



MEMORANDUM

TO: HIGH PERFORMANCE TRANSPORTATION ENTERPRISE BOARD OF DIRECTORS  
 FROM: KAY HRUSKA, ENTERPRISE CONTROLLER  
 PIPER FRODE, HPTE BUDGET & SPECIAL PROJECTS MANAGER  
 DATE: SEPTEMBER 19, 2018  
 SUBJECT: FISCAL YEAR 2017-18 YEAR END REPORT

**Purpose**

This memorandum provides a Fiscal Year (FY) 2017-18 year-end report for the Colorado High Performance Transportation Enterprise (HPTE) Fund 536 and Fund 537. Information provided includes FY 2017-18 unaudited revenue reconciliation information, cost center balances that are eligible to be rolled into FY 2017-18 and a final budget to actual statement through June 2018.

**Action**

The purpose of this memo is informational only.

**Fiscal Year 2017-18 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 will bring this information to the Board prior to October.

**FY 2017-18 Revenue Reconciliation**

A comparison of FY 2017-18 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: HPTE Revenue Reconciliation Summary

Revenue Source	FY 2017-18 Estimated Revenue	FY 2017-18 Actual Revenue*	Difference
<b>Fund 536</b>			
Interest Income	\$ 177,500	\$ 1,473,913	\$ 1,296,413
Transponder Revenue	\$ 450,000	\$ 724,712	\$ 274,712
Concessionaire Management Fee	\$ 400,000	\$ 417,275	\$ 17,275
Express Lanes Marketing Contribution	\$ 70,000	\$ 70,000	\$ -
I-70 West Mountain Express Lane Tolling & Fine Revenue	\$ 1,938,285	\$ 1,947,767	\$ 9,482
I-25 North US36-120th Express Lane Tolling & Fine Revenue	\$ 10,896,066	\$ 7,399,796	\$ (3,496,270)
<i>Fund 536 Sub-Total</i>	<i>\$ 13,931,851</i>	<i>\$ 12,033,463</i>	<i>\$ (1,898,388)</i>
<b>Fund 537</b>			
Fee for Service Revenue	\$ 5,169,500	\$ 5,169,500	\$ -
Interest Income	\$ 25,000	\$ 62,493	\$ 37,493
Miscellaneous Revenue		\$ 20,919	\$ 20,919
<i>Fund 537 Sub-Total</i>	<i>\$ 5,194,500</i>	<i>\$ 5,252,912</i>	<i>\$ 58,412</i>
<b>TOTAL</b>	<b>\$ 19,126,351</b>	<b>\$ 17,286,375</b>	<b>\$ (1,839,976.04)</b>

\*Revenues are still unaudited and are subject to change

The Colorado High Performance Transportation Enterprise (HPTE) estimated revenues for FY 2017-18 of \$19.1 million, and collect actual revenues in the amount of \$17.3 million. The main factor behind the decrease was that tolling revenues for I-25 North Segment 2 came in lower than was budgeted for, primarily because the budget for I-25 North Segment 2 was developed after the Express Lanes had only been open for several months. However, as HPTE collects more historical revenue information on its corridors, it will be easier to produce more accurate forecasts. 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 2017-18 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 2017-18 to the current Fiscal Year 2018-19.

Table 2: HPTE Cost Center Roll Forward Detail

Budget Category	Cost Center	Type of Funding Making up Roll Forward	Amount Rolled to FY 2018-19
US 36 Managed Lanes	T8620-536	Prior fiscal year toll and operating revenue from the Colorado Tolling Enterprise	\$ 4,836,567
I-25 North, Segment 2/3	T8630-536	Toll revenue, loan proceeds restricted for debt service	\$ 11,174,455
Mountain Express Lane (MEXL)	T8640-536	Toll revenue, loan proceeds restricted for debt service	\$ 4,153,542
C-470 Express Lanes	T8650-536	Bond proceeds restricted for debt service	\$ 4,485,939
Program Operations & Administration	T8700-537	Prior year budget savings, remaining FY18 fee for service funds	\$ 2,544,240
Out of State Travel	T8710-537	Prior year budget savings, remaining FY18 fee for service funds	\$ 2,232
<b>Total</b>			<b>\$ 27,196,976</b>

