



COLORADO

Department of Transportation

CDOT Figure Setting Comebacks



Agenda

- CDOT Revenue Sources - Flexible vs Inflexible
- Cash Fund Balances
- Budget Amendment BA-01 Modifying Decision Items R-03 and R-04
 - JBC Proposal
 - General Fund Transfers to CDOT under SB 21-260
- Decision Item R-01 Multimodal Options Fund (MMOF) Spending Authority
 - Increase in Spending Authority
 - ARPA Roll Forward Request
- Decision Item R-02 Clean Transit Enterprise (CTE) Spending Authority



Flexible vs. Inflexible Revenue Sources

Flexible sources of Revenue



- HUTF in the State Highway Fund (SHF)
- General Fund transfers
- Interest income on the SHF, and most other misc revenue

Used to fund maintenance activities, department administration, debt service, and to provide state match to federal funds.

- HUTF - FASTER funds
- HUTF - FASTER transit
- Flexible FHWA Funds (STBG, NHPP)

FASTER provides funding for safety-related capital construction projects, and for transit projects and grants.

Flexible federal funds can be used for most capital projects.

Inflexible sources of Revenue



- Multimodal Options fund (MMOF)
- General Fund transfers to the MMOF and Revitalizing Main Streets
- Inflexible FHWA funds (e.g. HSIP, CMAQ, TAP, Bridge Formula Program, PROTECT, etc.), FTA and NHTSA funds
- All enterprise revenue

Under current law, all of these funds are dedicated to specific programs and purposes and can not be used to backfill other revenue sources.

Enterprise revenues must be used for the mission and purpose of the Enterprise.



Cash Fund Balances



Cash Fund	Cash Balance at Hearing - Oct 2024	Updated Cash Balance - Dec 2024
Fund 1600 - State Aviation Fund	\$25,067,707	\$25,427,868
Fund 4000 - State Highway Fund	\$571,068,297	\$519,709,957
Fund 4030 - Law Enforcement Assistance Fund (LEAF)	\$642,366	\$645,896
Fund 4190 - Safe Crossings for Wildlife	\$4,198,714	\$3,914,563
Fund 4380 - First Time Drunk Driver	\$1,219,702	\$1,190,956
Fund 5360 - Statewide Transportation Enterprise Special Revenue Fund	\$45,186,905	\$43,977,564
Fund 5370 - Statewide Transportation Enterprise Operating Fund	\$968,445	\$165,240
Fund 5380 - Bridge Special Fund	\$103,672,317	\$76,227,879
Fund 5400 - Clean Transit Fund	\$22,969,244	\$25,031,480
Fund 5420 - Nonattainment Area Air Pollution Mitigation Enterprise Fund	\$22,149,647	\$22,723,140
Fund 5480 - Fuels Impact Enterprise	\$22,100,177	\$25,598,118
Fund 7150 - Transportation Infrastructure Revolving Fund	\$5,462,844	\$5,518,713
Fund MTOF - Multimodal Transportation Options Fund	\$167,719,437	\$166,196,302
Fund MTOC - ARPA Multimodal	\$12,135,739	\$11,335,238
Fund 400R - Refinanced ARPA SHF	\$75,330,000	\$75,330,000

