



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

May 2021 Report (Data through March 31, 2021)

# Executive Summary for May 2021 Report

## Accounts Payable Aging And Disputes Report

(\$ in millions)

	Prior Year Mar-20 Data	Prior Month Feb-21 Data	Current Month Mar-21 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$4.8	\$76.0	\$62.5
Number of Invoices Paid	206	280	302
Value of Invoices Paid	\$70.2	\$99.5	\$66.7
Number of In-Process Invoices	197	215	169
Value of In-Process Invoices	\$152.9	\$31.9	\$66.9
Total Number of Invoices Paid and In-Process	403	495	471

- The Authority has not made a penalty payment in 50 months and did not have any aged invoices in the March reporting period.
- The Authority currently has a total of \$62.5M in disputed invoices. The \$13.5M decrease in total disputes from the prior month is primarily due to dispute resolutions with Dragados (\$14M).

**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 Mar-20 Data	Prior Month Feb-21 Data	Current Month Mar-21 Data
Prop IA Bond Fund Ending Cash Balance	\$418.2	\$52.7	\$48.7
Cap and Trade Ending Cash Balance	\$2,349.2	\$1,669.1	\$1,741.4
Rail Property Management Fund Ending Cash Balance	\$8.8	\$10.3	\$10.5

- 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.
- 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.
- The Cap and Trade Ending Cash Balance now includes proceeds from the Nov-20 auction (\$148.1M). Proceeds from the Feb-21 auction (\$161.7M) will be reflected in the cash balance next month. The next Cap and Trade auction is scheduled for May 19, 2021.

**Note:** A Prop IA Bond sale occurred in April, which resulted in \$150M in proceeds for the Authority. Proceeds will be reflected in next month's report.

# Executive Summary for May 2021 Report

## Administrative Budget and Expenditures Report

(\$ in millions)

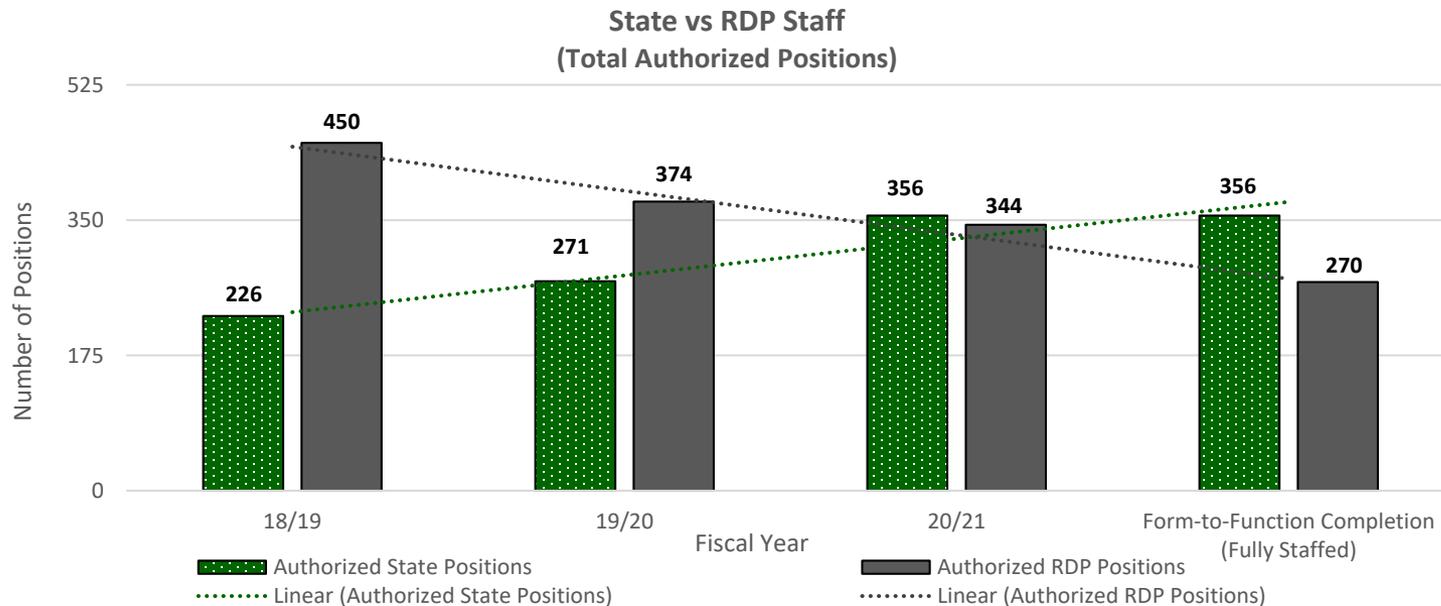
	Prior Year Mar-20 Data	Prior Month Feb-21 Data	Current Month Mar-21 Data
Budget (Fiscal Year)	\$58.3	\$73.0	\$73.0
Monthly Expenditures	\$3.5	\$4.0	\$4.1
YTD Expenditures	\$29.3	\$29.4	\$33.5
Percentage of Budget Expended YTD	50.2%	40.2%	45.9%
Percentage of Personal Services Budget Expended YTD	59.3%	46.3%	53%
Percentage of Operating Expenses and Equipment Expended YTD	24.5%	23.2%	26%
Percentage of Fiscal Year Completed	75%	66.7%	75%
Total Authorized Positions	271	356	356
Total Filled Positions	218	260	260
Vacant Positions	53	96	96
Vacancy Rate	19.6%	27%	27%

