



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

December 2021 Report (Data through October 31, 2021)

Executive Summary for December 2021 Report

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

	Prior Year Oct-20 Data	Prior Month Sep-21 Data	Current Month Oct-21 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$2.3	\$53.6	\$46.9
Number of Invoices Paid	277	255	254
Value of Invoices Paid	\$97.3	\$139.5	\$96.1
Number of In-Process Invoices	145	218	137
Value of In-Process Invoices	\$113.6	\$82.1	\$77.4
Total Number of Invoices Paid and In-Process	422	473	391

- The Authority has not made a penalty payment in over four years (57 months) and did not have any aged invoices in the October 2021 reporting period.
- The Authority currently has a total of \$46.9M in disputed invoices, which represents a \$6.6M decrease in total disputes from the prior month.

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 Oct-20 Data	Prior Month Sep-21 Data	Current Month Oct-21 Data
Prop IA Bond Fund Ending Cash Balance	\$72.8	\$115.6	\$100.5
Cap-and-Trade Ending Cash Balance	\$2,055.0	\$1,690.7	\$1,605.7
Rail Property Management Fund Ending Cash Balance	\$9.7	\$11.1	\$11.3

- 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. The fund has a \$4M appropriation for the current fiscal year, which will be used for development, improvement and maintenance of the HSR system.
- A Cap-and-Trade auction occurred on November 17, 2021. The preliminary share of proceeds for the Authority are estimated to be \$323M. This is a \$71M increase from the Aug-21 auction (\$252M), and the highest proceed amount received to date. The Authority is waiting on receipt of funds from both auctions. Proceeds will be reflected in the Cash Balance once the journal entry has been completed by the State Controller's Office.

Executive Summary for December 2021 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Oct-20 Data	Prior Month Sep-21 Data	Current Month Oct-21 Data
Budget (Fiscal Year)	\$73.6	\$91.1	\$91.1
Monthly Expenditures	\$3.4	\$4.5	\$4.5
YTD Expenditures	\$13.5	\$13.1	\$17.6
Percentage of Budget Expended YTD	18.4%	14.4%	19.3%
Percentage of Personal Services Budget Expended YTD	20.8%	17.6%	23.4%
Percentage of Operating Expenses and Equipment Expended YTD	9.5%	4.2%	6.4%
Percentage of Fiscal Year Completed	33.3%	25.0%	33.3%
Total Authorized Positions	356	429	429
Total Filled Positions	228	283	286
Vacant Positions	128	146	143
Vacancy Rate	36.0%	34.0%	33.3%

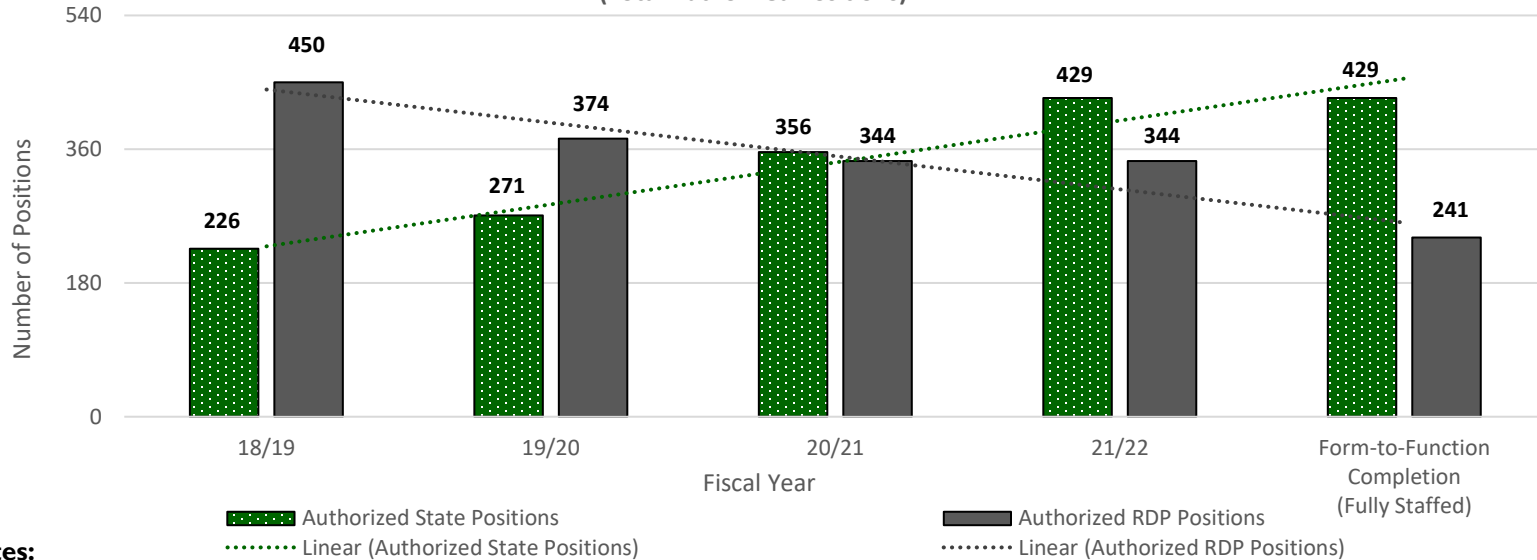
- At 33.3% of the Fiscal Year completed, \$17.6M or 19.3% of the Administrative Budget (\$91.1M) has been spent, resulting in a budget underutilization value of 14.0%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of October 31, 2021, the Authority's vacancy rate is 33.3%, primarily due to the addition of 73 new state positions received in September 2021. The additional positions have been allocated to the following Office's: Program Delivery (39), Information Technology (25), Financial (5), Legal (3), and Administration (1).
- The Authority filled 9 vacant positions during the reporting month; however, the filled positions were reduced by 3 separations from the Authority and 3 vacated positions from internal promotions/transfers, resulting in a net gain of 3 filled positions in the reporting month (from 283 to 286 Total Filled Positions).

