



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

December 2022 Report (Data through October 31, 2022)

Executive Summary for December 2022 Report

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

	Prior Year Oct-21 Data	Prior Month Sep-22 Data	Current Month Oct-22 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$46.9	\$130.0	\$132.2
Number of Invoices Paid	254	260	194
Value of Invoices Paid	\$96.1	\$100.1	\$53.1

- The Authority has not made a penalty payment in over five years (69 months) and did not have any aged invoices in the October 2022 reporting period.
- The Authority currently has a total of \$132.2M in disputed invoices, which represents a \$2.3M increase in total disputes from the prior month.

Cash Management Report (\$ in millions)

	Prior Year Oct-21 Data	Prior Month Sep-22 Data	Current Month Oct-22 Data
Prop IA Bond Fund Ending Cash Balance	\$100.5	\$43.5	\$111.3
Cap-and-Trade Ending Cash Balance	\$1,605.7	\$1,822.4	\$1,769.5
Rail Property Management Fund Ending Cash Balance	\$11.3	\$11.6	\$11.8
Total Funds Ending Cash Balance	\$1, 717.5	\$1,877.5	\$1,892.7

- The Proposition IA cash balance increased \$67.8M month-over-month to \$111.3M and \$72.6M in bond proceeds were received in the reporting month. Cash expenditures were \$5.0M. The Authority has \$1.187B available through commercial paper, and expects the Treasurer's Office to sell Proposition IA bonds at a Spring 2023 sale.
- The Cap-and-Trade cash balance fell \$52.9M month-over-month to \$1,769.5M. No quarterly auction proceeds were credited for the month and cash expenditures were \$52.9M. Proceeds from the Aug-2022 Cap-and-Trade auction are estimated at \$205.7M for the Authority, but are not reflected in cash balances as they are still pending allocation by the Department of Finance and the State Controller's Office. The Nov-2022 Cap-and-Trade auction estimated proceeds are \$190.3M and are also pending allocation.
- The Rail Property Management Fund cash balance increased \$248,661 month-over-month to \$11.8M. Payments received totaled \$262,091 and cash expenditures were \$13,430. The Rail Property Management Fund receives revenues from leases/rents collected on Authority-owned property, and proceeds are used for property-related expenditures.

Executive Summary for December 2022 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Oct-21 Data	Prior Month Sep-22 Data	Current Month Oct-22 Data
Budget (Fiscal Year)	\$91.1	\$93.4	\$93.4
Monthly Expenditures	\$4.5	\$5.5	\$5.2
YTD Expenditures	\$17.6	\$15.2	\$20.3
Percentage of Budget Expended YTD	19.3%	16.2%	21.8%
Percentage of Personal Services Budget Expended YTD	23.4%	19.7%	26.3%
Percentage of Operating Expenses and Equipment Expended YTD	6.4%	4.2%	6.1%
Percentage of Fiscal Year Completed	33.3%	25.0%	33.3%
Total Authorized Positions	429	429	429
Total Filled Positions	286	328	326
Vacant Positions	143	101	103
Vacancy Rate	33.3%	23.5%	24.0%

- At 33.3% of the Fiscal Year completed, \$20.3M or 21.8% of the Administrative Budget (\$93.4M) has been spent, resulting in a budget underutilization value of 11.5%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of October 31, 2022, the Authority's vacancy rate is 24.0%, primarily due to 73 new state positions being added in the beginning of the 2021-22 fiscal year (Sep-21). The Authority has filled a net total of 40 positions over the past year, (from 286 to 326 filled positions).
- During the reporting month, the Authority completed recruitment for 10 vacant positions; however, the filled positions were offset by 6 separations from the Authority and 6 vacated position from internal promotions/transfers, resulting in a net decrease of 2 filled position for the reporting month.

Executive Summary for December 2022 Report

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Oct-21 Data	Prior Month Sep-22 Data	Current Month Oct-22 Data
Budget (Fiscal Year)	\$2,312.6	\$2,303.3	\$2,303.3
Monthly Expenditures	\$98.0	\$74.4	\$122.5
YTD Expenditures	\$354.0	\$211.2	\$333.8
Percentage of Budget Expended Year to Date	15.3%	9.2%	14.5%
Percentage of Fiscal Year Completed	33.3%	25.0%	33.3%

- At 33.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$333.8M or 14.5% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$109.8M**, which includes: CPI: \$21.7M, CP2-3: \$63.6M, and CP4: \$24.5M.
- Design-Build (DB) Monthly Expenditures totaled **\$97.6M**, which includes: CPI: \$16.6M, CP2-3: \$60.1M, and CP4: \$20.9M.
 - Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling **\$11.1M**, which includes: CPI (\$3.1M) and CP2-3 (\$7.9M).
- As of December 31, 2022, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 64.0%, CP2-3: 64.8%, and CP4: 87.3%.

