



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

January 2020 Report (Data through November 30, 2019)

Executive Summary for January 2020 Report

Accounts Payable Aging And Disputes Report

(\$ in millions)

	Prior Year Nov-18 Data	Prior Month Oct-19 Data	Current Month Nov-19 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$13.0	\$2.0	\$2.2
Number of Invoices Paid	222	310	218
Value of Invoices Paid	\$90.7	\$85.1	\$61.8
Number of In-Process Invoices	124	180	172
Value of In-Process Invoices	\$33.9	\$57.2	\$212.7
Total Number of Invoices Paid and In-Process	346	490	390

- ▶ The Authority has not had an aged invoice in 27 months and has not made a penalty payment in 34 months.
- ▶ The Authority currently has 94 disputed invoices with a total value of \$2.2M. This is a 8.4% or \$170K increase from the \$2.0M reported last month.
- ▶ The Authority's focused efforts to decrease disputes have resulted in a 92% or \$25.3M reduction from the high of \$27.5M reported in Sep-18.

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 Nov-18 Data	Prior Month Oct-19 Data	Current Month Nov-19 Data
Prop IA Bond Fund Ending Cash Balance	\$734.1	\$832.4	\$788.1
Cap and Trade Ending Cash Balance	\$1,651.5	\$2,304.2	\$2,284.0
Rail Property Management Fund Ending Cash Balance	N/A	\$7.9	\$8.0

- ▶ 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 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.

Note: A Cap and Trade auction occurred on November 19, 2019, and the preliminary estimate of proceeds for the Authority is \$184.7M. The proceeds will be reflected in the cash balance once funds become available through executive order. The last 4 Cap and Trade auctions have resulted in \$732.2M for the Authority (Feb-19, \$213.2M; May-19, \$189.1M; Aug-19, \$145.2M; Nov-19, \$184.7M estimated).

Executive Summary for January 2020 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Nov-18 Data	Prior Month Oct-19 Data	Current Month Nov-19 Data
Budget (Fiscal Year)	\$45.4	\$56.2	\$56.2
Monthly Expenditures	\$3.0	\$3.3	\$3.4
YTD Expenditures	\$15.0	\$12.1	\$15.5
Percentage of Budget Expended YTD	33.0%	21.6%	27.6%
Percentage of Personal Services Budget Expended YTD	38.1%	26.3%	33.3%
Percentage of Operating Expenses and Equipment Expended YTD	18.2%	8.9%	12.0%
Percentage of Fiscal Year Completed	41.7%	33.3%	41.7%
Total Authorized Positions	226	271	271
Total Filled Positions	187	200	199
Vacancy Rate	17.3%	26.2%	26.6%

- ▶ The FY2019-20 Administrative Budget totals \$56.2M, which is an increase of \$10.8M or 23.8% from the prior year.
- ▶ At 41.7% of the fiscal year completed, \$15.5M or 27.6% of the total Administrative Budget (\$56.2M) has been spent, which is a slight increase of \$490K or 5% when compared to last year. The underutilization of budget is due to vacancies and low OE&E spending.
- ▶ As of November 30, 2019, the Authority's vacancy rate is 26.6%, primarily due to the authorization of 45 additional state positions in July 2019.
- ▶ The Authority's vacancy rate increased by 0.4% from the prior reporting month (1 net position vacated) and is working diligently to fill all its vacant positions.

Note: The Authority has averaged a vacancy fill rate of 7 positions each month when excluding separations and including internal hires (laterals, transfers, and promotions).

Executive Summary for January 2020 Report

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Nov-18 Data	Prior Month Oct-19 Data	Current Month Nov-19 Data
Budget (Fiscal Year)	\$1,786.8	\$2,255.0	\$2,255.0
Monthly Expenditures	\$75.8	\$88.6	\$204.0
YTD Expenditures	\$398.5	\$423.4	\$627.4
Percentage of Budget Expended Year to Date	22.3%	18.8%	27.8%
Percentage of Fiscal Year Completed	41.7%	33.3%	41.7%

- ▶ At 41.7% of the fiscal year completed, YTD Capital Outlay expenditures are \$627.4M or 27.8% of the fiscal year budget.
- ▶ Monthly expenditures by construction package were as follows: CPI: \$9.8M, CP2-3: \$160M, CP4: \$20.2M, Total: \$190M.
- ▶ Monthly expenditures for Design-Build contract work, within each construction package, were as follows: CPI: \$9.5M, CP2-3: \$147.9M, CP4: \$9M, Total: \$166.4M.
 - The CP2-3 monthly expenditures increase is primarily due to a \$108.4M Time Impact Analysis (TIA) settlement payment.

Capital Outlay Expenditure Breakout

Expenditure Category (\$ in millions)	FY Budget	Monthly Expenditures	YTD Expenditures	% Spent
Percentage of Fiscal Year Complete: 42%				
Construction	\$1,717.6	\$196.0	\$573.5	33%
Design Build with TIA Payment*	\$754.6	\$166.4	\$433.2	57%
Design Build Contracts w/o TIA Payment**	(\$754.6)	(\$58.0)	(\$198.8)	26%
Time Impact Analysis (TIA) Payments**	n/a	(\$108.4)	(\$234.4)	n/a
Right-of-Way / Third Party	\$259.6	\$19.2	\$79.9	31%
PCM / RDP / ETO / Legal	\$142.3	\$10.3	\$50.8	36%
Environmental Mitigation / Resource Agency	\$84.9	\$0.1	\$0.7	1%
Other Construction (SR 99, Stations, etc.)	\$31.3	\$0.0	\$8.9	28%
Remaining Fiscal-Year Project Contingency	\$444.9	\$0.0	\$0.0	n/a
Project Development	\$234.6	\$5.7	\$27.6	12%
Local Assistance (Bookend Projects)	\$302.8	\$2.4	\$26.3	9%
TOTAL	\$2,255.0	\$204.0	\$627.4	28%

*Time Impact Analysis (TIA) payments include a \$126M settlement for CPI (Aug-19) and a \$108.4M settlement for CP2-3 (Nov-19).

