



To: HPTE Board of Directors
Date: April 15, 2015
From: Piper Frode, Enterprises Budget Analyst
Subject: Review of FY2016 Draft Budgets for HPTE Fund 536 and 537

Purpose:

This memorandum presents draft FY2016 budgets for Fund 536 and Fund 537 for Board review.

Action:

The purpose of this memo is informational only. Following Board review and comment, staff will return in May with final FY2016 budgets for Fund 536 and 537 for Board approval and adoption.

Background:

Last month in March 2015, staff presented the Board with specific HPTE budget information that was approved as part of the final CDOT FY2016 Annual Budget. Since then, staff has worked with the Director of HPTE to allocate estimated FY2016 revenues to specific line items for Fund 536 and 537. This month, staff is bringing draft FY2016 budgets for Fund 536 and Fund 537 to the Board for review and comment.

Details:

Key items on the draft FY2016 budget for Fund 536 (attachment A) are as follows:

- The budget has been reformatted to accommodate individual budgets for the US36 corridor as well as other corridors that are projected to come online in FY2016 (I-70 West, I-25 North, C-470).
- The amount of the annual PRD concessionaire management fee has been increased from \$375,000 to \$401,413. The increase is due to the calculation of the annual 2015-2016 fee which is based Consumer Price Index (CPI) figures.

Key items on the draft FY2016 budget for Fund 537 (attachment B) are as follows:

- The \$2.0 Million fee-for consulting services is shown as new FY2016 revenue.
- The budget line for HPTE Staff Costs has been increased in anticipation of adding a new staff member to HPTE.
- The annual re-payment of outstanding Transportation Commission loans is shown under FY2016 expenses. This is in line with the 10-year repayment plan outlined in the 10 Year Pro-Forma Cash Flow Model which was presented to the Board in January as part of the HPTE 10 Year Plan and Benefit to CDOT.
- A new budget line item for Transparency and Outreach has been added to address a recommendation that resulted from the US36 audit findings
- 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.

Next Steps

Following comments from the Board, HPTE staff will continue to review the FY2016 draft budgets for Fund 536 and Fund 537 and finalize all current line items.

Attachments:

Attachment A: Draft FY2016 Budget for Fund 536

Attachment B: Draft FY2016 Budget for Fund 536

Attachment A: Draft FY2016 Budget for Fund 536

DRAFT Fiscal Year 2016 Budget		
Statewide Transportation Enterprise Special Revenue Fund (C.R.S. 43-4-806(3)(a)) 536		
Expenses by Corridor	Estimated FY16 Revenues	Estimated FY16 Expenses
US 36 Managed Lanes (Cost Center T8620-536)		
Estimated Amount of FY 2015 Funds for Carry Forward	\$ 280,278	
Fiscal Year 2016 Revenue		
Interest Earnings	\$ 200,000	
Annual Concessionaire Management Fee	\$ 401,413	
Operations and Maintenance Reserve Reimbursement	\$ 630,000	
US 36 FY16 Available Revenue	\$ 1,511,691	
Fiscal Year 2016 Expenses		
CDOT Staff Costs		\$ (15,000)
Project Oversight		\$ (401,413)
Annual Audit		\$ (5,100)
Attorney General Fees		\$ (30,000)
US 36 FY16 Estimated Expenses		\$ (451,513)
US36 Remaining Balance		\$ 1,060,178
I-25 North Managed Lanes (Cost Center T8630-536)		
I-25 N FY16 Available Revenue		
I-25 N FY16 Estimated Expenses		\$ -
I-25 N Remaining Balance		
I-70 West PPSL Lanes (Cost Center T8640-536)		
	\$ -	
I-70 W PPSL FY16 Available Revenue	\$ -	
I-70 W PPSL FY16 Estimated Expenses		\$ -
I-70 W PPSL Remaining Balance		\$ -
C-470 Managed Lanes (Cost Center T8650-536)		
C-470 FY16 Available Revenue	\$ -	
C-470 FY16 Estimated Expenses		\$ -
C-470 FY16 Remaining Balance		\$ -
Total Fund 536 FY16 Revenues	\$ 1,511,691	
Total Fund 536 FY16 Expenses		\$ (451,513)
Remaining Balance		\$ 1,060,178

Attachment B: Draft FY2016 Budget for Fund 536

DRAFT Fiscal Year 2016 Budget		
Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537		
Operations Expenses	Estimated FY16 Revenues	Estimated FY16 Expenses
Estimated Amount of FY 2015 537 Funds For Carry Forward	\$ 786,804	
Fiscal Year 2016 Revenue		
Interest Earnings	\$ 8,800	
Fee for Consulting Services	\$ 2,000,000	
Total FY2016 Operating Revenue	\$ 2,795,604	
Fiscal Year 2016 Expenses		
Administrative Cost Center (T8700-537)		
HPTE Staff Costs		\$ 500,000
CDOT Staff COST		\$ 140,000
P3 Advisor		\$ 250,000
Legal Services		\$ 250,000
Public Relations		\$ 60,000
Program Management		\$ 150,000
Attorney General Services		\$ 75,000
Annual Audit		\$ 5,100
Board Expenses		\$ 5,000
Administrative Expenses		\$ 10,500
Repayment of Transportation Commission Loan		\$ 750,852
Transparency and Outreach		\$ 50,000
Aconex Document Management System		\$ 225,000
Contingency Funds		\$ 297,202
Out of State Travel Cost Center (T8710-537)		
Travel, Conferences, and Dues		\$ 26,950
Total FY2016 Operating Expenses	\$ -	\$ 2,795,604
Total Fund 537 FY16 Revenues \$ 2,795,604		
Total Fund 537 FY16 Expenses \$ 2,795,604		
Remaining Balance \$ 0		