



**California High-Speed Rail:
Financial Reports Executive Summary**

November 2015

Executive Summary for November-2015

Accounts Payable Aging Report

(\$ millions)	Prior Year	Current Year	Current Year
	Nov-2014	Oct-2015	Nov-2015
Total Aged Invoices	\$5.0	\$0	\$0
Forecast Balance Pending FRA Approval	\$0.0	\$0	\$0

- ▶ Total Accounts Payable aging for November-2015 was \$0, same as the previous month. Last year, November-2014 total Accounts Payable aging was \$5M. For September-2015 and October-2015, the \$0 aging total was due to the use of Cap and Trade funds, which did not have the reimbursement timing issues of FRA funds.

Issue: The Authority has had three consecutive months with zero balance in aging. It is anticipated that the 1-30 day aging category might have invoices in the future due to FRA reimbursement timing.

Cash Management Report

(\$ millions)	Prior Year	Current Year	Current Year
	Nov-2014	Oct-2015	Nov-2015
Prop IA Bond Fund Ending Cash Balance	\$1	\$38	\$36
Cap and Trade Ending Cash Balance	N/A	\$443	\$383

- ▶ Prop IA cash balance was \$36M for the November-2015 report, compared to \$38M for the October-2015 report.

Issue: The Cap and Trade cash balance was \$443M for October-2015 due to greenhouse gas allowances auction proceeds which exceeded ROW and construction expenditures. The November-2015 Cap and Trade cash balance was \$383M for November-2015 due to \$59M in expenditures subject to reimbursement by FRA. Cap and Trade cash balance does not reflect funds for expenditures to be processed and reimbursed by FRA.

Executive Summary for November-2015

Executive Budget Summary

	Prior Year	Current Year	Current Year
	Nov-2014	Oct-2015	Nov-2015
Monthly Expenditures (\$ thousands)	\$2,022	\$2,160	\$2,412
Percentage of Budget Expended Year to Date	17.9%	10.0%	16.0%
Total Positions Authorized	174	219	219
Vacancy Rate	16.1%	22.1%	23.5%

- ▶ The Authority has created two new divisions, Audit Division (from the Executive Division) and Regional Directors (from the External Affairs Division), for greater transparency and accountability.
- ▶ 10 new positions were authorized for FY 2015-16: one in Administration, five in Legal, four in Program Management. 35 new positions were authorized in March-2015.
- ▶ Expenditures were \$2.4M for November-2015, compared to \$2.2M the prior month.
 - ▶ Personal services was \$1.9M for both October-2015 and November-2015. Staff hired during the month were brought on early in the month, while staff separations were at the end of the month, leading to flat Personal Services expenditures for the month despite higher position vacancy.
 - ▶ Operating Expenses and Equipment increased from \$307k in October-2015 to \$547k in November-15 due mostly to a \$211k increase in External Contracts expenditures.
- ▶ Percentage of Total Budget Expended Year To Date was 16% for November-2015, compared to 18% for prior year November-2014 Year To Date due to position vacancies:
 - ▶ November-2014 vacancy rate was 16.1% (28 vacant positions out of 174 total positions)
 - ▶ October-2015 vacancy rate was 22.1% (48.5 vacant positions out of 219 total positions)
 - ▶ November-2015 vacancy rate was 23.5% (51.5 vacant positions out of 219 total positions)

Issue: The Support budget for FY 2015-16 is \$40.3M, a 27.5% increase above the \$31.6M budget for FY 2014-15. 94% of the increase is due to Personal Services.

Executive Summary for November-2015

Capital Outlay Budget Summary

	Prior Year	Current Year	Current Year
	Nov-2014	Oct-2015	Nov-2015
Total Monthly Expenditures (\$ millions)	\$66.9	\$74.1	\$51.4
Percentage of Budget Expended Year to Date	4.3%	4.2%	7.2%

- Capital Outlay expenditures for November-2015 include Planning (\$6M), Program Management (\$6M), Right of Way (ROW) acquisition (\$17M) and Design-Build Contract work (\$20M).

Issue: The current Capital Outlay budget for FY 2015-16 is \$1.7B, compared to the \$479M budget for FY 2014-15. The increase in budget is due to Right of Way acquisition and construction activities. The \$1.7B budget is a placeholder. The program will rebaseline the budget in the coming months.

Total Project Expenditures with Forecasts

Program Total by Fund Type	2006-2015
State Funds ¹	\$704
Federal Funds ²	\$669
TOTAL	\$1,373

(\$ millions)

State Match to ARRA	
FY2010 - FY2013 ³	\$102
FY2014 - FY2015	\$269
TOTAL (to date) ⁴	\$371

(\$ millions)

State Match Liability	
Federal Funds	\$669
State Match to ARRA	\$371
Unmatched Federal Funds	\$297

(\$ millions)

- ¹ Prop 1A, Public Transportation Account (PTA), and State Highway funds 1996-2009; ² Federal funds since FY 2010-11; ³ State paid amount as of FY 2013-14; ⁴ State-match to ARRA funds

Issue: The Federal Funds total spent is \$669M. The State Match total spent is \$371M. The Unmatched Federal Funds State Match Liability is \$297M.

Executive Summary for November-2015

Contracts and Expenditures Report

	Prior Year	Current Year	Current Year
	Feb-2015	Oct-2015	Nov-2015
Number of Contracts	174	228	229
Total Value of Contracts (\$ millions)	\$2,280.7	\$4,613.5	\$4,614.3
Small Business Utilization Rate	16.19%	20.87%	21.30%

- ▶ Total active contracts were \$4.6B for November-2015, a \$0.8M increase over the total for October-2015.
- ▶ The small business utilization rate was 21.30% for November-2015, compared to 20.87% for October-2015 the prior month. The utilization rate was 16.19% in February-2015, which was the start of Small Business Utilization rate reporting.

Issue: Over time, the small business utilization rate is expected to increase due to increased construction activity.

Projects & Initiatives Report

	Prior Year	Prior Month	Current Month
	Nov-2014	Oct-2015	Nov-2015
■ Satisfactory	8	4	4
◆ Caution	1	1	1
● Escalate	-	-	-
★ On hold	1	1	1
Total	10	6	6

- ▶ One item On Hold – Financial System
- ▶ One Caution Item – Hiring and Staffing for FY 2015-16 Positions

Issue: Hiring and Staffing for FY 2015-16 Positions - The vacancy rate increased from 22.1% in October-15 to 23.5% in November-15 due to staff separations. As online exams populate, it is expected that the vacancy rate will continue to decline over time.