: HPTE Budget To Actual As of June 30, 2017  
Preliminary-Unaudited

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536								
ITEM	Budgeted Revenues	Budgeted Expenditures	Quarter 1 Total	Quarter 2 Total	Quarter 3 Total	Quarter 4 Total	Year-To-Date	Remaining Budget
<b><u>I-25N Managed Lanes Revenue</u></b>								
Toll revenue	\$ 2,269,192		\$ 897,529	\$ 1,690,677	\$ 1,513,833	\$ 1,748,346	\$ 5,850,385	
Interest on toll revenue	-		-	-	235	537	773	
Segment III Loan Proceeds Used for Debt Payment	380,108		380,108	-	-	-	380,108	
<b>Total I-25N Managed Lanes Revenue</b>	<b>\$ 2,649,300</b>		<b>\$ 1,277,637</b>	<b>\$ 1,690,677</b>	<b>\$ 1,514,068</b>	<b>\$ 1,748,883</b>	<b>\$ 6,231,266</b>	
<b><u>I-25N Expenditures</u></b>								
HPTE and CDOT staff		\$ -	\$ 26	\$ 3,144	\$ 315	\$ 1,121	\$ 4,606	\$ (4,606)
Tolling services reimbursable costs		37,200	\$ 1,189	364,711	188,241	502,876	1,057,017	(1,019,817)
Toll processing		1,388,999	\$ 490,981	494,578	(166,503)	653,331	1,472,387	(83,388)
CSP enforcement		112,794	\$ -	-	-	-	-	112,794
General operations and maintenance		500,000	\$ 184	147,910	(146,674)	49,940	51,360	448,640
Note registrar		1,000	\$ -	-	250	-	250	750
Segment III loan payment		380,108	\$ (19,272)	235,119	-	253,205	469,051	(88,943)
Annual Audit		-	\$ -	-	-	4,153	4,153	(4,153)
<b>Total I-25N Expenditures</b>		<b>\$ 2,039,993</b>	<b>\$ 473,108</b>	<b>\$ 1,245,461</b>	<b>\$ (124,372)</b>	<b>\$ 1,464,626</b>	<b>\$ 3,054,670</b>	<b>\$ (634,569)</b>
<b>Total Available Funds I-25N</b>	<b>\$ 609,307</b>						<b>\$ 3,176,596</b>	
<b><u>MEXL Revenue</u></b>								
Toll revenue	\$ 720,000		\$ 404,181	\$ 293,049	\$ 482,626	\$ 238,855	\$ 1,418,712	
Interest on toll revenue	\$ -		-	-	113	149	262	
MEXL loan proceeds used for debt service payment	697,500		697,500	-	-	-	697,500	
<b>Total MEXL Revenue</b>	<b>\$ 1,417,500</b>		<b>\$ 1,101,681</b>	<b>\$ 293,049</b>	<b>\$ 482,739</b>	<b>\$ 239,004</b>	<b>\$ 2,116,474</b>	
<b><u>MEXL Expenditures</u></b>								
HPTE and CDOT staff		\$ -	\$ 1,008	\$ 986	\$ 534	\$ 1,578	\$ 4,106	\$ (4,106)
MEXL loan payment		697,500	(376,459)	697,500	-	375,577	696,618	882
Toll processing		147,825	81,444	36,105	32,566	34,074	184,189	(36,364)
General operations and maintenance		383,652	(3,565)	147,792	(147,792)	141,611	138,045	245,607
Note registrar		1,000	-	500	(500)	500	500	500
Attorney General fees		-	197	580	118	98	992	(992)
Annual Audit		-	-	-	-	2,952	2,952	(2,952)
<b>Total MEXL Expenditures</b>		<b>\$ 1,229,977</b>	<b>\$ (297,376)</b>	<b>\$ 883,463</b>	<b>\$ (115,073)</b>	<b>\$ 556,390</b>	<b>\$ 1,027,403</b>	<b>\$ 202,574</b>
<b>Total MEXL available funds</b>	<b>\$ 187,523</b>						<b>\$ 1,089,071</b>	

Attachment B: HPTE Budget To Actual As of June 30, 2017  
Preliminary-Unaudited

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a) 536)								
ITEM	Budgeted Revenues	Budgeted Expenditures	Quarter 1 Total	Quarter 2 Total	Quarter 3 Total	Quarter 4 Total	Year-To-Date	Remaining Budget
<b>C-470 Revenue</b>								
Bond Proceeds	\$ -		\$ -	\$ -	\$ -	\$ 176,525,466	\$ 176,525,466	
<b>Total C-470 Revenue</b>	<b>\$ -</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 176,525,466</b>	<b>\$ 176,525,466</b>	
<b>C-470 Expenditures</b>								
Reserve accounts		\$ -	\$ -	\$ -	\$ -	\$ 28,833,007	\$ 28,833,007	
Cost of issuance		-	-	-	-	4,741,006	4,741,006	
Bond interest accrual		-	-	-	-	382,016	382,016	
<b>Total C-470 Expenditures</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,956,029</b>	<b>\$ 33,956,029</b>	
<b>Project Construction Expenses For Fiscal Year 2016-17</b>								
US36 Phase I			\$ -	\$ -	\$ -	\$ -	\$ -	
US36 Phase II			769,344	928,382	5,984,659	645,222	8,327,607	
I-70 PPSL			(40,967)	242,646	-	78,730	280,409	
C-470			-	-	-	7,275,325	7,275,325	
I-25N Segment III			105,844	567,933	1,062,883	976,755	2,713,414	
<b>Cash On Hand</b>								
I-25N Segment III Loan		\$ 22,177,562						
MEXL loan funds		\$ 4,133,212						
Cash on hand		\$ 4,470,149						