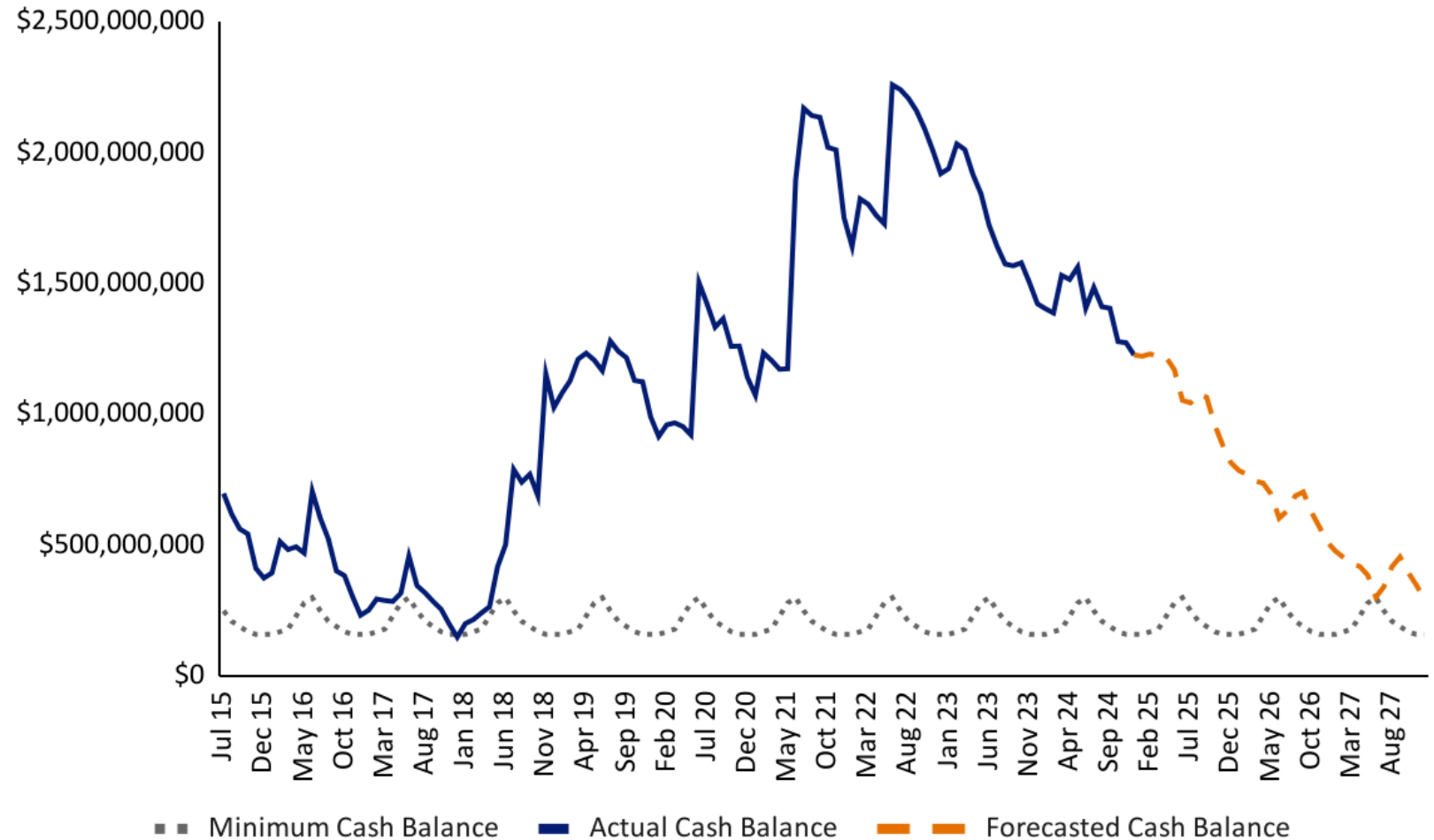


Cash Fund Balances

State Highway Fund Balance

The December cash balance in the State Highway Fund was \$591.07 M and the remaining balance in the Senate Bill 267 trustee account was \$635.81 M.