***Final Budget to Actual Statement for June 2018***

Listed below is a summary of key details related to June 2018 and an overall review of HPTE’s Fiscal Year 2017-18 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 \$1,653,606 and \$173,517 respectively.
- U.S. 36 project oversight expenses totaled \$291,613
- Cash balance as of June 30, 2018 was 7,477,019

**Fund 537-Operating Fund**

- HPTE staff costs were \$888,896
- Transparency, outreach, and public engagement expenses totaled \$268,880
- Professional and legal services were \$377,609
- Total Board expenses totaled \$6,774
- HPTE Administrative Expenses totaled \$9,855
- HPTE made a TC loan payment of \$1,526,980
- Cash balance as of June 30, 2018 was \$2,840,775

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 deficits and 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 or roll forwards.

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

**Attachment A: Fiscal Year 2017-18 Budget to Actual**

**Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537**

Line	Operations Details	Budgeted Revenues	Budgeted Expenses	Current Encumbrances	Actual Quarter 1	Actual Quarter 2	Actual Quarter 3	Actual Quarter 4	Year-to-Date	Remaining Budget
1	<b>Fiscal Year 2017-18 Revenue</b>									
2	Fee for Service	\$ 5,169,500			\$ 4,774,500	\$ 395,000	\$ -	\$ -	\$ 5,169,500	\$ -
3	Interest Earnings	25,000			4,355	18,290	17,343	22,505	62,493	(37,493)
4	Reimbursement from Fund 536 for HPTE Staff	-			1,971	5,726	3,271	9,951	20,919	(20,919)
5	<b>Total FY 2017-18 Operating Revenue</b>	<b>\$ 5,194,500</b>			<b>\$ 4,780,826</b>	<b>\$ 419,016</b>	<b>\$ 20,614</b>	<b>\$ 32,457</b>	<b>\$ 5,252,913</b>	<b>\$ (58,413)</b>
6	Additional Budget from FY 2016-17 Roll Forward	1,851,835								
7	<b>Total Current Available FY 2017-18 Operating Budget</b>	<b>\$ 7,046,335</b>								
8	<b>Fiscal Year 2017-18 Expenses</b>									
9	<b>Administrative Cost Center (T8700-537)</b>									
10										
11	<b>Program Operations</b>									
12	HPTE Staff Costs		\$ 958,900	\$ -	\$ 148,496	\$ 212,436	\$ 271,127	\$ 256,837	\$ 888,896	\$ 70,004
13	CDOT Staff Consulting		100,000	-	29,517	51,200	38,240	25,616	144,574	(44,574)
