



COLORADO

Department of Transportation

MMOF Updates

June 4, 2026



MMOF Funding Updates

Final FY27 State Budget

- **HB1399:** Eliminated 3 years of \$10.5M General Fund transfers (FY27-FY29)
- **HB1398:** Local share (allocated to TPR/MPOs) reduced from 85% to **70%**

Other Revenue Adjustments

- **+\$6.2 Million:** Additional interest earnings expected (FY2025-2027)
- Slightly lower future **Retail Delivery Fee** revenue estimates

Long-Term Revenue Stability

Total Revenues in FY2030 and beyond remain **unchanged**



State & Local MMOF Allocations

State MMOF: Bustang Operations

Increased to **30%** — maintains or slightly increases current funding levels

Total MMOF Funding (FY2027 - FY2029)
Reduced by 36.6%

Local MMOF Funding Reductions

- **FY2027 - FY2029:** Reduced by **48.3%**
- **Future Years:** Funding reduced by **17.7%**



Administrative Costs - Local MMOF

Background

- Funds set-aside from Local allocation for CDOT's program and project support.
- Set-aside history: 5% of FY2020 Local MMOF; 2% in FY2022-2024.
- \$3,000,000 returned to TPR pools in 2025 to offset FY2026 budget cuts.

Adjustments Needed

- **Depletion:** Current set-aside balance is nearly exhausted.
- **Rising Costs:** FY2027 costs expected to exceed \$1.0 million due to stimulus projects.
- **Proposal:** \$900,000 FY2027 set-aside, plus 3% annual increase thereafter.



Managing Impact on Awarded MMOF Projects

Core Recommendation

CDOT will recommend TPR/MPOs to **NOT reduce or delay** existing MMOF awards.

Backfill Strategy

Utilize FY2030-2031 funds & Cash Management to backfill FY2027-2029 reductions.

Key Impacts & Outcomes

- Maintains existing award amounts
- Prioritizes funding for "ready" projects ("first to the trough")
- Projects starting later may face **delayed access** to funds until subsequent years



MMOF Cash Management - Overview

Advance Funding Capability

MMOF projects may advance up to **TWO YEARS** of future awards when that **phase** is “ready”

Funding Security Timeline

Funding is “secured” for a project **90 Days** prior to Phase Ad date

- Funds secured via Grant agreement execution
- OR CDOT’s issuance of an IGA Option Letter

Project Funding Schedule Development

Schedules are developed based on reported/planned encumbrances provided by CDOT’s Local Agency project managers



Next Steps

TPR/MPOs

- No actions required
- Withhold additional award-making until 2027, to award remaining FY2031 funds

Local Agency Project Sponsors

- Consistent communication and coordination with CDOT Project Managers is critical to compiling accurate **Project Phase Schedules**
- Submit current **FY26 project invoices** ASAP, by June 30!

CDOT

- Project Financial Schedule will be shared in the **coming weeks/month**
- Staff to provide updates at upcoming TPR/MPO meetings



Local MMOF Program - Funding by TPR

Local MMOF Program - Summary Funding Analysis - May 2026							
TPR	Formula Allocation	FY2027-FY2029 Reduction			FY2030-FY2031 Backfill		
		Total Project Awards	Total 3yr Allocation	Shortfall	FY2030	FY2031	Remaining thru FY2031
Pikes Peak Area	9.66%	\$5,685,149	\$2,937,347	\$(2,747,802)	\$1,738,228	\$1,855,513	\$845,939
Denver Area	58.14%	\$31,830,676	\$17,674,314	\$(14,156,362)	\$10,459,091	\$11,164,808	\$7,467,537
North Front Range	7.70%	\$4,376,384	\$2,339,810	\$(2,036,574)	\$1,384,624	\$1,478,050	\$826,100
Pueblo Area	2.96%	\$1,710,746	\$898,458	\$(812,288)	\$531,678	\$567,553	\$286,943
Grand Valley	2.55%	\$1,501,118	\$775,583	\$(725,535)	\$458,965	\$489,933	\$223,363
Eastern	1.56%	\$693,987	\$474,757	\$(219,230)	\$280,946	\$299,902	\$361,618
Southeast	1.23%	\$724,597	\$374,377	\$(350,220)	\$221,544	\$236,493	\$107,818
San Luis Valley	1.58%	\$929,007	\$479,990	\$(449,017)	\$284,043	\$303,208	\$138,233
Gunnison Valley	2.98%	\$1,752,274	\$905,348	\$(846,926)	\$535,756	\$571,905	\$260,735
Southwest	1.79%	\$1,052,747	\$543,923	\$(508,824)	\$321,876	\$343,595	\$156,647
Intermountain	4.24%	\$2,492,374	\$1,287,736	\$(1,204,638)	\$762,041	\$813,459	\$370,861
Northwest	1.14%	\$407,500	\$345,999	\$(61,501)	\$204,751	\$218,567	\$361,817
Upper Front Range	1.91%	\$1,122,415	\$579,918	\$(542,497)	\$343,177	\$366,332	\$167,013
Central Front Range	1.95%	\$1,145,312	\$591,749	\$(553,563)	\$350,178	\$373,806	\$170,420
South Central	0.63%	\$372,689	\$192,557	\$(180,132)	\$113,949	\$121,638	\$55,455
Total	100.00%	\$55,796,975	\$30,401,865	\$(25,395,110)	\$17,990,847	\$19,204,763	\$11,800,500