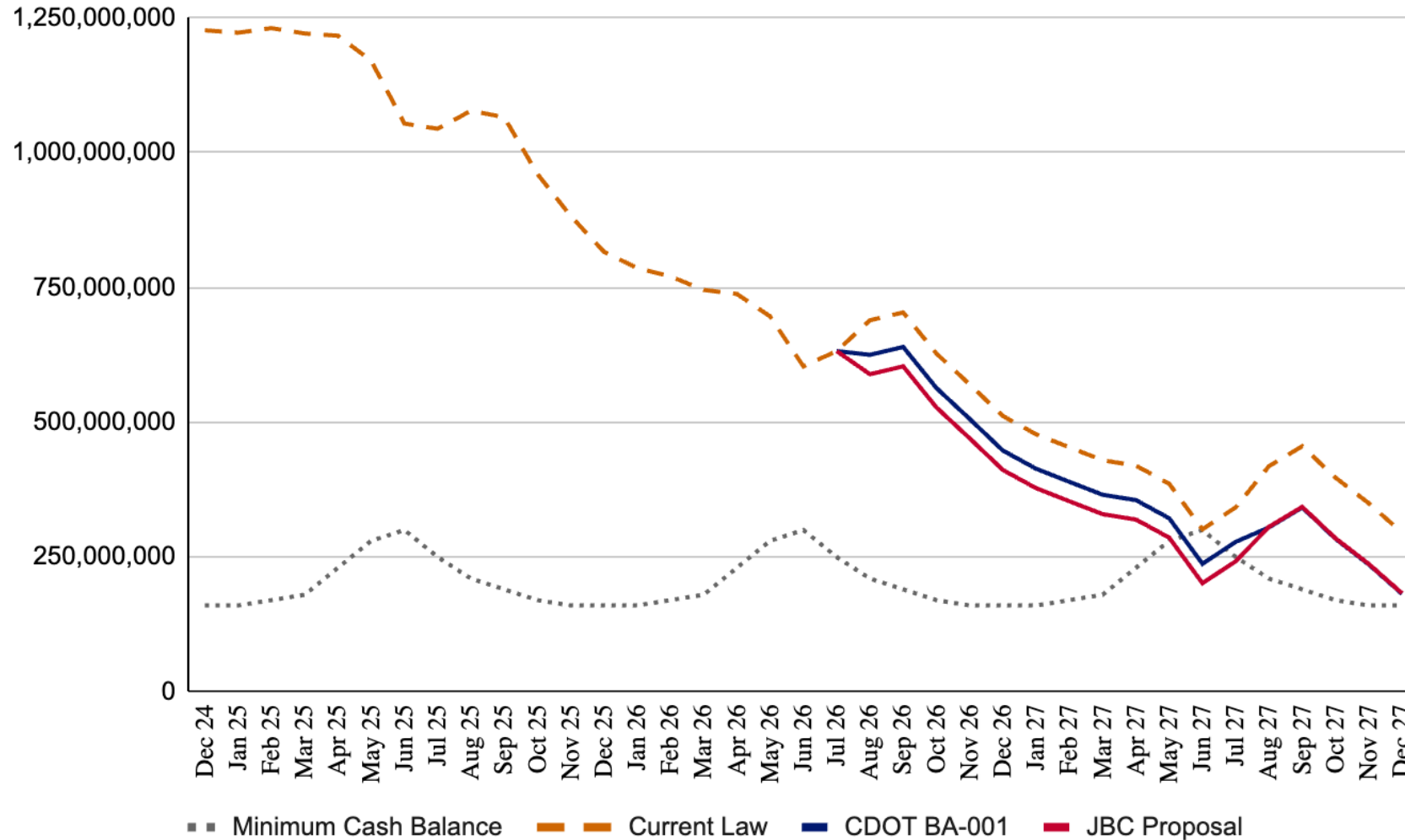
The majority of the cash balance is the result of one-time funds that CDOT received through various legislative initiatives such as SB 17-267, SB 18-001, or SB 21-260. Once these funds are spent down in the next two fiscal years on construction projects already underway, the cash balance is projected to return to target levels.





Cash Fund Balances

State Highway Fund Balance Continued



This chart shows the impact to the State Highway Fund under current law, CDOT's BA-01 proposal, and the updated proposal by the JBC to reverse the schedule of General Fund transfers.

The cash balance is forecasted to dip below the minimum target cash balance in FY27 under the CDOT BA-01 and JBC proposals.