14	Attorney General		90,000	-	6,820	9,103	4,910	22,161	42,993	47,007
15	Annual Accounting & Audit Services		55,200	-	5,785	500	1,575	7,224	15,084	40,116
16	Board Expenses		18,400	-	1,365	4,205	(10)	1,213	6,774	11,626
17	Staff Training and Certifications		45,000	-	-	310	-	995	1,305	43,695
18	Administrative and Office Needs		12,000	-	3,828	712	1,562	3,752	9,855	2,145
19	Conferences and Industry Memberships		10,000	-	6,749	3,912	1,408	4,686	16,755	(6,755)
	Transportation Commission Loan Repayment		1,500,000	-	-	1,500,000	-	26,980	1,526,980	(26,980)
20	<b>Total Program Operations</b>		<b>\$ 2,789,500</b>	<b>\$ -</b>	<b>\$ 202,561</b>	<b>\$ 1,782,378</b>	<b>\$ 318,812</b>	<b>\$ 349,464</b>	<b>\$ 2,653,215</b>	<b>\$ 136,285</b>
21										
22	<b>Program Planning &amp; Development</b>									
23	Program Management		\$ 100,000	\$ -	\$ -	\$ 23,005	\$ 50,296	\$ -	\$ 73,301	\$ 26,699
24	Express Lanes Communications and Public Affairs Support		422,000	-	19,902	102,536	22,692	123,750	268,880	153,120
25	P3 Advisor		300,000	-	-	-	-	15,241	15,241	284,759
26	Toll Operations Advisor		200,000	-	12,172	14,476	13,473	16,847	56,968	143,032
27	Professional and Legal Services		500,000	-	307,579	15,962	3,128	50,939	377,609	122,391
28	Surveillance and Ratings Fees		150,000	-	-	-	250	1,346	1,596	148,404
29	Strategic Partnerships and CDOT Project Support		200,000	-	-	10,765	6,167	25,704	42,636	157,364
30	Aconex Document Management System		224,000	-	115,000	-	-	76,500	191,500	32,500
31	Express Lanes Master Plan		760,000	-	-	-	7,193	72,547	79,740	680,260
32	Express Lane Project Development Support		1,200,000	-	22,892	240,724	97,545	416,252	777,412	422,588
33	In and Out of State Travel		18,000	-	5,672	5,261	3,112	7,780	21,825	(3,825)
34	Miscellaneous		182,835	-	-	14,540	-	290	14,830	168,005
35	<b>Total Program Planning &amp; Development</b>		<b>\$ 4,256,835</b>	<b>\$ -</b>	<b>\$ 483,217</b>	<b>\$ 427,269</b>	<b>\$ 203,856</b>	<b>\$ 807,195</b>	<b>\$ 1,921,537</b>	<b>\$ 2,335,298</b>
36	<b>Total FY 2017-18 Operating Expenses</b>		<b>\$ 7,046,335</b>	<b>\$ -</b>	<b>\$ 685,778</b>	<b>\$ 2,209,647</b>	<b>\$ 522,668</b>	<b>\$ 1,156,659</b>	<b>\$ 4,574,752</b>	<b>\$ 2,471,583</b>
37	<b>Total FY 2017-18 Remaining Balance</b>	\$ (0)								

