



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

September 2017

Executive Summary for September 2017

Accounts Payable Aging Report

(\$ in millions)	Prior Year	Current Year	Current Year
	Sep-16	Aug-17	Sep-17
Total Aged Invoices	\$0	\$0	\$0
Forecast Balance Pending FRA Approval	\$0	\$0	\$0
Number of Invoices Paid	**	322	291
Value of Invoices Paid	**	\$84.6	\$70.2
Number of In-Process Invoices	**	138	321
Value of In-Process Invoices	**	\$59.5	\$116.4

- ▶ There were no aged invoices for Sep-17. There have been no aged invoices since the Jan-17 report.
- ▶ Overall expenditures have increased \$20.4M (25.2%) from the previous year; last year's expenditures for Year-To-Date (YTD) Sep-16 were \$81.0M (\$2.5M for Administrative Expenditures and \$78.5M for Capital Outlay Expenditures). Expenditures for current YTD Sep-17 are \$101.4M (\$2.9M for Administrative Expenditures and \$98.5M for Capital Outlay Expenditures).

Note: ** Information for prior year Sep-16 is in Calstars and unavailable since the Authority transitioned to FISCAL in Sep-16.

Cash Management Report

(\$ in millions)	Prior Year	Current Year	Current Year
	Sep-16	Aug-17	Sep-17
Prop IA Bond Fund Ending Cash Balance	\$6.9	\$1,250.7	\$1,225.2
Cap and Trade Ending Cash Balance	\$733.5	\$604.2	\$541.0

- ▶ Cap and Trade funds are generally used for program priorities such as financial advisors, federal contracts, and other projects (Caltrain project).
- ▶ Prop IA funds are generally used for program priorities including administration, Project Development (environmental studies, planning, and preliminary engineering), Construction activities (civil works and ROW), and Local Assistance (Bookend projects).
- ▶ Bond sales are conducted twice per year by the State Treasurer's Office (STO) in the spring and fall.
- ▶ During FY2016-17, Prop IA Bond proceeds totaled \$1.323B.

Note: Proceeds from the Cap and Trade auctions are as follows: Aug-15 \$161.3M, Nov-15 \$164.2M, Feb-16 \$129.2M, May-16 \$2.5M, Aug-16 \$2.1M, Nov-16 \$91.1M, Feb-17 \$2M, and May-17 \$127.8M (total \$680.2M). The Aug-17 Cap and Trade auction resulted in approximately \$642.8M in credits sold, of which the Authority receives 25% or approximately \$161M. The amount will be recorded for the current year after the proceeds are finalized and received.

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Executive Budget Summary

(\$ in millions)	Prior Year	Current Year	Current Year
	Sep-16	Aug-17	Sep-17
Monthly Expenditures	\$2.5	\$4.7	\$2.9
Percentage of Budget Expended YTD	6.0%	80.5%	6.5%
Percentage of Personal Services Budget Expended YTD	7.0%	85.9%	7.5%
Percentage of Operating Expenses and Equipment Expended	3.2%	64.6%	3.7%
Percentage of Fiscal Year Completed	8.3%	100%	8.3%
Total Authorized Positions			
	226	226	226
Total Filled Positions			
	193	193	185
Vacancy Rate			
	14.6%	14.6%	18.1%

- ▶ At 8.3% of the FY2017-18 completed, 6.5% (\$2.9M) of the total Administrative Budget (Personal Services Budget plus Operating Expenses and Equipment Budget) has been spent, compared to 6.0% (\$2.5M) for YTD Sep-16.
- ▶ Monthly expenditures for Sep-17 were \$2.9M, this value is an increase of \$313.5K over prior year Sep-16 (\$2.5M), but a decrease of \$1.8M or 39% from the prior month.
- ▶ The percentage of Personal Services Budget expended is 7.5% for Sep-17, a 0.5% increase from the 7.0% for the prior year (Sep-16).
- ▶ The Authority's vacancy rate of 18.1% is the primary driver for the underutilization. Comparatively, the Authority's vacancy rate is slightly higher than the statewide average of 12.7% (statewide average rate as of June 31, 2017).
- ▶ The percentage of Operating Expenses and Equipment Budget expended is 3.7% for the Sep-17, a 0.5% increase from the 3.2% spent in Sep-16.

Budget Item	Prior Year FY2016-17*	Current Year FY2017-18	Year-over-Year \$ Change	Year-over-Year % Change
Personal Services	\$31.3M	\$32.1M	\$800K	2.6%
Operating Expenditures and Equipment (OE&E)	\$10.9M	\$11.8M	\$900K	8.3%
Total Administrative Budget	\$42.2M	\$43.9M	\$1.7M	4.0%

- ▶ The Total Administrative Budget increased \$1.7M (4.0%) from \$42.2M in FY2016-17 to \$43.9M in FY2017-18.
- ▶ The Personal Services budget increased \$800K (2.6%) predominately from merit salary increases for eligible employees.
- ▶ OE&E budget increased \$900K (8.3%) primarily due to additional external contracts for the 2017-18 fiscal year compared to the prior year.

