

## MEMORANDUM

**TO:** CTIO<sup>1</sup> BOARD OF DIRECTORS  
**FROM:** PIPER DARLINGTON, DIRECTOR, CTIO  
**SUBJECT:** FISCAL YEAR 2023-24 SECOND BUDGET AMENDMENT  
**DATE:** FEBRUARY 14, 2024

---

### Purpose

This memo provides information to the Colorado Transportation Investment Office (CTIO) Board of Directors (the Board) regarding proposed changes to the fiscal year (FY) 2023-24 budget for Fund 536 (Special Revenue Fund).

### Requested Action

The Board is asked to review the request and approve Resolution #438 included as Exhibit A to Attachment A, approving the second budget amendment to the FY 2023-24 budget.

### Background and Details

Specific changes related to the proposed second budget amendment are highlighted in yellow on Exhibit A to Attachment A are:

- Lines 79 and 101: HB-22-1074 Safety Enforcement Civil Penalties and Lines 39, 93 and 114: HB-22-1074 Implementation and Backoffice Costs: These lines have been updated to reflect estimated civil penalty revenue and expenses that will be generated from the Safety Enforcement Program on I-25 North US36 to Northwest Parkway/E-470, C-470 and the I-70 Mountain Express Lanes (MEXLs). The updated estimates are based on the following:
  - The initial budgets assumed that thirty percent of all drivers will make payments in the early payment window and another seven percent will make the \$150 payment between days twenty-one and forty-five. CTIO has seen much higher rates of collection, on average sixty percent. Staff has adjusted the estimates to reflect average monthly revenue and expenses for the Safety Enforcement Program for all corridors.
  - The initial budgets were also based on the assumption that an average of forty-five percent of the revenue generated will go to cover costs of operating the Safety Enforcement Program. Based on additional months of actual costs, that percentage is an average of seventy percent across all corridors.
  - All net revenue generated from the program will stay within the corridor where they are generated and be available to help accelerate projects such as the I-25 North I-25 US36 to Northwest Parkway/E470 Safety Improvements Study and I-70 Floyd Hill.

---

<sup>1</sup> The High-Performance Transportation Enterprise (CTIO) is now doing business as the Colorado Transportation Investment Office (CTIO). CTIO is how the enterprise refers to itself now and in the future. However, the CTIO name is retained for legislative and legal documents.

- Lines 32, 109 and 127: General Reimbursable Expenses and Toll Processing Costs: These lines have been adjusted to reflect more updated estimates based on actual expenditures through the end of the second quarter of this fiscal year. Budget identified is used to support all tolling back office operations on the corridor including mailing of transponders, processing of tolls, processing HOV+3 transactions and providing customer service support to all Express Lane customers.
- Lines 35 and 129: Operations: These lines have been adjusted to reflect more updated estimates based on actual expenditures through the end of the second quarter of this fiscal year. Budget identified for operations is used to hire contractors to provide regular monitoring of the Express Lanes, for maintenance of tolling equipment, enforcement and patrol by Colorado State Patrol (CSP), independent monitoring by rating agencies on corridors with debt financing and consultant support.
- Line 84: MEXL Loan Payment: This line has been adjusted to reflect the new debt service schedule as a result of the MEXL Loan refinancing that was completed in January 2024. CTIO paid a portion of its debt service for this fiscal year under its old loan with Wells Fargo and will not owe anything on the new loan until July 2024.
- Lines 9 CTIO and CDOT Staff Time and Line 33: Sales Tax and Sales Tax Processing: These lines have been adjusted to reflect more updated estimates based on actual expenditures through the end of the second quarter of this fiscal year.
- Lines 98 and 119: Tolling Revenue: These lines have been adjusted to reflect more updated estimates based on actual rates of collection through the end of the second quarter of this fiscal year.
- Line 99: Draws on Debt Service Reserves: CTIO is not currently forecasting a draw on its reserve accounts to support C-470 and has zeroed out this line.

#### Options / Decision Matrix

1. **Staff Recommendation:** Act on Resolution #438 adopting an amended budget.
2. Request additional information on any of the items requested as part of the amendment.
3. Deny the request.

#### Next Steps

Staff will continue to monitor the Safety Enforcement Program and bring any budgetary impacts to the Board as needed.

#### Attachments

Attachment A: Resolution #438