Total Fund 537 Revenues	\$ 7,046,335
Total Fund 537 Expenses	\$ 7,046,335
Remaining Unbudgeted Funds	\$ (0)
Cash Balance As of June 30, 2018	\$ 2,840,775
Transportation Loan Principal Balance	\$ 4,104,167

**Attachment B: Fiscal Year 2017-18 Budget to Actual**

Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536

Line	Detail by Corridor	Budgeted Revenues	Budgeted Expenses	Current Encumbrances	Actual Quarter 1	Actual Quarter 2	Actual Quarter 3	Actual Quarter 4	Year-to-Date	Remaining Budget
1	<b>U.S. 36 Managed Lanes (Cost Center T8620-536) Revenue</b>									
2	<b>Fiscal Year 2017-18 Revenues</b>									
3	Express Lanes Advertising Reimbursement From Plenary	\$ 70,000			\$ 70,000	\$ -	\$ -	\$ -	\$ 254,668	\$ 184,668
4	Interest Earnings	175,000			76,795	115,825	123,844	184,668	501,132	(326,132)
5	Annual Concession Management Fee	400,000			417,275	-	-	-	417,275	(17,275)
6	<b>Total FY 2017-18 U.S. 36 Available Revenue</b>	<b>\$ 645,000</b>			<b>\$ 564,070</b>	<b>\$ 115,825</b>	<b>\$ 123,844</b>	<b>\$ 184,668</b>	<b>\$ 1,173,074</b>	<b>\$ (158,739)</b>
7	Additional Budget from FY 2016-17 Roll Forward	3,637,247								
8	<b>Total Current Available FY 2017-18 Operating Budget</b>	<b>\$ 4,282,247</b>								
9	<b>Fiscal Year 2017-18 Expenses</b>									
10	CDOT Staff Consulting	\$ 15,000	\$ -	\$ 2,452	\$ 6,498.77	\$ 4,209	\$ 7,588	\$ 20,748	\$ (5,748)	
11	Project Oversight	400,000	-	34,085	60,028	63,572	133,928	291,613	108,387	
12	Toll Processing Oversight	200,000	-	-	-	-	-	-	200,000	
13	Annual Audit	5,100	-	-	167	172	1,075	1,413	3,687	
14	Attorney General Fees	10,000	-	117	218	166	3,319	3,821	6,179	
15	Miscellaneous Corridor Studies	100,000	-	21	-	25,151	324	25,496	74,504	
16	<b>Total U.S. 36 FY2017-18 Expenses</b>	<b>\$ 730,100</b>	<b>\$ -</b>	<b>\$ 36,675</b>	<b>\$ 66,912</b>	<b>\$ 93,269</b>	<b>\$ 146,235</b>	<b>\$ 343,091</b>	<b>\$ 387,009</b>	
17	<b>U.S. 36 Remaining Balance</b>	<b>\$ 3,552,147</b>								
18										
19	<b>I-25 North Managed Lanes (Cost Center T8630-536) Revenue</b>									
20	<b>Fiscal Year 2017-18 Revenues</b>									
21	Toll Revenue	\$ 10,896,066			\$ 1,800,897	\$ 1,861,568	\$ 1,683,528	\$ 2,053,802	\$ 7,399,796	\$ 3,496,270
22	Transponder Revenue	450,000			141,303	219,280	117,922	246,207	724,712	(274,712)
23	Interest Earnings	1,500			371	1,586	254	2,211	4,422	(2,922)
24	I-25 North Loan Funds for Debt Service Payment	470,237			470,237	-	-	-	470,237	-
25	<b>Total I-25 North Managed Lanes FY2017-18 Revenue</b>	<b>\$ 11,817,803</b>			<b>\$ 2,412,808</b>	<b>\$ 2,082,434</b>	<b>\$ 1,801,704</b>	<b>\$ 2,302,220</b>	<b>\$ 8,599,167</b>	<b>\$ 3,218,636</b>
26	<b>Fiscal Year 2017-18 Expenses</b>									
27	I-25 North Segment III Loan Payment	\$ 470,237	\$ -	\$ (253,205)	\$ 470,237	\$ -	\$ 253,205	\$ 470,237	\$ 0	
28	Margin Rate Payment	77,987	-	-	-	-	-	-	77,987	
29	CDOT Staff Consulting	15,000	-	907	1,170	658	3,027	5,762	9,238	
30	Attorney General Fees	10,000	-	-	-	-	731	731	9,289	
31	General Reimbursable Expenses and Toll Processing Costs	2,330,284	-	340,818	785,682	284,834	242,721	1,653,606	676,678	