Executive Summary for December 2021 Report

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

	Positions	18/19	19/20	20/21	21/22	Form-To-Function Completion (Fully Staffed)
State	Filled	185	227	278	286	429
	Vacant	41	44	78	143	0
	Total Authorized	226	271	356	429	429
RDP	FTEs Filled	345	321	293	291	241
	Vacant	105	53	51	53	0
	Total Authorized	450	374	344	344	241

State vs RDP Staff
(Total Authorized Positions)



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). In September 2021, an additional 73 state positions were authorized through SB 170.
- RDP position counts use Full-Time Equivalents (FTE's) and filled positions for historical fiscal years utilize monthly averages from October 2018 through October 2021. For FY2021-22, a 3-month moving average has been utilized to smooth seasonal and/or monthly variations in staffing.
- State Staff positions filled by fiscal year include data from June 2019 (FY18/19), June 2020 (FY19/20), June 2021 (FY20/21), and October 2021 (FY21/22).

Executive Summary for December 2021 Report

Capital Outlay Budget Summary

(\$ in millions)	Prior Year Oct-20 Data	Prior Month Sep-21 Data	Current Month Oct-21 Data
Budget (Fiscal Year)	\$2,903.3	\$2,312.6	\$2,312.6
Monthly Expenditures	\$109.1	\$65.6	\$98.0
YTD Expenditures	\$480.8	\$256.0	\$354.0
Percentage of Budget Expended Year to Date	16.6%	11.1%	15.3%
Percentage of Fiscal Year Completed	33.3%	25.0%	33.3%

- At 33.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$354M or 15.3% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$50M**, which includes: CPI - \$20.1M, CP2-3 - \$19.9M, and CP4 - \$10.1M.
- Design-Build (DB) Monthly Expenditures totaled **\$31.9M**, which includes: CPI - \$14.8M, CP2-3 - \$10.8M, and CP4 - \$6.2M.
- As of October 31, 2021, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 66.6%, CP2-3: 66.9%, and CP4: 75.3%.

Note: The Capital Outlay detail report includes a new Total Expenditure Authorization in the amount of \$17.937B for ongoing Central Valley construction and project development. The updated is pending Board approval on December 16, 2021.

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: 33.3%						
Construction	\$2,083.9	\$2,083.9	\$58.3	\$305.3	15%	15%
Design Build with TIA Payment*	\$851.5	\$851.5	\$31.9	\$197.2	23%	23%
Design Build Contracts w/o TIA Payment*	(\$851.5)	(\$851.5)	(\$31.9)	(\$197.2)	23%	23%
Time Impact Analysis (TIA) Payments**	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	(\$0.0)	0%	0%
Right-of-Way / Third Party	\$373.3	\$373.3	\$8.5	\$36.3	10%	10%
PCM / RDP / ETO / Legal	\$126.8	\$126.8	\$8.2	\$32.1	25%	25%
Environmental Mitigation / Resource Agency	\$56.4	\$56.4	\$0.6	\$3.0	5%	5%
Other Construction (SR 99, Stations, etc.)	\$148.2	\$148.2	\$9.2	\$36.6	25%	25%
Fiscal-Year Project Contingency	\$527.7	\$527.7	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Fiscal-Year Project Contingency – Transferred Out*	(\$16.7)	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	(3%)	<i>n/a</i>
Project Development	\$144.7	\$144.7	\$3.0	\$12.1	8%	8%
Bookend Projects (Local Assistance)	\$84.0	\$84.0	\$36.6	\$36.6	44%	44%
TOTAL	\$2,312.6	\$2,312.6	\$98.0	\$354.0	15%	15%

