



MEMORANDUM

TO: HIGH PERFORMANCE TRANSPORTATION ENTERPRISE BOARD OF DIRECTORS  
 FROM: PIPER DARLINGTON, HPTE BUDGET & SPECIAL PROJECTS MANAGER  
 KAY HRUSKA, ENTERPRISE CONTROLLER  
 DATE: SEPTEMBER 18, 2019  
 SUBJECT: FISCAL YEAR 2018-19 YEAR END REPORT

**Purpose**

This memorandum provides a Fiscal Year (FY) 2018-19 year-end report for the Colorado High Performance Transportation Enterprise (HPTE) Fund 536 and Fund 537. Information provided includes FY 2018-19 unaudited revenue reconciliation information, cost center balances that are eligible to be rolled into FY 2018-19 and a preliminary budget to actual statement through June 2019.

**Action**

The purpose of this memo is informational only.

**Fiscal Year 2018-19 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 2018-19 Revenue Reconciliation**

A comparison of FY 2018-19 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 2018-19 Estimated Revenue	FY 2018-19 Actual Revenue*	Difference
<b>Fund 536</b>			
Interest Income**	\$ 1,020,000	\$ 1,487,277	\$ 467,277
Transponder Revenue	\$ 500,000	\$ 679,856	\$ 179,856
Concessionaire Management Fee	\$ 400,000	\$ 432,639	\$ 32,639
I-70 Mountain Express Lane Tolling & Fine Revenue	\$ 2,257,275	\$ 2,366,885	\$ 109,610
I-25 North US36-120th Express Lane Tolling & Fine Revenue	\$ 7,565,373	\$ 8,247,632	\$ 682,259
<i>Fund 536 Sub-Total</i>	\$ 11,742,648	\$ 13,214,289	\$ 1,471,641
<b>Fund 537</b>			
Fee for Service Revenue	\$ 5,169,500	\$ 5,169,500	\$ -
Interest Income	\$ 25,000	\$ 128,789	\$ 103,789
Miscellaneous Revenue		\$ 58,579	\$ 58,579
<i>Fund 537 Sub-Total</i>	\$ 5,194,500	\$ 5,356,868	\$ 162,368
<b>TOTAL</b>	\$ 16,937,148	\$ 18,571,157	\$ 1,634,009

\*Revenues are still unaudited and are subject to change

\*\*Includes interest earned on the debt proceeds

HPTE estimated revenues for FY 2018-19 of \$16.9 million, and collect actual revenues in the amount of \$18.6 million. The main factor behind the increase was higher than forecasted collection of tolling and fine revenue on both I-25 North US36-120th Express Lane and Mountain Express Lane (MEXL). 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 2018-19 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 2018-19 to the current Fiscal Year 2019-20.

Table 2: HPTE Cost Center Roll Forward Detail

Budget Category	Cost Center	Type of Funding Making up Roll Forward	Amount Rolled to FY 2019-20
US 36 Managed Lanes	T8620-536	Prior fiscal year toll and operating revenue from the Colorado Tolling Enterprise	\$ 5,420,250
I-25 North	T8630-536	Toll revenue, loan proceeds restricted for debt service	\$ 12,223,612
I-70 Mountain Express Lane (MEXL)	T8640-536	Toll revenue, loan proceeds restricted for debt service	\$ 5,031,039
C-470 Express Lanes	T8650-536	Bond proceeds restricted for debt service	\$ 17,168,847
Program Operations & Administration	T8700-537	Prior year budget savings, remaining FY18 fee for service funds	\$ 3,121,249
Out of State Travel	T8710-537	Prior year budget savings, remaining FY18 fee for service funds	\$ 3,059
		<b>Total</b>	<b>\$ 42,968,056</b>

***Final Budget to Actual Statement for June 2019***

Listed below is a summary of key details related to June 2019 and an overall review of HPTE’s Fiscal Year 2018-19 financial transactions for Funds 536 and 537.

**Fund 536-Special Revenue Fund**

- Toll processing fees and reimbursable costs for I-25 North Managed Lanes and MEXL totaled \$2,490,928 and \$261,767 respectively
- Transponder sales totaled \$679,856
- Cash balance as of June 30, 2019 was \$21,223,351

**Fund 537-Operating Fund**

- HPTE staff costs were \$851,302
- Transparency, outreach, and public engagement expenses totaled \$266,480
- HPTE in State and Out of State Travel costs were \$20,195
- HPTE made a TC loan payment of \$250,000
- Cash balance as of June 30, 2019 was \$3,344,705

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 2018-19 Budget to Actual- Fund 537**  
**Statewide Transportation Enterprise Operating Fund (C.R.S. 43-4-806(4)) 537**  
**For the Period ended June 30, 2019, Preliminary and Unaudited**

