



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

March 2021 Report (Data through January 31, 2021)

# Executive Summary for March 2021 Report

## Accounts Payable Aging And Disputes Report (\$ in millions)

	Prior Year Jan-20 Data	Prior Month Dec-20 Data	Current Month Jan-21 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$2.8	\$76.6	\$76.2
Number of Invoices Paid	285	327	230
Value of Invoices Paid	\$95.3	\$111.8	\$91.2
Number of In-Process Invoices	172	161	178
Value of In-Process Invoices	\$62.6	\$87.4	\$64.5
Total Number of Invoices Paid and In-Process	457	488	408

- The Authority has not made a penalty payment in 48 months and did not have any aged invoices in the January reporting period.
- The Authority currently has 131 disputed invoices with a total value of \$76.2M. The \$433K decrease in total disputes from the prior month is primarily due to disputed invoice resolutions from CA Department of Transportation (\$230K), City of Fresno (\$69K), and WSP (\$61K).

**Note:** The total number of invoices paid and in-process will fluctuate depending on the progress of the project.

## Cash Management Report (\$ in millions)

	Prior Year Jan-20 Data	Prior Month Dec-20 Data	Current Month Jan-21 Data
Prop IA Bond Fund Ending Cash Balance	\$500.4	\$67.8	\$63.2
Cap and Trade Ending Cash Balance	\$2,240.8	\$1,844.8	\$1,766.4
Rail Property Management Fund Ending Cash Balance	\$8.5	\$10.0	\$10.2

- Prop IA Bond sales are conducted twice per year by the State Treasurer's Office (STO) in the spring and fall.
- Cap and Trade auctions occur four times per year (Aug, Nov, Feb, May) and are subject to administrative adjustments by the California Air Resources Board and the Department of Finance (e.g. fire fee, manufacturing tax exemption offsets, and foreign exchange rate adjustments).
- The Rail Property Management Fund receives revenues from leases/rents collected on property acquired but not yet delivered to the Design-Builders for construction. These funds are annually appropriated and used for the development, improvement and maintenance of the HSR system.
- In January, the Authority has an additional \$362.1M in commercial paper authority which was authorized in Fall 2019, Spring 2020, and Fall 2020; however, the proceeds will not be reflected in this report until the Authority submits a request for funds to STO and issuance is completed.

**Note:** A Cap and Trade auction occurred on February 17, 2021. The preliminary share of proceeds for the Authority are estimated to be \$161.7M. This is a \$14.9M increase from the \$146.8M received in the Nov-20 auction. Proceeds from both auctions are not yet included in the Cap and Trade Cash Balance and will be reflected once the journal entry has been completed by State Controllers Office.

# Executive Summary for March 2021 Report

## Administrative Budget and Expenditures Report

(\$ in millions)