* As of Sep-16

Executive Summary for September 2017

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Sep-16	Current Year Aug-17	Current Year Sep-17
Budget (Fiscal Year)	\$1,708	\$2,211.5	\$1,639
Monthly Expenditures	\$78.5	\$78.9	\$98.5
Percentage of Budget Expended Year to Date	4.6%	56.3%	6.0%
Percentage of Fiscal Year Completed	8.3%	100%	8.3%

- ▶ At 8.3% of the Fiscal Year completed, the Authority spent \$98.5M (6.0%) of the Capital Outlay budget of \$1.639B, compared to \$78.5M (4.6%) of the \$1.708B FY2016-17 budget.
- ▶ Capital Outlay expenditures for Sep-17 were \$98.5M and were comprised of: Project Development (\$15.1M), Right-of-Way (\$25.2M), Design-Build Contract Work (\$36.2M), Rail Delivery Partner costs (\$6.9M), and other expenses (\$15.1M).
- ▶ The FY2017-18 budget of \$1.639B is in line with the 2016 Business Plan and is based on a prioritization of executed contracts necessary for CVS development and construction, V2V planning, and Local Assistance (Bookend) project construction.
- ▶ The FY2017-18 budget prioritizes work related to Phase I ROD completion and work required to meet ARRA/FY10 grant requirements.

Total Project Expenditures with Forecasts

State Match to ARRA	
FY2010-FY2013	\$ 102,100,000
FY2014-FY2015	\$ 171,286,474
FY2015-FY2016	\$ 6,411,319
FY2016-FY2017	\$ 13,291,394
TOTAL (to date)	\$ 293,089,188

State Match Liability			
Fund Type	Spend to Date	Total Obligation	Remaining Balance
Federal Funds			
ARRA	\$ 2,552,556,231	\$ 2,552,556,231	\$ -
FY10	\$ -	\$ 928,620,000	\$ 928,620,000
Federal Funds Total	\$ 2,552,556,231	\$ 3,481,176,231	\$ 928,620,000
State and Local Funds			
ARRA State Match			
Tapered Federal Funds	\$ 293,089,0188	\$ 2,453,671,231	\$ 2,160,582,043
FY10 State Match	\$ -	\$ 359,805,000	\$ 359,805,000
Local	\$ -	\$ 52,100,000	\$ 52,100,000
State Funds Total	\$ 293,089,0188	\$ 2,865,576,231	\$ 2,572,487,043
Total	\$ 2,845,645,419	\$ 6,346,752,462	\$ 3,501,107,043

- ▶ Total Program Expenditures to date since inception are \$3.688B, comprised of \$173.7M for Administration and \$3.514B for Project Development and Construction.
- ▶ Total State Match to date is equal to \$293.1M, this number will increase as the Authority begins to use state funds now that ARRA is completed.

Executive Summary for September 2017

Contracts and Expenditures Report







(\$ in billions)	Prior Year	Current Year	Current Year
	Sep-16	Aug-17	Sep-17
Number of Contracts and Purchase Orders	298	414	393
Total Value of Contracts and Purchase Orders	\$4.905	\$5.468	\$5.563
Small Business Utilization Rate	16.3%	19.7%	20.3%

- As of July 31, 2017, the Authority has 393 active contracts/purchase orders (PO's) with a total value of over \$5.563B. This is an increase of 95 net new contracts/PO's and \$658.2M from last year's total of 298 contracts/PO's and \$4.905B. Between Aug-17 and Sep-17, the Authority had a net decrease of 21 contracts/PO's (from 414 to 393) from the prior month, and the total value of net contracts/PO's increased by \$95M (from \$5.468B to \$5.563B).
- The Authority has a small business utilization goal of 30% per the Small and Disadvantaged Business Enterprise Policy from Aug-12. All subsequent eligible contracts and amendments include the small business goal. Exempt contracts, such as third party utilities, interagency agreements and governmental entities are excluded. The percentage represents the total dollar amount that went to small businesses by vendor divided by the total invoices. Small business utilization percentages reflect invoices received and verified to date.
- The Small Business Utilization Rate was 16.2% in Feb-15, which was the start of Small Business Utilization Rate reporting.
- The Small Business Utilization Rate increased 0.6% from the Aug-17 (19.7%) and Sep-17 (20.3%) reports.

Note: Over time, the Small Business Utilization rate is expected to increase as construction activity progresses.

Projects & Initiatives Report

Escalated Items

Time Line	Prior Year	Current Year	Current Year
	Sep-16	Aug-17	Sep-17
Satisfactory 	13	5	6
Caution 	18	8	7
Escalate 	0	14	14
On hold 	1	4	4
Completed  	0	9	9
n/a – Milestones TBD	0	5	5
Total	32	45	45

- Northern CA Region San Francisco to San Jose
- Northern CA Region San Jose to Merced
- Central Region Central Valley Wye (CVY)
- Locally Generated Alternative (F-B)
- Southern CA Region Bakersfield to Palmdale
- Southern CA Region Palmdale to Burbank
- Southern CA Region Burbank to Los Angeles
- Southern CA Region Los Angeles to Anaheim
- Asset Management System – Maximo (AMO)
- PMIS – Contract Management System
- PMIS – Cost Management System
- PMIS – Enterprise Document Management System (EDMS) – Records Center
- PMIS – Risk Management System
- PMIS – Schedule Management System

- Nine projects have been marked Complete, with closeout reports under review. Those include the Compliance Verification Plan, Master Quality Plan, Resource Management Plan, Work Plan Standards Guide, Integrated Train Planning System Options Assessment Document, Aesthetics Guidelines, Configuration Management Plan, Program Interface Management Plan, and Records Management and Documentation Control Plan.
- Schedules, milestones, and ratings have been updated for IT projects.
- Environmental Mitigation Management and Assessment Application has been changed from Caution to Satisfactory status, all other items remain unchanged.