



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

September 2022 Report (Data through July 31, 2022)

Executive Summary for September 2022 Report

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

	Prior Year Jul-21 Data	Prior Month Jun-22 Data	Current Month Jul-22 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$75.3	\$136.7	\$122.4
Number of Invoices Paid	245	225	218
Value of Invoices Paid	\$82.3	\$83.7	\$103.8

- The Authority has not made a penalty payment in over five years (66 months) and did not have any aged invoices in the July 2022 reporting period.
- The Authority currently has a total of \$122.4M in disputed invoices, which represents a \$14.2M decrease in total disputes from the prior month.

Cash Management Report (\$ in millions)

	Prior Year Jul-21 Data	Prior Month Jun-22 Data	Current Month Jul-22 Data
Prop IA Bond Fund Ending Cash Balance	\$125.0	\$72.4	\$65.6
Cap-and-Trade Ending Cash Balance	\$1,843.0	\$2,104.7	\$2,006.7
Rail Property Management Fund Ending Cash Balance	\$10.8	\$11.3	\$11.4
Total Funds Ending Cash Balance	\$1,978.8	\$2,188.5	\$2,083.6

- 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.
- As of July 31, 2022, the Authority had an additional \$23.2M in available funding through commercial paper; however, the Authority increased its commercial paper authority to \$1.288B in the month of August 2022. The proceeds for commercial paper will not be reflected in the Prop IA Cash Balance until the Authority submits a request for funds to STO and issuance is completed.
- A Cap-and-Trade auction occurred on August 17, 2022. The preliminary share of proceeds for the Authority are estimated to be \$160.7M, after a \$88M reduction of proceeds for backfill provisions of the California Global Warming Solutions Act extension (AB 398 of 2017) and adjustments for Forest Health and Fire Prevention (SB 155). Proceeds will be reflected in the Cash Balance once the journal entry has been completed by the State Controller's Office.

Executive Summary for September 2022 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Jul-21 Data	Prior Month Jun-22 Data	Current Month Jul-22 Data
Budget (Fiscal Year)	\$74.4	\$97.2	\$93.4
Monthly Expenditures	\$4.0	\$14.0	\$4.7
YTD Expenditures	\$4.0	\$67.5	\$4.7
Percentage of Budget Expended YTD	5.4%	69.4%	5.1%
Percentage of Personal Services Budget Expended YTD	7.0%	70.8%	6.5%
Percentage of Operating Expenses and Equipment Expended YTD	0.2%	65.3%	0.0%
Percentage of Fiscal Year Completed	8.3%	100%	8.3%
Total Authorized Positions	356	429	429
Total Filled Positions	279	300	310
Vacant Positions	77	129	119
Vacancy Rate	21.6%	30.1%	27.7%

- At 8.3% of the Fiscal Year completed, \$4.7M or 5.1% of the Administrative Budget (\$93.4M) has been spent, resulting in a budget underutilization value of 3.2%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of July 31, 2022, the Authority's vacancy rate is 27.7%, 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 completed recruitment for 14 vacant positions during the reporting month; however, the filled positions were offset by 2 separations from the Authority and 2 vacated positions from internal promotions/transfers, resulting in a net increase of 10 filled position for the reporting month.

Executive Summary for September 2022 Report

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Jul-21 Data	Prior Month Jun-22 Data	Current Month Jul-22 Data
Budget (Fiscal Year)	\$2,312.6	\$2,312.6	\$2,303.2
Monthly Expenditures	\$113.2	\$167.9	\$67.3
YTD Expenditures	\$113.2	\$1,211.7	\$67.3
Percentage of Budget Expended Year to Date	4.9%	52.4%	2.9%
Percentage of Fiscal Year Completed	8.3%	100%	8.3%

- At 8.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$67.3M or 2.9% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$60.2M**, which includes: CPI - \$21.7M, CP2-3 - \$30.0M, and CP4 - \$8.6M.
- Design-Build (DB) Monthly Expenditures totaled **\$47.8M**, which includes: CPI - \$13.3M, CP2-3 - \$27.0M, and CP4 - \$7.5M.
 - Monthly expenditures include CP 1 (\$3.1M) and a CP 2-3 (\$3.4M) Time Impact Analysis (TIA) settlement payments.
- As of July 31, 2022, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 65.4%, CP2-3: 67.8%, and CP4: 81.6%.