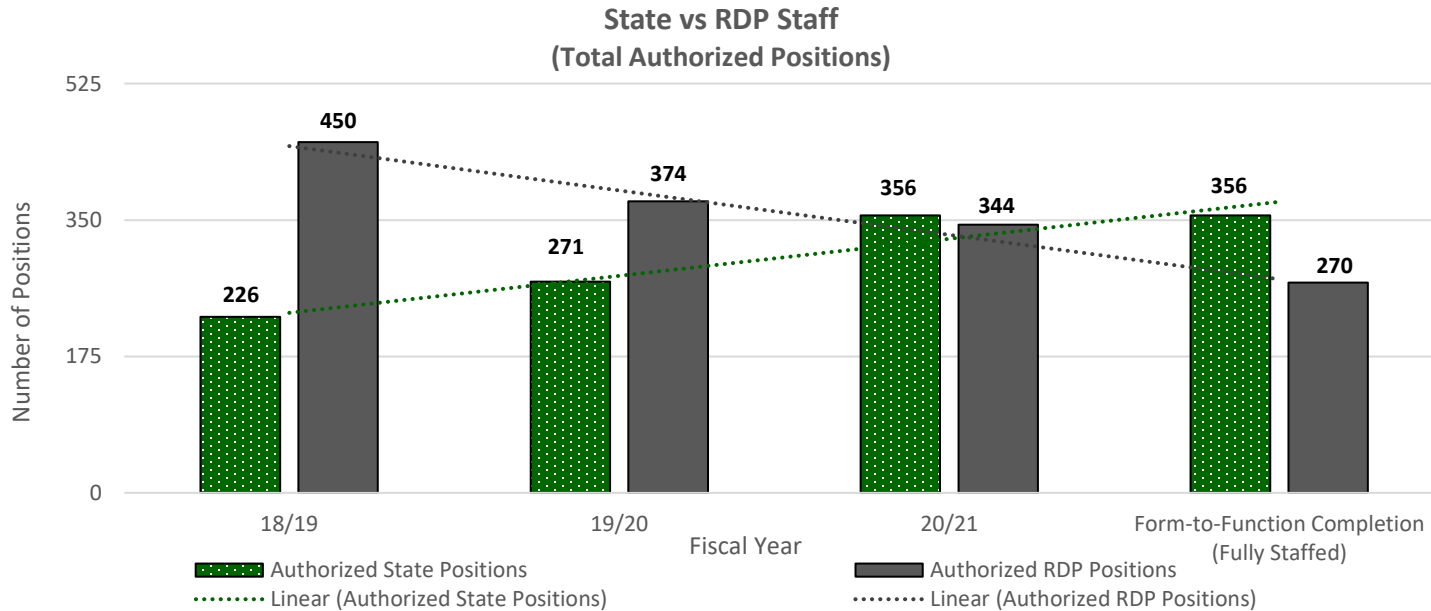
	Prior Year Jan-20 Data	Prior Month Dec-20 Data	Current Month Jan-21 Data
Budget (Fiscal Year)	\$58.3	\$73.6	\$73.0
Monthly Expenditures	\$3.4	\$4.0	\$4.0
YTD Expenditures	\$22.1	\$21.4	\$25.4
Percentage of Budget Expended YTD	37.9%	29.1%	34.8%
Percentage of Personal Services Budget Expended YTD	45.3%	31.8%	40.2%
Percentage of Operating Expenses and Equipment Expended YTD	16.7%	19.2%	19.7%
Percentage of Fiscal Year Completed	58.3%	50%	58.3%
Total Authorized Positions	271	356	356
Total Filled Positions	209	244	252
Vacant Positions	62	112	104
Vacancy Rate	22.9%	31.5%	29.2%

- On January 8, 2021, the Governor's released the FY2021-22 proposed budget, which includes an update to the current year budget (FY2020-21). In the update, the Authority's current year budget decreased by \$601K (from \$73.6M to \$73.0M) to account for changes in Salaries and Benefits and OE&E.
- At 58.3% of the Fiscal Year completed, \$25.4M or 34.8% of the Administrative Budget has been spent, resulting in a budget underutilization value of 23.5%. The budget underutilization is due to vacancies and low OE&E spending.
- As of January 31, 2021, the Authority's vacancy rate is 29.2%, primarily due to the addition of 85 new state positions. The Authority has reduced its vacancy rate by 7.9% (from 37.1% to 29.2%) since the beginning of the fiscal year.
- The Authority has filled 174 vacant positions (9 positions per month) since July 2019 when accounting for new hires, internal promotions, and transfers exclusively (no separations included).

# Executive Summary for March 2021 Report

## Form-to-Function Implementation: Consultant Staff and State Staff Comparison

	Positions	18/19	19/20	20/21	Form-To-Function Completion (Fully Staffed)
State	Filled	185	227	252	356
	Vacant	41	44	104	0
	Total Authorized	226	271	356	356
RDP	FTEs Filled	345	321	297	270
	Vacant	105	53	47	0
	Total Authorized	450	374	344	270



**Notes:**

- In July 2020, the Authority received 85 new state positions as part of a cost-saving workload adjustment that will reduce the reliance on contracted resources, while increasing state oversight of critical functions (Form-to-Function). Overall authorized staff resources fell from 676 to 626.
- RDP position counts use Full-Time Equivalents (FTE's) and filled positions by fiscal year are monthly averages by FY from October 2018 through December 2020.
- State Staff positions filled by fiscal year are data for the months of June 2019, June 2020, and January 2021.

# Executive Summary for March 2021 Report

## Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Jan-20 Data	Prior Month Dec-20 Data	Current Month Jan-21 Data
Budget (Fiscal Year)	\$2,255.0	\$2,903.3	\$2,903.3
Monthly Expenditures	\$119.6	\$80.7	\$65.5
YTD Expenditures	\$839.5	\$656.0	\$721.5
Percentage of Budget Expended Year to Date	37.2%	22.6%	24.9%
Percentage of Fiscal Year Completed	58.3%	50%	58.3%

- At 58.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$721.5M or 24.9% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$55M**, which includes: CPI - \$15.7M, CP2-3 - \$23M, and CP4 - \$16.4M.
- Design-Build (DB) Monthly Expenditures totaled **\$41.2M**, which includes: CPI - \$11.5M, CP2-3 - \$16.2M, and CP4 - \$13.5M.
- As of January 31, 2021, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 62.4%, CP2-3: 61.9%, and CP4: 64.7%.