Budget Amendment BA-01

Request Summary

Modifying R-03 - Reduce S.B. 21-260 Transfers and Extend the Funding and R-04 Reduce Road Safety Surcharge and Distribution Update

- General Fund Transfers to State Highway Fund reduced by an additional \$25.0 million in each of next two years, resulting in a total reduction of \$64.0 million in FY 2025-26 and \$49.5 million in FY 2026-27.
- To maintain the original intended transfers over time laid out in SB21-260, the updated request increases transfers in FY 2032-33 by \$50.0 million.
- Reduction to the Road Safety Surcharge fee reduced so the revenue impact is decreased from \$65.1 million to \$21.8 million (relative to current law), with the reduction limited to FY 2025-26 and FY 2026-27. The fee reduction is \$3.70 across all weight categories.

Proposal	FY26 Nov 1, 2024 Decision Item	FY26 Jan 30, 2025 Amendment	FY27 Nov 1, 2024 Decision Item	FY27 Jan 30, 2025 Amendment
R-03 General Fund Transfer Reduction	-\$39,000,000	-\$64,000,000	-\$24,500,000	-\$49,500,000
R-04 Road Safety Surcharge Reduction	-\$65,059,678	-\$21,816,746	-\$66,197,749	-\$22,200,000
Net Impact	-\$104,059,678	-\$85,816,746	-\$90,697,749	-\$71,700,000



Budget Amendment BA-01

Proposed General Fund Transfers to the SHF

Proposal	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	Cumulative
Current Law	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$82.5 M	\$82.5 M	\$82.5 M	\$0.0 M	\$747.5 M
CDOT R-03	\$100.0 M	\$61.0 M	\$75.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$11.0 M	\$747.5 M
CDOT BA-01	\$100.0 M	\$36.0 M	\$50.5 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0 M	\$61.0 M	\$747.5 M
JBC Proposal	\$100.0 M	\$0.0 M	\$82.5 M	\$82.5 M	\$82.5 M	\$100.0 M	\$100.0 M	\$100.0 M	\$100.0M	\$747.5 M
Difference Between BA-01 and JBC Proposal	\$0.0 M	(\$36.0 M)	\$32.0 M	(\$17.5 M)	(\$17.5 M)	\$0.0 M	\$0.0 M	\$0.0 M	\$39.0M	\$0.0 M

The JBC proposal is based on LLS NO. 25-0889 and assumes the schedule of General Fund transfers would be reversed, with a \$0 transfer in FY26, and ramping up to \$100.0 M in FY33 to keep the cumulative total the same as current law.



Budget Amendment BA-01

JBC Proposal

- The complete elimination of the General Fund transfer to the SHF in FY 26 would:
 - Result in a more immediate impact to 10-Year Plan projects, potentially requiring pushing out currently planned projects
 - Reduce flexibility to mitigate impacts associated with federal funding pause or other funding shortfalls, including significant CDOT grant funds which are “held up.”
- **The Department requests reconsideration of the full elimination of the FY 26 General Fund transfer.**



Budget Amendment BA-01

JBC Proposal Continued

- The increased reduction of the Road Safety Surcharge (relative to BA-01) and its potential extension beyond two fiscal years would:
 - Increase the immediate impacts to the Department's core safety and asset management programs, pushing out or scaling back currently planned projects
 - Create uncertainty about future funding levels, with project impacts potentially extending into future years beyond FY 26 and FY 27.
- **The Department request reconsideration of the proposed changes to the Road Safety Surcharge outlined in BA-01.**



Budget Amendment BA-01

General Fund Transfers under SB 21-260

General Fund Transfers:	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32
SB 21-260 - State Highway Fund	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$100,000,000	\$82,500,000	\$82,500,000	\$82,500,000
SB 21-260 - Revitalizing Main Streets	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
SB 21-260 MMOF General Fund	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000	\$10,500,000

Transfers to the State Highway Fund - §24-75-219 (7)(d), CRS

- For the transfers between FY25 to FY29, \$10 million of each transfer must be used to mitigate the environmental and health impacts of increased air pollution in nonattainment areas.
- The majority of funding from transfers will be allocated to 10 year-plan projects while a small portion will be allocated to the contingency fund. The 10-Year Plan currently includes projects programmed out multiple years into the future and tied to these future anticipated General Fund transfers.