- 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 75% of the Fiscal Year completed, \$33.5M or 45.9% of the Administrative Budget has been spent, resulting in a budget underutilization value of 29.1%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of March 31, 2021, the Authority's vacancy rate is 27%, primarily due to the addition of 85 new state positions. The Authority has reduced its vacancy rate by 10.1% (from 37.1% to 27%) since the beginning of the fiscal year.
- The Authority has filled 192 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 May 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	260	356
	Vacant	41	44	96	0
	Total Authorized	226	271	356	356
RDP	FTEs Filled	345	321	293	270
	Vacant	105	53	51	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 February 2021.
- State Staff positions filled by fiscal year are data for the months of June 2019, June 2020, and March 2021.

# Executive Summary for May 2021 Report

## Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Mar-20 Data	Prior Month Feb-21 Data	Current Month Mar-21 Data
Budget (Fiscal Year)	\$2,255.0	\$2,903.3	\$2,903.3
Monthly Expenditures	\$103.8	\$63.7	\$83.5
YTD Expenditures	\$1,043.6	\$785.2	\$868.7
Percentage of Budget Expended Year to Date	46.3%	27%	29.9%
Percentage of Fiscal Year Completed	75%	66.7%	75%

- At 75% of the fiscal year completed, YTD Capital Outlay expenditures are \$868.7M or 29.9% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$69.9M**, which includes: CPI - \$32.9M, CP2-3 - \$25.7M, and CP4 - \$11.3M.
- Design-Build (DB) Monthly Expenditures totaled **\$48.8M**, which includes: CPI - \$27.5M, CP2-3 - \$12.2M, and CP4 - \$9.2M.
- As of March 31, 2021, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 61.8%, CP2-3: 62.8%, and CP4: 67.3%.

**Note:** The Authority's fiscal year forecast is \$1.811B.

## 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: 75%						
<b>Construction</b>	<b>\$2,408.9</b>	<b>\$1,594.3</b>	<b>\$78.9</b>	<b>\$800.3</b>	<b>33%</b>	<b>50%</b>
Design Build with TIA Payment*	\$1,312.6	\$891.5	\$48.8	\$526.1	40%	59%
Design Build Contracts w/o TIA Payment*	(\$1,312.6)	(\$891.5)	(\$48.8)	(\$515.1)	39%	58%
Time Impact Analysis (TIA) Payments**	n/a	n/a	n/a	(\$11.0)	1%	1%
Right-of-Way / Third Party	\$308.3	\$228.2	\$13.8	\$135.9	44%	60%
PCM / RDP / ETO / Legal	\$196.3	\$177.5	\$16.2	\$125.4	64%	71%
Environmental Mitigation / Resource Agency	\$42.2	\$10.0	\$0.1	\$5.5	13%	54%
Other Construction (SR 99, Stations, etc.)	\$70.6	\$11.2	\$0.0	\$7.5	11%	66%
Fiscal-Year Project Contingency	\$478.9	\$275.9	n/a	n/a	n/a	n/a
Fiscal-Year Project Contingency – Transferred Out*	(\$35.1)	n/a	n/a	n/a	(7%)	n/a
<b>Project Development</b>	<b>\$145.1</b>	<b>\$74.5</b>	<b>\$4.6</b>	<b>\$40.5</b>	<b>28%</b>	<b>54%</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>\$1,810.6</b>	<b>\$83.5</b>	<b>\$868.7</b>	<b>30%</b>	<b>48%</b>