*Numbers in parenthesis are non-adds but included to provide additional detail. FY Project Contingency starting budget was \$544.4M.

**Time Impact Analysis (TIA) payment.

Executive Summary for December 2021 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$6,741.4	76%
Project Development	\$1,316.0	15%
Local Assistance	\$495.7	5%
Support Funding – Project Development	\$94.6	1%
Support Funding – Construction	\$92.6	1%
Administration	\$151.2	2%
Total	\$8,891.5	100%

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 Funds	(A)	(B)	(C)	(D) = (B + C)	(A - D)	(D / A)
State Match to ARRA	\$2,499.0	\$2,482.8	\$40.9	\$2,523.7	\$0.0	101%

- The Authority has submitted the final invoices to complete the State Match to ARRA requirement.
- The State Match to ARRA and State Match Liability table above reflects FRA Approved Match to Date in the amount of \$2,482.8M, which represents 99.4% of the Total Match obligation. The Authority has \$40.9M Pending FRA Approval, bringing the Total Approved and Submitted to FRA to \$2,523.7M (101%) as of October 31, 2021.

Executive Summary for December 2021 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Oct-20 Data	Prior Month Sep-21 Data	Current Month Oct-21 Data
Number of Contracts	205	201	203
Total Value of Contracts	\$8,356.5	\$8,523.2	\$8,580.5
Number of Purchase Orders	46	51	52
Total Value of Purchase Orders	\$1.4	\$2.8	\$2.5
Total Value Contracts and Purchase Orders	\$8,357.9	\$8,526.0	\$8,583.1
Small Business Utilization Rate	21.1%	23.2%	23.3%

- 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 October 31, 2021, the Authority had 203 active contracts and 52 active purchase orders (PO's) with a total value of \$8.6B.
- Month-over-Month the value of contracts increased \$57.3M, primarily due to executed change orders for CP design-build contracts (\$8M), the addition of two new executed contracts (\$3.9M), and three executed amendments (\$45.4M).
- The Dec-21 report (Oct-21 data) reflects a Small Business Utilization Rate (SBU) of 23.3%. The current rate represents a 7.1% 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 September 30, 2021, there are **643** small businesses actively working on the high-speed rail project, including **211** DBE's and **73** Certified DVBE's.

Executive Summary for December 2021 Report

Contingency Summary (data is cumulative through October 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	\$1,945	\$979	\$966	\$1,638	\$927	\$711	\$418	\$260	\$158	\$0	\$0	\$0	\$4,000	\$2,166	\$1,834
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	\$525	\$19	\$506	\$525	\$19	\$506
Total	\$1,945	\$979	\$966	\$1,638	\$927	\$711	\$418	\$260	\$158	\$1,159	\$79	\$1,080	\$5,160	\$2,245	\$2,915

Notes:

Contingency Summary Table (above):

- Total Allocation (Total Alloc.) contingency amounts have been updated for the Expenditure Authorization.
- Contingency Category "Other" refers to Non-Design Build Central Valley Scope and Non-Central Valley Scope.
- 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 (right):

- 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)

October 2021 Activity

Category/Contract	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
Authorizations >25 million	CP 2-3	HSR 13-57	A/B	\$50	Hanford Viaduct
Authorizations <25 million	CP 1, 2-3, 4	Various	A/B	\$8	Various Executed Change Orders
Monthly Subtotal				\$58	
Previously Approved Authorizations				\$2,108	
Total Cumulative Authorizations				\$2,166	
Contingency Category: Unallocated Contingency					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$6	
Total Cumulative Authorizations				\$6	
Contingency Category: Interim Use/Project Reserve					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$54	
Total Cumulative Authorizations				\$54	
Contingency Category: Other					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$19	
Total Cumulative Authorizations				\$19	
Grand Total Cumulative Authorizations				\$2,245	