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: 100%						
Construction	\$1,882.4	\$1,885.1	\$65.8	\$65.8	3%	3%
Design Build with TIA Payment*	\$865.3	\$859.2	\$47.8	\$47.8	6%	6%
Design Build Contracts w/o TIA Payment*	(\$865.3)	(\$859.2)	(\$41.4)	(\$41.4)	5%	5%
Time Impact Analysis (TIA) Payments**	<i>n/a</i>	<i>n/a</i>	(\$6.5)	(\$6.5)	1%	1%
Right-of-Way / Third Party	\$250.7	\$250.7	\$1.7	\$1.7	1%	1%
PCM / RDP / ETO / Legal	\$244.3	\$244.3	\$12.6	\$12.6	5%	5%
Environmental Mitigation / Resource Agency	\$40.8	\$40.8	\$3.7	\$3.7	9%	9%
Other Construction (SR 99, Stations, etc.)	\$98.2	\$98.2	\$0.0	\$0.0	0%	0%
Fiscal-Year EAC, Project, and Unallocated Contingencies	\$383.1	\$391.9	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Fiscal-Year Contingency – Transferred Out*	(\$8.9)	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	(2%)	<i>n/a</i>
Project Development	\$177.6	\$177.6	\$1.5	\$1.5	1%	1%
Bookend Projects (Local Assistance)	\$243.4	\$243.4	\$0.0	\$0.0	0%	0%
TOTAL	\$2,303.3	\$2,306.1	\$67.3	\$67.3	3%	3%

*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 September 2022 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$7,496.7	76%
Project Development	\$1,357.1	14%
Local Assistance	\$610.2	6%
Support Funding – Project Delivery	\$109.1	1%
Support Funding – Construction	\$105.1	1%
Administration	\$172.2	2%
Total	\$9,850.4	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	\$2,546.1	\$0	\$2,499.0	\$2,523.7	\$0
FY10 Grant	\$928.6	\$0.0	\$928.6	\$359.8	\$0	\$359.8
EPA Brownfields	\$600	\$426	\$174	<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	\$2,546.5	\$977.8	\$2,925.5	\$2,523.7	\$401.8

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

Executive Summary for September 2022 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Jul-21 Data	Prior Month Jun-22 Data	Current Month Jul-22 Data
Number of Contracts	196	219	217
Total Value of Contracts	\$8,458.1	\$9,835.1	\$9,860.0
Number of Purchase Orders	41	100	91
Total Value of Purchase Orders	\$3.5	\$3.3	\$3.2
Total Value Contracts and Purchase Orders	\$8,461.5	\$9,838.4	\$9,863.2
Cumulative Small Business Utilization Rate	22.6%	23.4%	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 July 31, 2022, the Authority had 217 active contracts and 91 active purchase orders (PO's) with a total value of \$9.9B.
- Month-over-Month the value of contracts increased \$24.9M, primarily due to executed change orders for CP design-build contracts (\$9.1M), one executed contract amendment (\$15.1M), two new executed contracts (\$1.2M) and the removal of five expired contracts (\$558K).
- The Sep-22 report 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 June 30, 2022, there are **724** small businesses actively working on the high-speed rail project, including **230** DBE's and **83** Certified DVBE's.

Executive Summary for September 2022 Report

Contingency Summary (data is cumulative through July 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	\$5.7	\$101.5	\$1,482.2	\$462.3
CP2-3	\$1,638.4	\$3.1	\$0.0	\$1,190.9	\$447.5
CP4	\$417.8	\$0.4	\$0.0	\$303.1	\$114.7
Total Project Contingency Subtotal	\$4,000.7	\$9.2	\$101.5	\$2,976.2	\$1,024.5
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	\$25.2	\$26.1	\$80.3	\$444.7
Other Contingency Subtotal	\$1,159.0	\$25.2	\$26.1	\$140.3	\$1,018.7
Total Contingency	\$5,159.7	\$34.5	\$127.6	\$3,116.5	\$2,043.2

- 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 (July 2022 Activity, \$ in millions)

Contingency Category	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
	CPI	HSR 13-06	A/B	\$101.5	Guideway Construction for SR99 Realignment
	Other	HSR 14-66	A/B	\$26.1	RDP Time Extension
Total Monthly Change Orders >\$25M and Governance Actions				\$127.6	

Table Code Legend

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

- Amounts shown in the Total Monthly Authorizations Over \$25M (\$127.6M) are also included in the Contingency Summary Table.
- Authorization totals include rounding adjustments.