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	\$1,882.4	\$1,882.4	\$117.8	\$315.1	17%	17%
Design Build with TIA Payment*	\$979.9	\$865.3	\$97.6	\$240.0	24%	28%
Design Build Contracts w/o TIA Payment*	(\$979.9)	(\$865.3)	(\$86.6)	(\$214.8)	22%	25%
Time Impact Analysis (TIA) Payments**	<i>n/a</i>	<i>n/a</i>	(\$11.1)	(\$25.3)	3%	3%
Right-of-Way / Third Party	\$256.9	\$250.7	\$2.7	\$11.2	4%	4%
PCM / RDP / ETO / Legal	\$250.1	\$244.3	\$15.6	\$55.2	22%	23%
Environmental Mitigation / Resource Agency	\$41.6	\$40.8	\$1.9	\$7.2	17%	18%
Other Construction (SR 99, Stations, etc.)	\$104.7	\$104.7	\$0.0	\$1.4	1%	1%
Fiscal-Year EAC, Project, and Unallocated Contingencies	\$249.2	\$376.6	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Fiscal-Year Contingency – Transferred Out*	(\$142.8)	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	(26%)	<i>n/a</i>
Project Development	\$177.6	\$177.6	\$4.7	\$8.6	5%	5%
Bookend Projects (Local Assistance)	\$243.4	\$243.4	\$0.0	\$10.1	4%	4%
TOTAL	\$2,303.3	\$2,303.3	\$122.5	\$333.8	14%	14%

*Numbers in parenthesis are non-adds but included to provide additional detail. FY Project Contingency starting budget was \$392M.

**Time Impact Analysis (TIA) payment.

Executive Summary for December 2022 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$7,740.8	76%
Project Development	\$1,364.5	14%
Local Assistance	\$620.2	6%
Support Funding – Project Delivery	\$114.2	1%
Support Funding – Construction	\$108.7	1%
Administration	\$179.1	2%
Total	\$10,127.5	100%

Federal Funds and State Match Liability

Federal Grant Awarded (\$ in millions)	Federal Funds			State Match		
	Authorized Amount	Expenditures to Date	Remaining Balance	State Match Liability	Approved Match to Date	Remaining Match
ARRA Grant	\$2,552.6	\$2,545.8	\$0.0	\$2,499.0	\$2,522.6	\$0.0
FY10 Grant	\$928.6	\$0.0	\$928.6	\$359.8	\$0.0	\$359.8
EPA Brownfields	\$.600	\$.451	\$.149	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
RAISE Grant – Wasco SR 46 Grade Separation	\$24.0	\$0.0	\$24.0	\$50.7	\$0.0	\$50.7
RAISE Grant – Merced Extension (Design)	\$25.0	\$0.0	\$25.0	\$16.0	\$0.0	\$16.0
Total	\$3,530.8	\$2,546.3	\$977.7	\$2,925.5	\$2,522.6	\$426.5

- Federal Grants awarded for Wasco SR 46 Grade Separation (RAISE) and Merced Extension – Design (RAISE) are pending formal grant agreements.

Executive Summary for December 2022 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Oct-21 Data	Prior Month Sep-22 Data	Current Month Oct-22 Data
Number of Contracts	203	216	217
Total Value of Contracts	\$8,580.5	\$9,979.0	\$10,277.6
Number of Purchase Orders	52	95	80
Total Value of Purchase Orders	\$2.5	\$3.7	\$3.3
Total Value Contracts and Purchase Orders	\$8,583.1	\$9,982.7	\$10,280.9
Cumulative Small Business Utilization Rate	23.3%	23.4%	23.4%

- 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, 2022, the Authority had 217 active contracts and 80 active purchase orders (PO's) with a total value of \$10.3B.
- Month-over-Month the value of contracts increased by \$298.5M, primarily due to executed change orders for design-build contracts (\$291.4M), five contract amendments (\$6.3M), and 3 new contracts (\$840K).
- The Dec-22 report reflects a Small Business Utilization Rate (SBU) of 23.4%. The current rate represents a 7.2% 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, 2022, there are **739** small businesses actively working on the high-speed rail project, including **237** DBE's and **90** Certified DVBE's.

Executive Summary for December 2022 Report

Contingency Summary (data is cumulative through October 31, 2022, \$ in millions)

Contingency Category	Total Allocation	Monthly Authorized (Under \$25M)	Monthly Authorized (Over \$25M)	Cumulative Authorized	Remaining Balance
Project Contingency					
CPI	\$1,944.5	\$15.3	\$101.7	\$1,625.0	\$319.5
CP2-3	\$1,638.4	\$31.1	\$192.1	\$1,417.2	\$221.2
CP4	\$417.8	\$31.7	\$0.0	\$353.0	\$64.8
Total Project Contingency Subtotal	\$4,000.7	\$78.2	\$293.7	\$3,395.2	\$605.5
Other Contingency					
Unallocated Contingency	\$425.9	\$0.0	\$0.0	\$6.1	\$419.7
Interim Use/Project Reserve	\$208.1	\$0.0	\$0.0	\$53.9	\$154.3
Other	\$525.0	\$2.8	\$0.0	\$83.1	\$441.8
Other Contingency Subtotal	\$1,159.0	\$2.8	\$0.0	\$143.1	\$1,015.9
Total Contingency	\$5,159.7	\$81.0	\$293.7	\$3,538.4	\$1,621.3

- Total Allocation 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 is the total amount of individual contingency transfers 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 for which a change order/amendment has not been executed and all executed change orders/amendments involving the transfer of contingency.

Change Orders and HSR Governance Actions over \$25M (October 2022 Activity, \$ in millions)

Table Code Legend

Contingency Category	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
	CPI	HSR 13-06	A/B	\$63.7	Elevated Structures & Trenches
	CPI	HSR 13-06	A/B	\$38.0	Design and Relocation of AT&T and PG&E Facilities
	CP2-3	HSR 13-57	A/B	\$192.1	Hanford Viaduct Superstructure*
Total Monthly Change Orders >\$25M and Governance Actions				\$293.7	

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

- The \$192.1M is the net increase in use of contingency that accounts for the \$50M previously approved change order for this structure from October 2021 Authorization.