Transfers for Revitalizing Main Streets Program - §24-75-219 (7)(c)(II), CRS

- SB 21-260 created annual General Fund transfers to the State Highway Fund for the purpose of providing additional funding to the Revitalizing Main Streets Program.

Transfers to the MMOF - §24-75-219 (7)(c)(I), CRS

- SB 21-260 created annual General Fund transfers to the Multimodal Transportation and Mitigation Options Fund. 85% of these funds are for locally-administered projects.



Decision Item R-01 MMOF Increase in Spending Authority

R-01 - Multimodal Options Fund Spending Authority

The original appropriations from the MMOF have recently lapsed and the program no longer has access to the full fund balance. The Department requested:

1. Continuous spending authority for the MMOF. If that was denied, the Department requested an increase in spending authority to align with the forecasted fund balance of the MMOF.
 2. The Department also requested one additional year of roll forward authority of SB 21-260 ARPA appropriations, which are set to lapse following FY 2024-25.
- During CDOT's figure setting, the Committee denied the request for continuous spending authority for the MMOF Cash Fund. To ensure adequate spending authority to meet the current need, **the Department intends to request additional spending authority in FY 2025-26.**

Forecasted Fund Balance vs Forecasted Spending Authority

FY 2025-26 Incremental Request	Amount
Forecasted FY 2024-25 Year Ending Fund Balance	\$132,927,753
Forecasted Available FY 2025-26 Spending Authority	\$82,515,513
FY 2025-26 Incremental Request	\$50,412,240



Decision Item R-01 MMOF ARPA Roll Forward Request

R-01 - Multimodal Options Fund Spending Authority

Additionally, the Department requested roll forward authority for APRA / General Fund Refinance appropriations.

- The JBC tabled action regarding spending authority for FY 2025-26 and roll forward for the ARPA / General Fund Refinance appropriations.
- **The Department intends to request reconsideration of roll-forward authority.**

Roll Forward Request for ARPA and General Fund Refinance

Total ARPA Appropriation			
\$161,340,000			
SLFRF		General Fund Refinanced	
65,180,000		96,160,000	
Expended	Roll Forward	Expended	Roll Forward
\$41,979,934	\$23,200,066	\$2,311,742	\$93,848,258
Total Roll Forward Requested			
117,048,324			

