



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

January 2016

# Executive Summary for January-2016

## Accounts Payable Aging Report

(\$ millions)	Prior Year	Current Year	Current Year
	Jan-2015	Dec-2015	Jan-2016
Total Aged Invoices	\$0.08	\$0	\$0
Forecast Balance Pending FRA Approval	\$0.08	\$0	\$0

- ▶ Total Accounts Payable aging for January-2016 was \$0, same as the previous month. For the previous year, January-2015 total Accounts Payable aging was \$77k. For September-2015 to January-2016, 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 five 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.

- Disputes that do not appear in the aging (total \$4.4M) include CA DOT (\$81k), HMM (\$645k), PB (\$1.2M), URS (\$2.5M), and other vendors (\$18k).

## Cash Management Report

(\$ millions)	Prior Year	Current Year	Current Year
	Jan-2015	Dec-2015	Jan-2016
Prop IA Bond Fund Ending Cash Balance	\$1	\$32	\$31
Cap and Trade Ending Cash Balance	N/A	\$385	\$330

- ▶ Prop IA cash balance was \$31M for the January-2016 report, compared to \$32M for the December-2015 report.

**Issue:** The December-2015 Cap and Trade cash balance was \$385M. The January-2016 Cap and Trade cash balance of \$330M reflects \$81M in expenditures, \$36M in reimbursements from FRA and a \$10M decrease in Cap and Trade revolving funds. The Cap and Trade cash balance does not reflect transactions pending FRA approval.

# Executive Summary for January-2016

## Executive Budget Summary

	Prior Year	Current Year	Current Year
	Jan-2015	Dec-2015	Jan-2016
Monthly Expenditures (\$ thousands)	\$2,732	\$2,384	\$2,587
Percentage of Budget Expended Year to Date	33.8%	21.9%	28.3%
Total Positions Authorized	174	219	219
Vacancy Rate	13.8%	22.1%	18.9%

- ▶ Expenditures were \$2.6M for January-2016, \$0.2M more than December-2015.
  - ▶ Personal services was \$1.9M for both December-2015 and January-2016.
  - ▶ Operating Expenses and Equipment were \$688k for January-2016, \$181k more than the \$507k for December-2015. For January-2016, lower expenditures in Rent (\$42k less), Interdepartmental Contracts (\$32k less), and Consolidated Data Centers (\$107k less) were offset by increases in expenses for General Office Expense (\$254k higher) and External Contracts (\$107k higher), compared to December-2015. The General Office expense was for online software licenses for Team Insights Online Portal.
- ▶ Percentage of Personal Services Budget Expended is 33% for YTD (Year to Date) January-2016, lower than the 40% for prior year YTD January-2015 due to position vacancies:
  - ▶ January-2015 vacancy rate was 13.8% (24.0 vacant positions out of 174 total positions)
  - ▶ December-2015 vacancy rate was 22.1% (48.5 vacant positions out of 219 total positions)
  - ▶ January-2016 vacancy rate is 18.9% (41.5 vacant positions out of 219 total positions)

**Issue:** For YTD January-2016, 28% of the budget has been expended with 42% of the Fiscal Year completed, compared to 34% of budget expended for prior year YTD January-2015.

- Interdepartmental Contracts for YTD January-2016 are \$290k, compared to YTD Jan-2015 expenditures of \$1.2M. For YTD January-2016, Caltrans has not yet invoiced HSR for \$1M.

- For External Contracts, Financial Advisor expenditures of \$1.1M were included in YTD January-2015. For FY 2015/16, Financial Advisor expenditures (\$1.2M) have been reclassified and reflected in the Capital Outlay report.

- For year over year comparison, including the \$1M in Caltrans unbilled invoices and \$1.2M in Financial Advisor expenditures, YTD January-2016 percentage of budget expended would have been 33.5%, compared to 33.8% for YTD January-2015.

# Executive Summary for January-2016

## Capital Outlay Budget Summary

	Prior Year	Current Year	Current Year
	Jan-2015	Dec-2015	Jan-2016
Budget (Fiscal Year) (\$ millions)	\$478.5	\$1,747.7	\$1,747.7
Monthly Expenditures (\$ millions)	\$19.3	\$35.9	\$73.2
Percentage of Budget Expended Year to Date	13.3%	9.2%	13.4%

- ▶ Capital Outlay expenditures for January-2016 include Planning (\$6.1M), Program Management (\$6.1M), Right of Way (ROW) acquisition (\$14.0M) and Design-Build Contract work (\$47.0M).
- ▶ 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.
- ▶ The rebaseline is expected to address line items that are over budget due to funding or budget allocation issues.

**Issue:** The forecast for Capital Outlay expenditures has declined from \$1.7B in August-2015 to \$1.2B in September-2015 to \$1.0B in December-2015 due to schedule delays. The forecast is \$1.0B in January-2016.

## Total Project Expenditures with Forecasts

Program Total by Fund Type	2006-2015
State Funds <sup>1</sup>	\$705
Federal Funds <sup>2</sup>	\$825
<b>TOTAL</b>	<b>\$1,530</b>

(\$ millions)

State Match to ARRA	
FY2010 - FY2013 <sup>3</sup>	\$102
FY2014 - FY2015 <sup>5</sup>	\$171
<b>TOTAL (to date) <sup>4</sup></b>	<b>\$273</b>

(\$ millions)

State Match Liability	
Federal Funds	\$825
State Match to ARRA	\$273
<b>Unmatched Federal Funds</b>	<b>\$552</b>

(\$ millions)

- ▶ <sup>1</sup> Prop 1A, Public Transportation Account (PTA), and State Highway funds 1996-2009; <sup>2</sup> Federal funds since FY 2010-11; <sup>3</sup> State paid amount as of FY 2013-14; <sup>4</sup> State-match to ARRA funds; <sup>5</sup> The State Match to ARRA total for FY2014-FY2015 is \$171M for the Jan-2016 report, a decrease of \$59M from the Dec-2015 report total of \$230M due to the receipt of Federal reimbursements.

**Issue:** The Federal Funds total spent is \$825M. The State Match total spent is \$273M. The Unmatched Federal Funds State Match Liability is \$552M.

# Executive Summary for January 2016

## Contracts and Expenditures Report

	Prior Year	Current Year	Current Year
	Jan-2015	Dec-2015	Jan-2016
Number of Contracts	196	235	253
Total Value of Contracts (\$ millions)	\$2,278.0	\$4,615.2	\$4,620.0
Small Business Utilization Rate	15.70%	20.45%	20.89%

- ▶ Total active contracts were \$4.6B for January-2016, the same total as December-2015.
- ▶ The small business utilization rate was 20.89% for January-2016, compared to 20.45% for December-2015. The utilization rate was 16.19% in February-2015, which was the start of Small Business Utilization rate reporting.
- ▶ CAHSR has a small business utilization goal of 30%. Older contracts did not include a small business goal. Subsequent contract amendments do include the small business goal. Small business utilization percentages reflect invoices received to date. Exempt contracts such as Third Party utilities or interagency agreements are excluded.

**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
	Jan-2015	Jan-2016	Jan-2016
■ Satisfactory	7	4	4
◆ Caution	1	1	1
● Escalate	-	-	-
★ On hold	1	1	1
Total	9	6	6

- ▶ One item On Hold – Financial System

**Issue:**

1. Hiring and Staffing for FY 15/16 Positions – End date changed from 12/31/15 to 6/30/16
2. Identify Right-of-Way Management Software – Completed as of 12/31/15
3. Document Management System – Completed as of 12/31/15