Line Item		Budgeted Revenues	Budgeted Expenses	Encumbrances	Year to Date	Remaning Budget
1	<b>Fiscal Year Revenues</b>					
2	FY2017-18 Roll Forward	\$ 2,546,472				
3	Fee for Service	5,169,500			\$ 5,169,500	
4	Interest Earnings	25,000			128,788.75	
5	Payroll Reimbursement	-			58,578.90	
6	<b>Total FY 2018-19 Revenue</b>	<b>\$ 7,740,972</b>			<b>\$ 5,356,868</b>	
7	<b>Fiscal Year Allocations</b>					
8	<b>Administrative Cost Center (T8700-537)</b>					
9						
10	<b>Overall Program Operations</b>					
11	HPTE Staff Compensation		\$ 1,024,000	\$ -	\$ 851,302	\$ 172,698
12	CDOT Staff		200,000	-	128,015	71,985
13	Board Expenses		15,000	-	6,458	8,542
14	Staff Training and Certifications		25,000	-	4,889	20,111
15	Administrative and Office Needs		10,000	-	8,139	1,861
16	Conferences and Industry Memberships		10,000	-	20,525	(10,525)
17	In and Out of State Travel		25,500	-	20,195	5,305
18	Transportation Commission Loan Repayment		250,000	-	250,000	-
19	<b>Total Overall Program Operations</b>		<b>\$ 1,559,500</b>	<b>\$ -</b>	<b>\$ 1,289,522</b>	<b>\$ 269,978</b>
20						
21	<b>Technical Services</b>					
22	Program Management		\$ 50,000	\$ 65,040	\$ 60,865	\$ (10,865)
23	Express Lanes Communications and Public Affairs Support		460,000	7,319	266,480	193,520
24	Toll Operations Advisor		400,000	-	309,664	90,336
25	Aconex Document Management System		224,000	-	302,460	(78,460)
26	<b>Technical Services</b>		<b>\$ 1,134,000</b>	<b>\$ 72,359</b>	<b>\$ 939,468</b>	<b>\$ 194,532</b>
27						
28	<b>Financial Services</b>					
29	Accounting Advisors and Annual Audit		\$ 21,000	\$ 11,576	\$ 17,353	\$ 3,647
30	Surveillance and Ratings Fees		150,000	50,000	\$ 136,501	13,499
31	Public Private Partnership (P3) Advisor		1,000,000	503,847	\$ 689,948	310,052
32	<b>Total Financial Services</b>		<b>\$ 1,171,000</b>	<b>\$ 565,423</b>	<b>\$ 843,802</b>	<b>\$ 327,198</b>
33						
34	<b>Legal Services</b>					
35	Outside Legal Services		\$ 420,000	\$ 205,354	\$ 621,409	\$ (201,409)
36	Attorney General Fees		250,000	-	291,259	(41,259)
37	<b>Total Legal Services</b>		<b>\$ 670,000</b>	<b>\$ 205,354</b>	<b>\$ 912,668</b>	<b>\$ (242,668)</b>
38						
39	<b>Strategic Project Development</b>					
40	CDOT Project Support		\$ 455,000	\$ 287,385	\$ 826,790	\$ (371,790)
41	Express Lanes Master Plan Development		2,250,000	2,226,545	3,220,900	(970,900)
42	Central 70 Traffic Demand Management		500,000	500,000	923,500	(423,500)
43	Miscellaneous		-	-	58,400	(58,400)
44	<b>Total Strategic Project Development</b>		<b>\$ 3,205,000</b>	<b>\$ 3,013,930</b>	<b>\$ 5,029,589</b>	<b>\$ (1,824,589)</b>
45	<b>Total FY 2018-19 Revenue</b>	<b>\$ 7,740,972</b>				
46	<b>Total FY 2018-19 Allocations</b>		<b>\$ 7,739,500</b>			
47	<b>Total Fund 537 Revenue</b>	<b>\$ 7,740,972</b>				
48	<b>Total Fund 537 Allocations</b>		<b>\$ 7,739,500</b>			
49	<b>Remaining Unbudgeted Funds</b>	<b>\$ 1,472</b>				
50						
51	Cash Balance as of June 30, 2019	\$ 3,433,705				
52	Transportation Commission Loan Balance	\$ 4,172,042				

