



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

December 2015

Executive Summary for December-2015

Accounts Payable Aging Report

(\$ millions)	Prior Year	Current Year	Current Year
	Dec-2014	Nov-2015	Dec-2015
Total Aged Invoices	\$0.2	\$0	\$0
Forecast Balance Pending FRA Approval	\$0.2	\$0	\$0

- ▶ Total Accounts Payable aging for December-2015 was \$0, same as the previous month. Last year, December-2014 total Accounts Payable aging was \$0.2M. For September-2015 to December-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 four 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
	Dec-2014	Nov-2015	Dec-2015
Prop IA Bond Fund Ending Cash Balance	\$4	\$36	\$32
Cap and Trade Ending Cash Balance	N/A	\$383	\$385

- ▶ Prop IA cash balance was \$32M for the December-2015 report, compared to \$36M for the November-2015 report.

Issue: The November-2015 Cap and Trade cash balance was \$383M for November-2015. The December-2015 Cap and Trade cash balance of \$385M reflects \$50M in reimbursements from FRA and a \$10M increase in Cap and Trade revolving funds which were offset by \$58M in expenditures. The Cap and Trade cash balance does not reflect funds for expenditures to be processed and reimbursed by FRA in the future.

Executive Summary for December-2015

Executive Budget Summary

	Prior Year	Current Year	Current Year
	Dec-2014	Nov-2015	Dec-2015
Monthly Expenditures (\$ thousands)	\$3,136	\$2,412	\$2,384
Percentage of Budget Expended Year to Date	28.2%	16.0%	21.9%
Total Positions Authorized	174	219	219
Vacancy Rate	13.8%	23.5%	22.1%

- ▶ 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 December-2015, same as November-2015.
 - ▶ Personal services was \$1.9M for both November-2015 and December-2015.
 - ▶ Operating Expenses and Equipment were \$507k for December-2015, \$40k less than the \$547k for November-2015. For December-2015, declines in External Contracts (\$235k less) and Travel (\$42k less) were offset by increases in rent-building and grounds (\$80k higher), interdepartmental contracts (\$36k higher), consolidated data centers (\$84k higher), and data processing (\$36k higher) expenses, compared to November-2015.
 - ▶ Percentage of Total Budget Expended Year To Date was 22% for December-2015, compared to 28% for prior year December-2014 Year To Date due to position vacancies:
 - ▶ December-2014 vacancy rate was 13.8% (24 vacant positions out of 174 total positions)
 - ▶ November-2015 vacancy rate was 23.5% (51.5 vacant positions out of 219 total positions)
 - ▶ December-2015 vacancy rate was 22.1% (48.5 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 December-2015

Capital Outlay Budget Summary

	Prior Year	Current Year	Current Year
	Dec-2014	Nov-2015	Dec-2015
Total Monthly Expenditures (\$ millions)	\$24.2	\$51.4	\$35.9
Percentage of Budget Expended Year to Date	6.0%	7.2%	9.2%

- ▶ Capital Outlay expenditures for December-2015 include Planning (\$6.5M), Program Management (\$5.7M), Right of Way (ROW) acquisition (\$6.5M) and Design-Build Contract work (\$17.1M).
- ▶ 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.

Issue: The forecast for Capital Outlay expenditures has declined from \$1.7B in August-2015 to \$1.2B in September-2015 to \$1.0B for December-2015 due to schedule delays.

Total Project Expenditures with Forecasts

Program Total by Fund Type	2006-2015
State Funds ¹	\$705
Federal Funds ²	\$669
TOTAL	\$1,374

(\$ millions)

State Match to ARRA	
FY2010 - FY2013 ³	\$102
FY2014 - FY2015 ⁵	\$230
TOTAL (to date) ⁴	\$332

(\$ millions)

State Match Liability	
Federal Funds	\$669
State Match to ARRA	\$332
Unmatched Federal Funds	\$337

(\$ 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; ⁵ The State Match to ARRA total for FY2014-FY2015 is \$230M for the Dec-2015 report, a decrease of \$39M from the Nov-2015 report total of \$269M due to the receipt of Federal reimbursements.

Issue: The Federal Funds total spent is \$669M. The State Match total spent is \$332M. The Unmatched Federal Funds State Match Liability is \$337M.

Executive Summary for December-2015

Contracts and Expenditures Report

	Prior Year	Current Year	Current Year
	Feb-2015	Nov-2015	Dec-2015
Number of Contracts	174	229	235
Total Value of Contracts (\$ millions)	\$2,280.7	\$4,614.3	\$4,615.2
Small Business Utilization Rate	16.19%	21.30%	20.45%

- ▶ Total active contracts were \$4.6B for December-2015, a \$0.9M increase over the total for November-2015.
- ▶ The small business utilization rate was 20.45% for December-2015, compared to 21.30% for November-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
	Dec-2014	Nov-2015	Dec-2015
■ Satisfactory	7	4	4
◆ Caution	1	1	1
● Escalate	-	-	-
★ On hold	1	1	1
Total	9	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 declined from 23.5% in November-15 to 22.1% in December-15 due to new employee starts.