\*Numbers in parenthesis are non-adds but included to provide additional detail. FY Project Contingency starting budget was \$514M.

\*\*Time Impact Analysis (TIA) payment includes a \$11M settlement for CP4 (December Invoice).

# Executive Summary for May 2021 Report

## Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$6,217.5	75%
Project Development	\$1,285.6	16%
Local Assistance	\$406.3	5%
Support Funding – Project Development	\$84.6	1%
Support Funding – Construction	\$83.6	1%
Administration	\$136.0	2%
<b>Total</b>	<b>\$8,213.6</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 Funds	(A)	(B)	(C)	(D) = (B + C)	(A - D)	(D / A)
State Match to ARRA	\$2,499.5	\$1,590.6	\$908.9	\$2,499.5	\$0.0	100.0%

- 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 \$1,590.6M and Pending FRA Approval in the amount of \$908.9M, Total Approved and Submitted to FRA in the amount of \$2,499.5M (100%) as of March 31, 2021.

**Note:** Local Match to ARRA has been consolidated into State Match to ARRA as state funds were used to complete both obligations.

# Executive Summary for May 2021 Report

## Contracts and Expenditures Report

(\$ in millions)

	Prior Year Mar-20 Data	Prior Month Feb-21 Data	Current Month Mar-21 Data
Number of Contracts	192	198	198
Total Value of Contracts	\$7,573.1	\$8,390.7	\$8,476.6
Number of Purchase Orders	61	37	44
Total Value of Purchase Orders	\$1.1	\$1.4	\$3.0
Total Value Contracts and Purchase Orders	\$7,574.2	\$8,392.1	\$8,479.7
Small Business Utilization Rate	21.9%	21.3%	21.2%

- 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 March 31, 2021, the Authority had 198 active contracts and 44 active purchase orders (PO's) with a total value of \$8.5B.
- Month-over-Month the value of contracts increased \$85.9M, primarily due to executed change orders for CP design-build contractors and three contract amendments for IT consulting and infrastructure services.
- The May-21 report (Mar-21 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 February 28, 2021, there are **613** small businesses actively working on the high-speed rail project, including **195** DBEs and **68** Certified DVBEs.

# Executive Summary for May 2021 Report

## Contingency Summary (data is cumulative from the May 2019 Project Budget Update through March 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	\$888	\$349	\$1,085	\$831	\$254	\$340	\$219	\$121	\$0	\$0	\$0	\$2,662	\$1,938	\$724
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>\$888</b>	<b>\$349</b>	<b>\$1,085</b>	<b>\$831</b>	<b>\$254</b>	<b>\$340</b>	<b>\$219</b>	<b>\$121</b>	<b>\$931</b>	<b>\$76</b>	<b>\$854</b>	<b>\$3,593</b>	<b>\$2,014</b>	<b>\$1,578</b>

### Notes:

#### Contingency Summary Table (above):

- Total Allocation (Total Alloc.) shown in the above table has not been updated for the approved 2020 Business Plan and reflects the initial contingency allocation set at the 2019 Baseline Budget.
- 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)

#### March 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	\$7	Various Executed Change Orders
Monthly Subtotal				\$7	
Previously Approved Authorizations				\$1,931	
Total Cumulative Authorizations				\$1,938	
<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>\$2,014</b>	