**Attachment B: Fiscal Year 2018-19 Budget to Actual for Fund 536**

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

For the Period Ended June 30, 2019, Preliminary and Unaudited

Line Item		Budgeted Revenues	Budgeted Expenses	Encumbrances	Year To Date Total	Remaining Budget
1	<b>US 36 Express Lanes (Cost Center T8620-536)</b>					
2	<b>Fiscal Year Revenues</b>					
3	FY2017-18 Roll Forward	\$ 4,836,576				
4	Interest Earnings	217,000			\$ 611,722	
5	Annual Concessionaire Management Fee	400,000			432,639	
6	<b>Total US 36 FY 2018-19 Available Revenue</b>	<b>\$ 5,453,576</b>			<b>\$ 1,044,361</b>	
7	<b>Fiscal Year Allocations</b>					
8	CDOT Staff Consulting		\$ 5,000	\$ -	\$ 33,404	\$ (28,404)
9	Project Oversight	400,000		-	213,228	186,772
10	Toll Processing Oversight	197,000		-	114,014	82,986
11	Annual Audit	5,000		-	1,946	3,054
12	Attorney General Fees	10,000		-	3,547	6,453
13	Miscellaneous Corridor Studies		-	16,867	47,432	(47,432)
14	<b>Total US 36 FY 2018-19 Allocations</b>		<b>617,000</b>	<b>16,867</b>	<b>413,570</b>	<b>203,430</b>
15	<b>US36 Remaining Balance</b>		<b>\$ 4,836,576</b>			
16	<b>I-25 North Express Lanes (Cost Center T8630-536)</b>					
17	<b>Fiscal Year Revenues</b>					
18	FY2017-18 Roll Forward	\$ 11,174,455				
19	Tolling Revenue	7,565,373		\$ -	\$ 8,247,632	
20	Transponder Revenue	500,000		-	679,856	
21	Interest Earnings	1,500		-	14,191	
22	I-25 North Loan Funds for Debt Service Payment	235,119		-	235,119	
23	<b>Total I-25 N FY 2018-19 Available Revenue &amp; Funds</b>	<b>\$ 19,476,446</b>			<b>9,176,799</b>	
24	<b>Fiscal Year Allocations</b>					
25	I-25 North Loan Payment		\$ 470,237	\$ -	\$ 470,237	\$ (0)
26	Margin Rate Payment		155,973	-	42,277	113,696
27	CDOT Staff Consulting		15,000	-	36,276	(21,276)
28	Attorney General Fees		5,000	-	6,535	(1,535)
29	General Reimbursable Expenses and Toll Processing Costs		2,250,000	-	2,490,928	(240,928)
30	Corridor Operations & Maintenance		100,000	-	601,522	(501,522)
31	Note Registrar		1,000	-	-	1,000
32	I-270 Conceptual Design Project		300,000	-	-	300,000
33	<b>Total I-25 N FY 2018-19 Allocations</b>		<b>3,297,210</b>	<b>-</b>	<b>3,647,775</b>	<b>(350,565)</b>
34	<b>I-25 N Remaining Balance</b>		<b>\$ 16,179,236</b>			
35	<b>I-70 West Mountain Express Lane (MEXL) (Cost Center T8640-536)</b>					
36	<b>Fiscal Year Funds and Revenue</b>					
37	FY2017-18 Roll Forward	\$ 4,153,542				
38	Tolling Revenue	2,257,275			\$ 2,366,885	
39	Interest Earnings	1,500			2,806	
40	MEXL Loan Funds for Debt Service	697,500			697,500	
41	<b>Total I-25 N FY 2018-19 Available Revenue &amp; Funds</b>	<b>\$ 7,109,817</b>			<b>3,067,191</b>	
42	<b>Fiscal Year Allocations</b>					
43	MEXL Loan Payment		\$ 697,500	\$ -	\$ 697,503	\$ (3)
44	Margin Rate Payment		231,354	-	220,429	10,925
45	CDOT Staff Consulting		15,000	-	12,076	2,924
46	Attorney General Fees		1,000	-	2,234	(1,234)
47	General Reimbursable Expenses and Toll Processing Costs		270,000	-	261,767	8,233
48	Corridor Operations & Maintenance		150,000	-	203,969	(53,969)
49	Note Registrar		1,000	-	-	1,000
50	<b>Total I-70 W MEXL FY1 2018-19 Allocations</b>		<b>\$ 1,365,854</b>	<b>\$ -</b>	<b>1,397,978</b>	<b>(32,124)</b>
51	<b>I-70 W MEXL Remaining Balance</b>		<b>\$ 5,743,963</b>			
52	<b>C-470 Express Lanes (Cost Center T8650-536)</b>					
53	<b>Fiscal Year Funds and Revenue</b>					
54	FY2017-18 Roll Forward	\$ 4,485,939				
55	C-470 Bond Proceeds for Debt Service	8,089,750			\$ 8,089,750	
56	Interest on Bond Proceeds	800,000			858,558	
57	<b>Total C-470 FY 2018-19 Available Funds</b>	<b>\$ 13,375,689</b>			<b>8,948,308</b>	<b>-</b>
58	<b>Fiscal Year Allocations</b>					
59	Bond Debt Service		\$ 8,089,750	\$ -	\$ 8,067,278	\$ 22,472
60	CDOT Staff Consulting		-	-	61	(61)
61	<b>Total I-70 W MEXL FY1 2018-19 Allocations</b>		<b>\$ 8,089,750</b>	<b>-</b>	<b>8,067,339</b>	<b>22,472</b>
62	<b>I-70 W MEXL Remaining Balance</b>		<b>\$ 5,285,939</b>			
63	<b>Total Fund 536 Revenues &amp; Funds</b>	<b>\$ 45,415,529</b>				
64	<b>Total Fund 536 Allocations</b>	<b>\$ 13,369,814</b>				
65	<b>Remaining Unbudgeted Funds</b>	<b>\$ 32,045,714</b>				
66						
67	MEXL Loan Balance	\$ 1,347,597				
68	Segment III Loan Balance	\$ 7,758,026				
69	C-470 Bond Proceeds Balance	\$ 11,863,767				
70	Cash Balance As of June 30, 2019	\$ 21,223,351				