**Note:** The Authority's fiscal year forecast has been updated to \$1.808B.

## Capital Outlay Expenditure Breakout

Expenditure Category (\$ in millions)	FY Budget	FY Forecast	Monthly Expenditures	YTD Expenditures	% Spent (Budget)	% Spent (Forecast)
Percentage of Fiscal Year Complete: 58%						
<b>Construction</b>	<b>\$2,408.9</b>	<b>\$1,594.3</b>	<b>\$61.5</b>	<b>\$662.0</b>	<b>27%</b>	<b>42%</b>
Design Build with TIA Payment*	\$1,312.6	\$891.5	\$41.2	\$446.8	34%	50%
Design Build Contracts w/o TIA Payment*	(\$1,312.6)	(\$891.5)	(\$41.2)	(\$446.8)	34%	50%
Time Impact Analysis (TIA) Payments*	n/a	n/a	n/a	n/a	n/a	n/a
Right-of-Way / Third Party	\$306.1	\$224.6	\$8.2	\$110.2	36%	49%
PCM / RDP / ETO / Legal	\$192.2	\$177.5	\$11.1	\$94.0	49%	53%
Environmental Mitigation / Resource Agency	\$38.9	\$10.0	\$0.2	\$3.6	9%	36%
Other Construction (SR 99, Stations, etc.)	\$74.6	\$8.2	\$0.8	\$7.4	10%	91%
Remaining Fiscal-Year Project Contingency	\$484.4	\$282.5	\$0.0	\$0.0	0%	0%
<b>Project Development</b>	<b>\$145.1</b>	<b>\$72.3</b>	<b>\$4.1</b>	<b>\$31.6</b>	<b>22%</b>	<b>44%</b>
<b>Bookend Projects (Local Assistance)</b>	<b>\$349.4</b>	<b>\$141.8</b>	<b>\$0.0</b>	<b>\$27.9</b>	<b>8%</b>	<b>20%</b>
<b>TOTAL</b>	<b>\$2,903.3</b>	<b>\$1,808.3</b>	<b>\$65.5</b>	<b>\$721.5</b>	<b>25%</b>	<b>40%</b>

\*Numbers in parenthesis are non-adds but included to provide additional detail.

# Executive Summary for March 2021 Report

## Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$6,079.2	75%
Project Development	\$1,276.7	16%
Local Assistance	\$406.9	5%
Support Funding – Project Development	\$82.3	1%
Support Funding – Construction	\$81.4	1%
Administration	\$132.4	2%
<b>Total</b>	<b>\$8,058.8</b>	<b>100%</b>

## State Match to ARRA and State Match Liability

Fund Type (\$ in millions)	Total Match	FRA Approved Match to Date	Pending FRA Approval	Total Approved and Submitted to FRA	Remaining Match	Percentage Approved and Submitted Match to Date
State and Local Funds	(A)	(B)	(C)	(D) = (B + C)	(A - D)	(D / A)
State Match to ARRA	\$2,495.4	\$740.7	\$1,556.2	\$2,296.9	\$198.5	92.0%
Local Match to ARRA	\$4.1	\$4.1	\$0.0	\$4.1	\$0.0	100.0%
<b>Total</b>	<b>\$2,499.5</b>	<b>\$744.8</b>	<b>\$1,556.2</b>	<b>\$2,301.0</b>	<b>\$198.5</b>	<b>92.1%</b>

- The State Match to ARRA and State Match Liability table reflects FRA Approved Match to Date in the amount of \$744.8M and Pending FRA Approval in the amount of \$1,556.2M, Total Approved and Submitted to FRA in the amount of \$2,301.0M (92.1%) as of January 31, 2021. HSRA has met \$4.1M or 100% in total Local Match to ARRA.
- In addition, the Authority has \$198.5M in-process at the Grants unit which is expected to be submitted within the next 30 days.
- When including FRA Approved Match to Date (\$744.8M), invoices Pending FRA Approval (\$1,556.2M), and invoices scheduled for report at HSRA (\$198.5M), the Authority has \$2,499.5M (100%) in total State Match to ARRA as of January 31, 2021.

**Note:** In February, the Authority submitted the final invoices to complete the State Match to ARRA requirement. The FRA also approved an additional \$845.8M in State Match invoices, which brings the total FRA Approved Match to Date to \$1,590.6M (63.6%).