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

Executive Summary for January 2020 Report

Total Project Expenditures with Forecasts

Program Category	Expenditures to Date (\$ in millions)	%
Construction	\$4,826.9	76%
Project Development	\$1,197.5	19%
Administration	\$176.0	3%
Local Assistance	\$136.7	2%
Total	\$6,337.2	100%

State Match to ARRA and State Match Liability

Fund Type (\$ in millions)	Total Match	FRA Approved Match to Date	Remaining Match	% Approved Match to Date	Pending FRA Approval	Total Submitted to FRA
State and Local Funds	(A)	(B)	(A - B)	(B / A)	(C)	(B + C)
State Match to ARRA	\$2,496.4	\$476.7	\$2,019.7	19.1%	\$800.5	\$ 1,277.2
Local Match to ARRA	\$4.1		\$4.1	0.0%		
Total	\$2,500.5	\$476.7	\$2,023.8	19.1%	\$800.5	\$1,277.2

- ▶ The State Match to ARRA and State Match Liability table reflects FRA Approved Match to Date in the amount of \$476.7M and Pending FRA Approval in the amount of \$800.5M, as of November 30, 2019.
- ▶ In addition, the Authority has \$489.2M in-process at HSRA. Of this amount, \$263.5M is pending FRA coordination prior to submission, and the remaining \$225.7M is expected to be submitted within the next 90 days.
- ▶ When including FRA approved Invoices (\$476.7M), invoices pending FRA approval (\$800.5M), and invoices in-process at HSRA (\$489.2M), the Authority has \$1.766B (71%) in total State Match to ARRA as of November 30, 2019.

Executive Summary for January 2020 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Nov-18 Data	Prior Month Oct-19 Data	Current Month Nov-19 Data
Number of Contracts	204	201	199
Total Value of Contracts	\$5,908.2	\$7,099.3	\$7,234.8
Number of Purchase Orders	51	69	60
Total Value of Purchase Orders	\$0.7	\$1.2	\$1.0
Total Value Contracts and Purchase Orders	\$5,909.2	\$7,100.5	\$7,235.9
Small Business Utilization Rate	21.4%	21.4%	21.2%

- ▶ Contracts are predominately issued for services, while purchase orders are generally used to acquire goods.
- ▶ As of November 30, 2019, the Authority had 199 active contracts and 60 active purchase orders (POs) with a total value of \$7.236B.
- ▶ Month-over-Month the value of contracts increased \$135.5M, primarily due to a CP2-3 TIA settlement.
- ▶ The Jan-20 report (Nov-19 data) reflects a Small Business Utilization Rate (SBU) of 21.2%. The current rate represents a 5.0% 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 October 4, 2019, there are 538 small businesses actively working on the high-speed rail project, including 176 DBEs and 56 Certified DVBEs.

Executive Summary for January 2020 Report

Contingency Summary (data is cumulative from the May 2019 Project Budget Update through November 30, 2019, \$ 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	\$317	\$920	\$1,085	\$285	\$800	\$340	\$61	\$279				\$2,662	\$663	\$1,999
Unallocated Contingency										\$426	\$6	\$420	\$426	\$6	\$420
Interim Use/Project Reserve										\$208	\$54	\$154	\$208	\$54	\$154
Other										\$297		\$297	\$297		\$297
Total	\$1,237	\$317	\$920	\$1,085	\$285	\$800	\$340	\$61	\$279	\$931	\$60	\$871	\$3,593	\$723	\$2,870

Governance Actions

November 2019 Activity

Notes:

- 1) Contingency Category "Other" refers to Non-DB CVS Scope and Non CVS Scope.
- 2) Total Alloc.: Total Allocation is the initial contingency allocation set at the 2019 Budget Update.
- 3) Cumul. Authorized: Cumulative 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.
- 4) 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.
- 5) All HSR approved contingency transfers \$25M and over approved during the monthly activity reported are detailed in the HSR Governance Actions section.
- 6) Authorization totals include rounding adjustments.

Table Code Legend

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

Category/Contract	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
Authorizations >25 million					
PCM	CP1	HSR11-20	B	\$43	Contract Amendment
Authorizations <25 million					
				\$10	Other executed change orders
Adjustments (+/-)					
Monthly Subtotal				\$53	
Previously Approved Authorizations				\$610	
Total Cumulative Authorizations				\$663	
Contingency Category: Unallocated Contingency					
Authorizations					
Monthly Subtotal					None
Previously Approved Authorizations				\$6	
Total Cumulative Authorizations				\$6	
Contingency Category: Interim Use/Project Reserve					
Authorizations					
Monthly Subtotal					None
Previously Approved Authorizations				\$54	
Total Cumulative Authorizations				\$54	
Contingency Category: Other					
Authorizations					
Monthly Subtotal					None
Previously Approved Authorizations					
Total Cumulative Authorizations					
Grand Total Cumulative Authorizations				\$723	