



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

February 2023 Report (Data through December 31, 2022)

Executive Summary for February 2023 Report

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

	Prior Year Dec-21 Data	Prior Month Nov-22 Data	Current Month Dec-22 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$96.6	\$133.0	\$144.4
Number of Invoices Paid	232	249	265
Value of Invoices Paid	\$86.9	\$100.7	\$200.3

- The Authority has not made a penalty payment in over five years (71 months) and did not have any aged invoices in the December 2022 reporting period.
- The Authority currently has a total of \$144.4M in disputed invoices, which represents a \$11.4M increase in total disputes from the prior month.

Cash Management Report (\$ in millions)

	Prior Year Dec-21 Data	Prior Month Nov-22 Data	Current Month Dec-22 Data
Prop IA Bond Fund Ending Cash Balance	\$50.3	\$105.5	\$102.2
Cap-and-Trade Ending Cash Balance	\$1,717.2	\$1,885.4	\$1,683.0
Rail Property Management Fund Ending Cash Balance	\$11.6	\$10.9	\$11.0
Total Funds Ending Cash Balance	\$1,779.1	\$2,001.8	\$1,796.1

- The Proposition IA cash balance fell \$3.3M month-over-month to \$105.5M. Cash expenditures were \$3.3M. 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 \$202.5M month-over-month to \$1,683.0M. Cash expenditures were \$202.5M. Proceeds from the Aug-2022 Cap-and-Trade auction were \$205.7M and are included in the cash balance. Proceeds from the Nov-2022 Cap-and-Trade auction are estimated at \$190.3M 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 Rail Property Management Fund cash balance increased \$90.7K month-over-month to \$11.0M. Payments received totaled \$179.0K and cash expenditures were \$88.2K. 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 February 2023 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Dec-21 Data	Prior Month Nov-22 Data	Current Month Dec-22 Data
Budget (Fiscal Year)	\$91.1	\$93.4	\$93.4
Monthly Expenditures	\$5.0	\$6.0	\$5.6
YTD Expenditures	\$27.2	\$26.3	\$32.0
Percentage of Budget Expended YTD	29.9%	28.2%	34.2%
Percentage of Personal Services Budget Expended YTD	35.0%	32.9%	39.6%
Percentage of Operating Expenses and Equipment Expended YTD	12.0%	11.8%	15.6%
Percentage of Fiscal Year Completed	50.0%	41.7%	50.0%
Total Authorized Positions	429	429	429
Total Filled Positions	292	328	333
Vacant Positions	137	101	96
Vacancy Rate	31.9%	23.5%	22.4%

- At 50.0% of the Fiscal Year completed, \$32.0M or 34.2% of the Administrative Budget (\$93.4M) has been spent, resulting in a budget underutilization value of 15.8%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of December 31, 2022, the Authority's vacancy rate is 22.4%, 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 41 positions over the past year, (from 292 to 333 filled positions).
- During the reporting month, the Authority completed recruitment for 9 vacant positions; however, the filled positions were offset by 4 separations from the Authority and 4 vacated position from internal promotions/transfers, resulting in a net increase of 5 filled positions for the reporting month.

Executive Summary for February 2023 Report

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Dec-21 Data	Prior Month Nov-22 Data	Current Month Dec-22 Data
Budget (Fiscal Year)	\$2,312.6	\$2,303.3	\$2,303.3
Monthly Expenditures	\$90.1	\$125.4	\$73.3
YTD Expenditures	\$524.9	\$459.2	\$532.5
Percentage of Budget Expended Year to Date	22.7%	19.9%	23.1%
Percentage of Fiscal Year Completed	50.0%	41.7%	50.0%

- At 50.0% of the fiscal year completed, YTD Capital Outlay expenditures are \$532.5M or 23.1% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled \$61.7M, which includes: CPI: \$25.9M, CP2-3: \$28.1M, and CP4: \$7.7M.
- Design-Build (DB) Monthly Expenditures totaled **\$48.5M**, which includes: CPI: \$19.7M, CP2-3: \$23.5M, and CP4: \$5.3M.
 - Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling **\$8.3M**, which includes: CPI (\$3.1M), CP2-3 (\$3.7M), and CP4 (\$1.4M)
- As of December, 31 2022, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 63.0%, CP2-3: 64.2%, and CP4: 87.6%.

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	\$1,411.9	\$66.4	\$500.6	27%	35%
Design Build with TIA Payment*	\$1,058.7	\$798.5	\$48.5	\$375.6	35%	47%
Design Build Contracts w/o TIA Payment*	(\$1,058.7)	(\$798.5)	(\$40.2)	(\$327.4)	31%	41%
Time Impact Analysis (TIA) Payments**	<i>n/a</i>	<i>n/a</i>	(\$8.3)	(\$48.2)	5%	6%
Right-of-Way / Third Party	\$256.9	\$200.0	\$5.5	\$29.9	12%	15%
PCM / RDP / ETO / Legal	\$300.8	\$164.1	\$11.7	\$81.8	27%	50%
Environmental Mitigation / Resource Agency	\$42.2	\$40.8	\$0.7	\$8.7	21%	21%
Other Construction (SR 99, Stations, etc.)	\$87.4	\$32.9	\$0.0	\$4.6	5%	14%
Fiscal-Year EAC, Project, and Unallocated Contingencies	\$136.4	\$175.7	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Fiscal-Year Contingency – Transferred Out*	(\$255.6)	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	(47%)	<i>n/a</i>
Project Development	\$177.6	\$172.9	\$4.6	\$19.6	11%	11%
Bookend Projects (Local Assistance)	\$243.4	\$239.4	\$2.3	\$12.4	5%	5%
TOTAL	\$2,303.3	\$1,824.1	\$73.3	\$532.5	23%	29%

