



DATE: July 20, 2016
TO: HPTE Board of Directors
FROM: Piper Frode, Enterprises Budget Analyst
SUBJECT: Review of Budget Guidelines and Fiscal Year 2017-18 Budget Cycle

Purpose:

The purpose of this memo is to present the High Performance Transportation Enterprise (HPTE) Board of Directors with the new budget and reporting guidelines that will be followed by staff as well as review the upcoming Fiscal Year (FY) 2017-18 budget and fee for service development schedule.

Action:

Information only. No formal action is being requested.

Key Details:

In April 2016 during the HPTE Board retreat, staff sought feedback from the HPTE Board regarding proposed budget and reporting guidelines. That feedback was integrated into a finalized HPTE Budget Process and Reporting Guidelines matrix shown in Attachment A. These guidelines will:

- Allow the HPTE board will focus on substantive and significant budget matters, i.e. those budget matters that involve material or significant change, allowing staff to exercise oversight on routine budget matters.
- Provide guidance to HPTE staff as to what budgetary items require HPTE Board approval and what items would fall under the purview of staff.
- Bring HPTE into alignment with similar CDOT policies regarding annual budget, project budgeting and cash management principles.

In preparation for FY 2017-18, staff has also include a timeline in Attachment B highlighting the key activities specifically related to the annual budget and fee for service scope of work development process.

Next Steps:

A report on the prior fiscal year revenue reconciliation results will be presented to the Board in October followed by a FY 2017-18 draft budget and draft scope of work for comment in November.

Attachments:

Attachment A: HPTE Budget and Reporting Guidelines

Attachment B: Annual Budget and Scope of Work: Key Activities Timeline

Attachment A:
 HPTE Budget Process and Reporting Guidelines
 Last Update: July 2016 Supersedes Version: N/A

Event Type	Level of Action		
	Board Review and Approve	Report To and Inform HPTE Board	Staff Manage
Annual Fiscal Year Budget <i>(see attached timeline)</i>			
Annual Fiscal Year Budget	<i>March</i> -Adoption of Final Fiscal Year Budget	<i>November</i> -Review draft budget information that will be included in CDOT draft budget allocation plan <i>February</i> -Review final budget for comment	<i>August-February</i> Budget Development <i>May-June</i> -Implementation of approved budget
Annual Budget Comparison		<i>November</i> - Provide comparison of current to prior fiscal years <i>February</i> -Provide comparison of current to prior fiscal years	
Annual Revenue Reconciliation		<i>October</i> -Report on prior fiscal year revenue reconciliation results	
Annual Fee for Service/ Scope of Work Development	<i>March</i> -Approval of final scope of work for upcoming fiscal year	<i>November</i> -Review scope of work outline for upcoming fiscal year, provide comment <i>January</i> -Provide progress report on current year activities (true-up)	<i>August-February</i> -Develop scope for upcoming fiscal year. <i>February</i> -Review scope of work with CDOT management for concurrence; ensure that agreed upon amount is included in budget
Budget Supplements & Reports			
Changes to Approved Annual Budget	Any change to a line item that is greater than or equal to 15% or \$15,000 over previously approved budget amount Any new expenditures or revenues that are identified		Any change to a line item that is less than 15% or \$15,000 of the previously approved budget amount and does not increase the overall budgeted expenditures for the year
Budget to Actual Reports		Budget to Actual Reports will be provided on a quarterly basis	
Misc. and Project Related Transactions			
Initial Project Funding	Required for all commercial loans, TIFIA loans, bond issuance and concession agreements		
Amendments to Contracts or Agreements	Changes to existing loan terms or any agreements with private partners or CDOT		
Management of Project Funds			Work with CDOT project staff to ensure that approved project funds are budgeted and spent
Loans	Any new TC or commercial loan, or bond issuance		
Debt Service Payments	Any payment to be made on existing TC debt	Inform of any interest or principal payments on commercial debt	



Attachment B: Annual Budget and Scope of Work: Key Activities Timeline