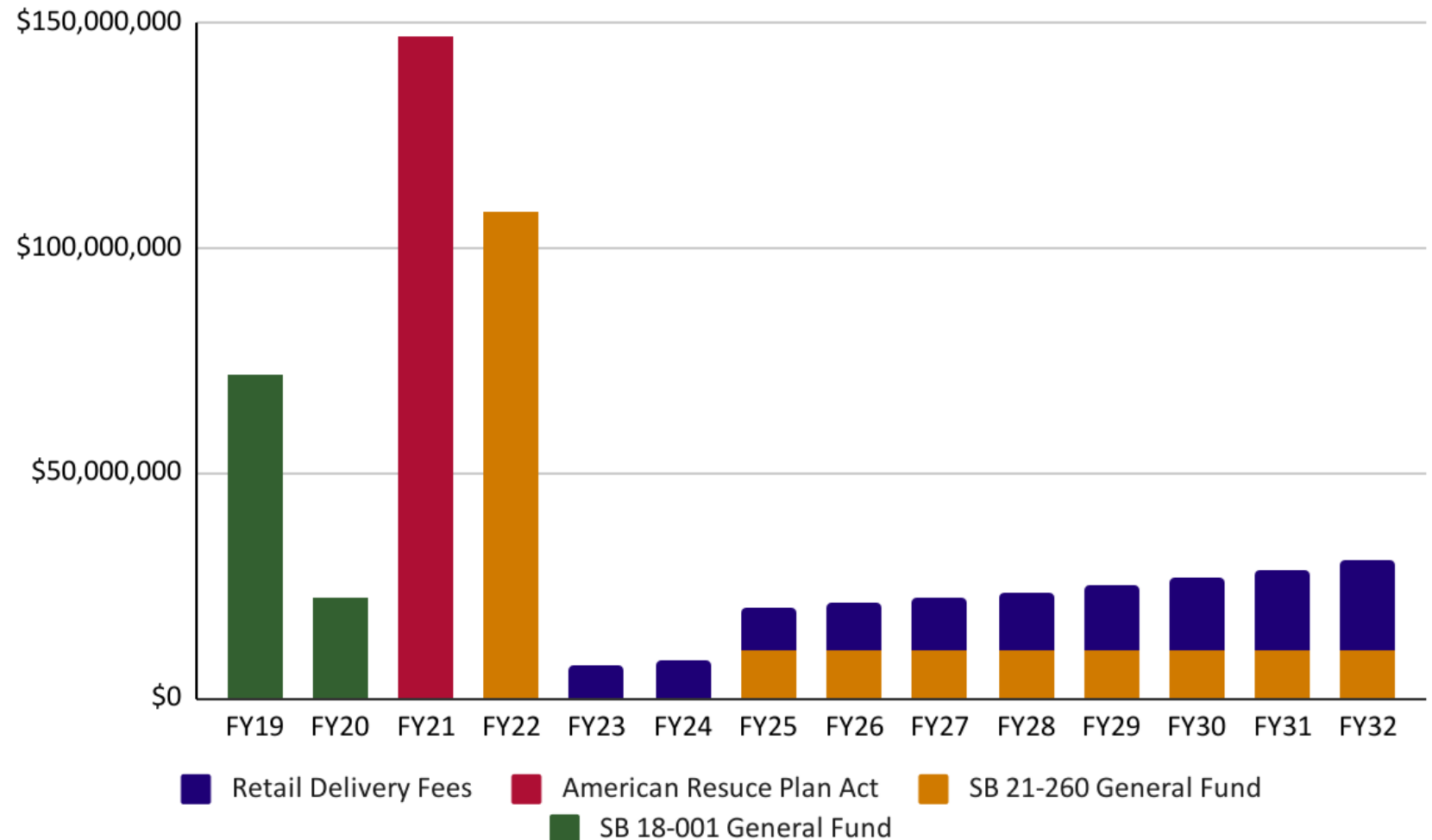


Decision Item R-01 MMOF Spending Authority

MMOF Sources of Funding

The majority of funding to the MMOF was one-time General Fund or ARPA funds. Ongoing revenue includes:

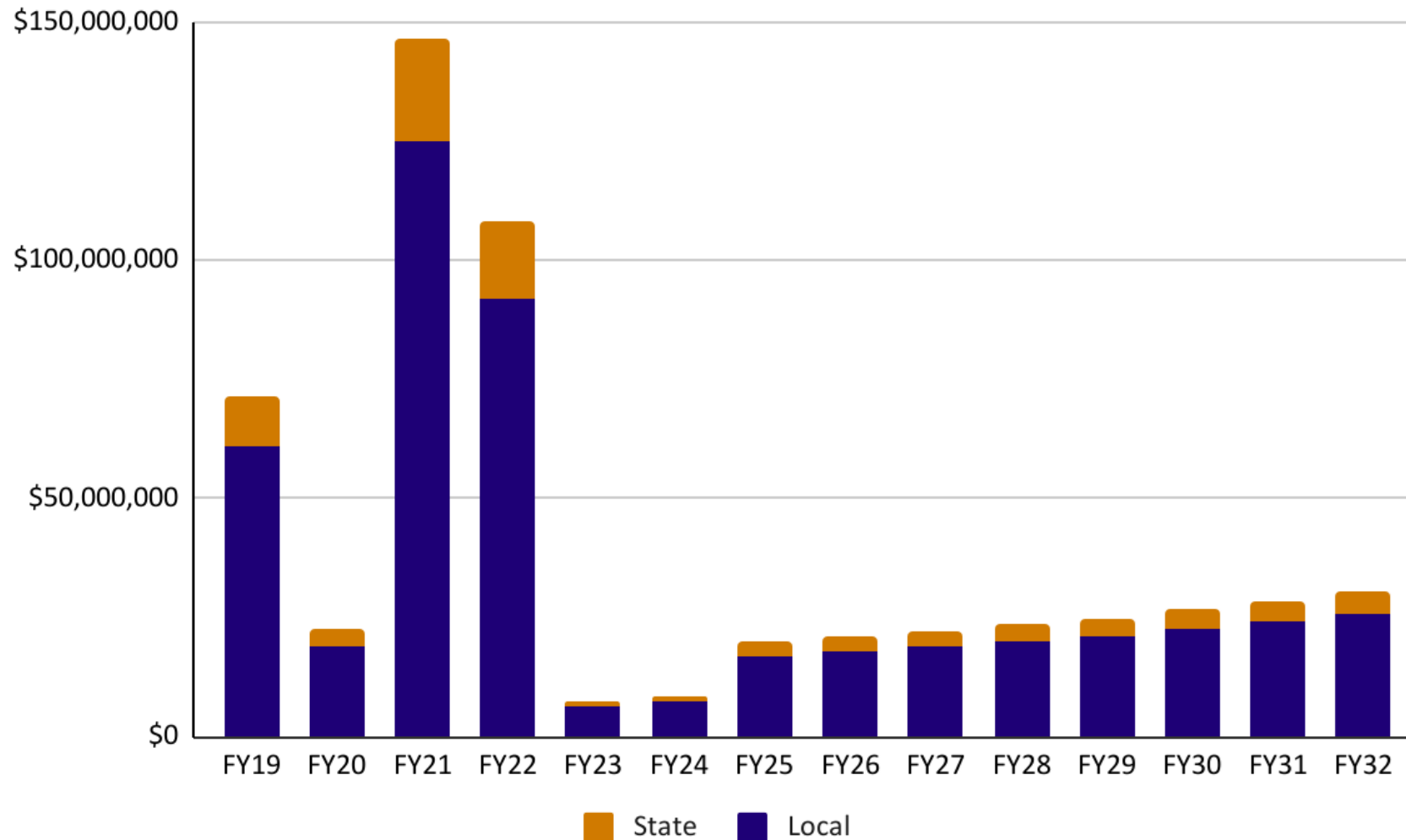
- Retail Delivery fee revenue (\$10.5 M per year in FY 26, growing to \$19.9 M in FY 32)
- General Fund transfers (\$10.5 M per year through FY 32)





Decision Item R-01 MMOF Spending Authority

MMOF Funding Distribution



85% of MMOF funds are required to be allocated to local projects. Funds are awarded through FY24 and most are contracted. Project selection and awards currently in progress through FY28.

Sweeping these funds, or losing access to spending authority (from any revenue source, including ARPA) would require cancelling awards and/or contracts.



Decision Item R-02 CTE Spending Authority

R-02 - Continuous Spending Authority for Clean Transit Enterprise Cash Fund

- This request was submitted by the Department on behalf of the Clean Transit Enterprise (CTE) Board. Similar to the MMOF request, the CTE requested that the JBC sponsor legislation to continuously appropriate the Clean Transit Enterprise Cash Fund.
- During CDOT's Figure Setting, the Committee denied the request for continuous spending authority for the Clean Transit Enterprise Cash Fund, and approved three years of roll forward authority for appropriations beginning in FY 2025-26.
- With the Committee's denial of the CTE's request for continuous spending authority for the Clean Transit Enterprise Cash Fund, **the CTE intends to request an increase in spending authority for FY 2025-26 to ensure it has access to its full fund balance to cover grant awards made in prior fiscal years.**

Forecasted Fund Balance vs Forecasted Spending Authority

FY 2025-26 Incremental Request	Amount
Forecasted FY 2045-25 Year Ending Fund Balance	\$36,190,920
Forecasted FY 2025-26 Spending Authority (New Revenue)	\$12,898,128
FY 2025-26 Total Requested Spending Authority	\$49,089,048