*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 February 2023 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$7,926	76.7%
Project Development	\$1,376	13.3%
Local Assistance	\$623	6.0%
Support Funding – Project Delivery	\$118	1.1%
Support Funding – Construction	\$111	1.1%
Administration	\$184	1.8%
Total	\$10,338.0	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	\$2,545.5	\$0	\$2,498.6	\$2,522.4	\$0
FY10 Grant	\$928.6	\$0.0	\$928.6	\$359.8	\$0	\$359.8
EPA Brownfields	\$.600	\$.464	\$.136	<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	\$50.7
RAISE Grant – Merced Extension (Design)	\$25.0	\$0.0	\$25.0	\$16.0	\$0	\$16.0
Total	\$3,530.8	\$2,546.0	\$977.7	\$2,925.1	\$2,522.4	\$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 February 2023 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Dec-21 Data	Prior Month Nov-22 Data	Current Month Dec-22 Data
Number of Contracts	205	221	218
Total Value of Contracts	\$8,591.8	\$10,425.8	\$10,810.6
Number of Purchase Orders	55	80	75
Total Value of Purchase Orders	\$2.4	\$3.3	\$3.3
Total Value Contracts and Purchase Orders	\$8,594.2	\$10,429.2	\$10,813.9
Cumulative Small Business Utilization Rate	23.5%	23.7%	23.5%

- 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 December 31, 2022, the Authority had 218 active contracts and 75 active purchase orders (PO's) with a total value of \$10.8B.
- Month-over-Month the value of contracts increased by \$384.7M, primarily due to executed change orders for design-build contracts (\$177.4M), nine contract amendments (\$135.1M), and three new contracts (\$77.6M).
- The Feb-23 report reflects a Small Business Utilization Rate (SBU) of 23.5%. The current rate represents an 7.3% 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 November 30, 2022, there are **759** small businesses actively working on the high-speed rail project, including **252** DBE's and **91** Certified DVBE's.

Executive Summary for February 2023 Report

Contingency Summary (data is cumulative through December 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	\$3.2	\$66.0	\$1,694.8	\$249.7
CP2-3	\$1,638.4	\$8.9	\$43.0	\$1,577.2	\$61.2
CP4	\$417.8	\$9.1	\$0.0	\$371.1	\$46.6
Total Project Contingency Subtotal	\$4,000.7	\$21.2	\$109.0	\$3,643.1	\$357.6
Other Contingency					
Unallocated Contingency	\$425.9	\$0.0	\$0.0	\$82.1	\$343.8
Interim Use/Project Reserve	\$208.1	\$0.0	\$0.0	\$53.9	\$154.3
Other	\$525.0	\$2.0	\$0.0	\$107.4	\$417.6
Other Contingency Subtotal	\$1,159.0	\$2.0	\$0.0	\$243.3	\$915.7
Total Contingency	\$5,159.7	\$23.2	\$109.0	\$3,886.4	\$1,273.3

- 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 (December 2022 Activity, \$ in millions)

Contingency Category	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
	CPI	HSR 11-20	A/B	\$66.0	Wong Harris - Project Construction Management
	CP2-3	HSR 13-81	A/B	\$43.0	Arcadis – Project Construction Management
Total Monthly Change Orders >\$25M and Governance Actions				\$109.0	

Table Code Legend

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

- Amounts shown in the Total Monthly Authorizations Over \$25M (\$109.0M) are also included in the Contingency Summary Table.
- Authorization totals include rounding adjustments.

Preliminary Numbers for the March F&A Report

Look Ahead at Next Month's F&A Report with Preliminary Data (January 31, 2023)

Capital Outlay Expenditure Summary Update

(\$ in millions)

	Current Month December-22 Data	Preliminary January-23 Data
Construction Package 1 – DB	\$19.7	\$14.3
Construction Package 1 – Total for CP	\$25.9	\$13.1
Construction Package 2-3 – DB	\$23.5	\$31.9
Construction Package 2-3 – Total for CP	\$28.1	\$37.4
Construction Package 4 – DB	\$5.3	\$4.3
Construction Package 4 – Total for CP	\$7.7	\$3.2
All Construction Packages – DB	\$48.5	\$50.5
All Construction Packages – Total CP	\$61.7	\$53.7
All Capital Expenditures – DB's, other CP work, Proj Dev, and Bookends	\$73.3	\$68.9

Administrative Position Summary Update

	Current Month Dec-22 Data	Preliminary Jan-23 Data
Authorized Positions	429	429
Filled Positions	333	339
Vacant Positions	96	92
Vacancy Rate	22.4%	21.4%

Federal Grant Summary

	Current Month Dec-22 Data	Preliminary Jan-23 Data
(\$ in millions)		
Previously Awarded Grants	\$3,531	\$3,531
New Grant Awards	\$0	\$0
Pending Grant Applications	\$303	\$303