# Executive Summary for March 2021 Report

## Contracts and Expenditures Report

(\$ in millions)

	Prior Year Jan-20 Data	Prior Month Dec-20 Data	Current Month Jan-21 Data
Number of Contracts	193	206	204
Total Value of Contracts	\$7,388.0	\$8,368.8	\$8,435.5
Number of Purchase Orders	75	45	44
Total Value of Purchase Orders	\$1.3	\$1.3	\$0.9
Total Value Contracts and Purchase Orders	\$7,389.2	\$8,370.1	\$8,436.3
Small Business Utilization Rate	20.9%	21.1%	21.5%

- Contracts are predominately issued for a variety of services, such as design-build and environmental work, while purchase orders are generally used to acquire goods (i.e. office supplies).
- As of January 31, 2021, the Authority had 204 active contracts and 44 active purchase orders (PO's) with a total value of \$8.4B.
- Month-over-Month the value of contracts increased \$66.6M, primarily due to executed change orders for CP design-build contracts and three new contracts.
- The Mar-21 report (Jan-21 data) reflects a Small Business Utilization Rate (SBU) of 21.5%. The current rate represents a 5.3% increase from the inception of SBU reporting in Feb-15 of 16.2%.
- The Authority anticipates SBU to increase as construction activity ramps up moving closer to the SBU goal of 30%, per the Small and Disadvantaged Business Enterprise Policy approved in Aug-12.
- As of January 31, 2021, there are **594** small businesses actively working on the high-speed rail project, including **189** DBEs and **64** Certified DVBEs. (Updates for Small Business totals are provided quarterly).

# Executive Summary for March 2021 Report

## Contingency Summary (data is cumulative from the May 2019 Project Budget Update through January 31, 2021, \$ in millions)

Contingency Category	CP1 Total Alloc.	CP1 Cumul. Authorized	CP1 Balance	CP2-3 Total Alloc.	CP2-3 Cumul. Authorized	CP2-3 Balance	CP4 Total Alloc.	CP4 Cumul. Authorized	CP4 Balance	Other Total Alloc.	Other Cumul. Authorized	Other Balance	Total Alloc.	Total Cumul. Authorized	Total Balance
Project Contingency	\$1,237	\$881	\$356	\$1,085	\$821	\$264	\$340	\$217	\$123	\$0	\$0	\$0	\$2,662	\$1,920	\$742
Unallocated Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$426	\$6	\$420	\$426	\$6	\$420
Interim Use/Project Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$208	\$54	\$154	\$208	\$54	\$154
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$297	\$16	\$280	\$297	\$16	\$280
<b>Total</b>	<b>\$1,237</b>	<b>\$881</b>	<b>\$356</b>	<b>\$1,085</b>	<b>\$821</b>	<b>\$264</b>	<b>\$340</b>	<b>\$217</b>	<b>\$123</b>	<b>\$931</b>	<b>\$76</b>	<b>\$854</b>	<b>\$3,593</b>	<b>\$1,996</b>	<b>\$1,597</b>

### Notes:

Contingency Summary Table (above):

- Contingency Category "Other" refers to Non-Design Build Central Valley Scope and Non-Central Valley Scope.
- Total Allocation (Total Alloc.) shown in the above table is the initial contingency allocation set at the 2019 Budget Update.
- Cumulative Authorized (Cumul. Authorized) is the total amount of individual contingency transfers \$25M and over that have received approval through the HSR governance process for which a change order/amendment has not been executed and all executed change orders/amendments involving the transfer of contingency.
- Balance is the remaining contingency balance after all HSR approved contingency transfers \$25M and over for which a change order/amendment has not been executed and all executed change orders/amendments involving the transfer of contingency.

HSR Governance Actions Table:

- All HSR approved contingency transfers \$25M and over approved during the monthly activity reported are detailed in the table to the right.
- Authorization totals include rounding adjustments.

### Table Code Legend

Code	Item
A	Scope Change
B	Cost Change
C	Unallocated
D	Other

## HSR Governance Actions (Monthly Activity)

January 2021 Activity

Category/Contract	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
<b>Contingency Category: Project Contingency</b>					
Authorizations >25 million					None
Authorizations <25 million	CP 1, 2-3, 4	Various	A/B	\$42	Various Executed Change Orders
Monthly Subtotal				\$42	
Previously Approved Authorizations				\$1,877	
Total Cumulative Authorizations				\$1,920	
<b>Contingency Category: Unallocated Contingency</b>					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$6	
Total Cumulative Authorizations				\$6	
<b>Contingency Category: Interim Use/Project Reserve</b>					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$54	
Total Cumulative Authorizations				\$54	
<b>Contingency Category: Other</b>					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$16	
Total Cumulative Authorizations				\$16	
<b>Grand Total Cumulative Authorizations</b>				<b>\$1,996</b>	