32	Corridor Operations & Maintenance	500,000	-	457	38,453	(13,991)	95,022	119,941	380,059	
33	Note Registrar	1,000	-	-	-	-	-	-	1,000	
34	Master Installment Purchase Agreement Debt Service	1,580,744	-	-	-	1,577,664	-	1,577,664	3,080	
35	<b>Total I-25 North Managed Lanes FY2017-18 Expenses</b>	<b>\$ 4,985,252</b>	<b>\$ -</b>	<b>\$ 88,977</b>	<b>\$ 1,295,542</b>	<b>\$ 1,849,165</b>	<b>\$ 594,257</b>	<b>\$ 3,827,941</b>	<b>\$ 1,157,311</b>	
36	<b>I-25 North Remaining Balance</b>	<b>\$ 6,832,551</b>								
37										
38	<b>I-70 West Mountain Express Lanes (MEXL) (Cost Center T8640-536)</b>									
39	<b>Fiscal Year 2017-18 Revenues</b>									
40	Toll Revenue	\$ 1,938,285			\$ 562,331	\$ 334,945	\$ 659,399	\$ 391,092	\$ 1,947,767	\$ (9,482)
41	Interest Earnings	1,000			106	374	-	693	1,173	(173)
42	MEXL Loan Funds for Debt Service Payment	697,500			697,500	-	-	-	697,500	-
43	FY2016-17 Rollforward	463,555			-	-	-	-	463,555	
44	<b>Total MEXL FY2017-18 Revenue</b>	<b>\$ 3,100,340</b>			<b>\$ 1,259,937</b>	<b>\$ 335,319</b>	<b>\$ 659,399</b>	<b>\$ 391,785</b>	<b>\$ 2,646,440</b>	<b>\$ 453,900</b>
45	<b>Fiscal Year 2017-18 Expenses</b>									
46	MEXL Loan Payment	\$ 697,500	\$ -	\$ (375,577)	\$ 697,500	\$ -	\$ 375,577	\$ 697,500	\$ 0	
47	Margin Rate Payment	115,677	-	-	-	-	-	-	115,677	
48	CDOT Staff Consulting	15,000	-	4,148	523	890	2,625	8,186	6,814	
49	Attorney General Fees	10,000	-	-	-	-	593	593	9,407	
50	General Reimbursable Expenses and Toll Processing Costs	172,264	-	52,090	37,903	58,258	25,266	173,517	(1,253)	
51	Corridor Operations & Maintenance	383,625	-	(14,629)	77,946	(21,072)	71,816	114,061	269,564	
52	Note Registrar	1,000	-	-	-	-	-	-	1,000	
53	<b>Total MEXL FY2017-18 Expenses</b>	<b>\$ 1,395,066</b>	<b>\$ -</b>	<b>\$ (333,968)</b>	<b>\$ 813,872</b>	<b>\$ 38,076</b>	<b>\$ 475,877</b>	<b>\$ 993,857</b>	<b>\$ 401,209</b>	
54	<b>MEXL Remaining Balance</b>	<b>\$ 1,705,274</b>								
55										
56	<b>C-470 Express Lanes (Cost Center T8650-536)</b>									
57	<b>Fiscal Year 2017-18 Revenues</b>									
58	C-470 Bond Proceeds for Debt Service	\$ 8,500,000			\$ 8,500,000	\$ -	\$ -	\$ -	\$ 8,500,000	\$ -
59	Interest Earnings on Bond Proceeds	-			\$ 30,839	\$ 363,298	\$ 187,024	\$ 386,025	\$ 967,186	N/A
60	<b>Total C-470 FY2017-18 Revenue</b>	<b>\$ 8,500,000</b>			<b>\$ 8,530,839</b>	<b>\$ 363,298</b>	<b>\$ 187,024</b>	<b>\$ 386,025</b>	<b>\$ 9,467,186</b>	<b>\$ (967,186)</b>
61	<b>Fiscal Year 2017-18 Expenses</b>									
62	Bond Debt Service	8,500,000	-	(382,016)	4,404,419	-	4,067,347	8,089,750	410,250	
63	Bond Cost of Issuance	-	-	(2,277,497)	2,277,497	-	-	-	-	
64	<b>Total C-470 FY2017-18 Expenses</b>	<b>\$ 8,500,000</b>	<b>\$ -</b>	<b>\$ (2,277,497)</b>	<b>\$ 2,277,497</b>	<b>\$ -</b>	<b>\$ 4,067,347</b>	<b>\$ 8,089,750</b>	<b>\$ 410,250</b>	
65	<b>C-470 Remaining Balance</b>	<b>\$ -</b>								

Total Fund 536 Revenues	\$ 27,700,390
Total Fund 536 Expenses	\$ 15,610,418
Remaining Unbudgeted Funds	\$ 12,089,972
MEXL Loan Balance	\$ 1,605,961
Segment III Loan Balance	\$ 17,633,495
C-470 Bond Proceeds Balance	\$ 65,218,167
Cash Balance As of June 30, 2018	\$ 7,477,019