



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

March 2022 Report (Data through January 31, 2022)

Executive Summary for March 2022 Report

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

	Prior Year Jan-21 Data	Prior Month Dec-21 Data	Current Month Jan-22 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$76.2	\$96.6	\$96.3
Number of Invoices Paid	230	232	244
Value of Invoices Paid	\$91.2	\$86.9	\$111.2
Number of In-Process Invoices	178	167	169
Value of In-Process Invoices	\$64.5	\$75	\$73.9
Total Number of Invoices Paid and In-Process	408	399	413

- The Authority has not made a penalty payment in five years (60 months) and did not have any aged invoices in the January 2022 reporting period.
- The Authority currently has a total of \$96.3M in disputed invoices, which represents a \$266K decrease in total disputes from the prior month.

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 Jan-21 Data	Prior Month Dec-21 Data	Current Month Jan-22 Data
Prop IA Bond Fund Ending Cash Balance	\$63.2	\$50.3	\$32.1
Cap-and-Trade Ending Cash Balance	\$1,766.4	\$1,717.2	\$1,623.5
Rail Property Management Fund Ending Cash Balance	\$10.2	\$11.6	\$11.8

- 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.
- A Cap-and-Trade auction occurred on February 16, 2022. The preliminary share of proceeds for the Authority are estimated to be \$244M, which represents the third-highest result for the Authority. Proceeds from both the Nov-21 (\$323M) and Feb-22 (\$244M) auctions are not yet included in the Cap-and-Trade Cash Balance and will be reflected once the journal entry has been completed by State Controllers Office.

Note: In February, the Authority received \$17.9M in Prop IA funds from commercial paper. These funds will be reflected in next months Prop IA Cash Balance.

Executive Summary for March 2022 Report

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Jan-21 Data	Prior Month Dec-21 Data	Current Month Jan-22 Data
Budget (Fiscal Year)	\$73.6	\$91.1	\$97.2
Monthly Expenditures	\$4.0	\$5.0	\$4.9
YTD Expenditures	\$25.4	\$27.2	\$32.1
Percentage of Budget Expended YTD	34.8%	29.9%	33%
Percentage of Personal Services Budget Expended YTD	40.2%	35.5%	40%
Percentage of Operating Expenses and Equipment Expended YTD	19.7%	12.0%	12.7%
Percentage of Fiscal Year Completed	58.3%	50%	58.3%
Total Authorized Positions	356	429	429
Total Filled Positions	252	292	292
Vacant Positions	104	137	137
Vacancy Rate	29.2%	31.9%	31.9%

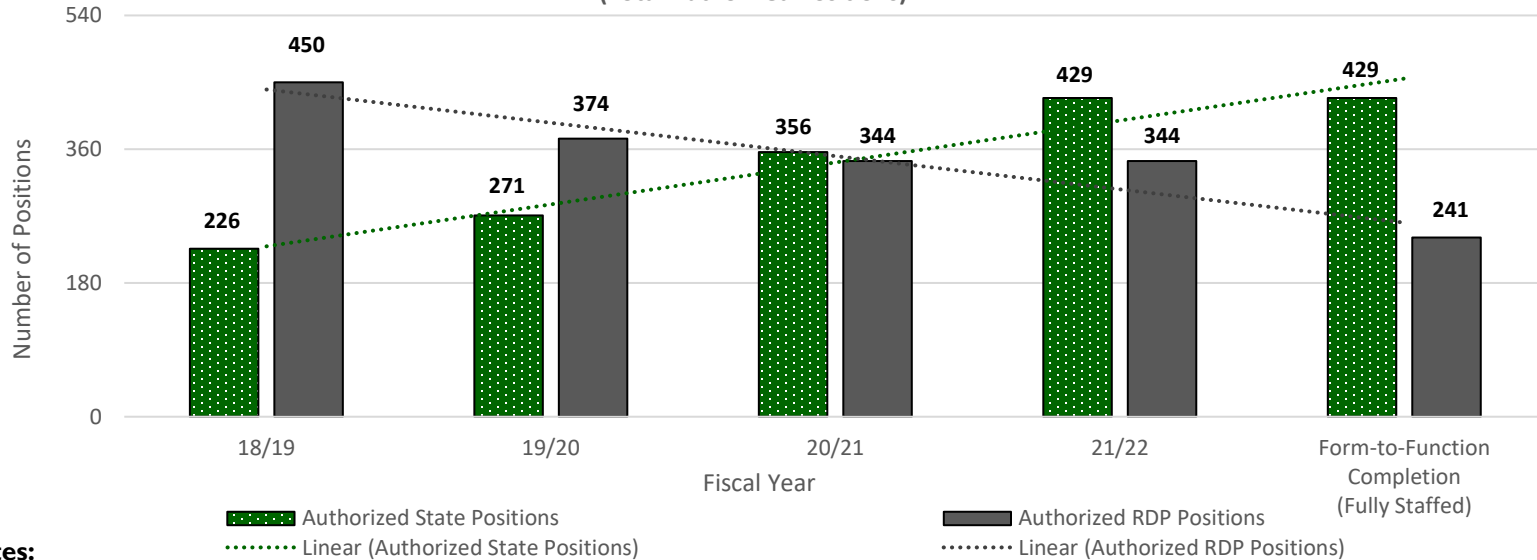
- In the Governor's Proposed Budget, the Authority's current year budget was increased by \$6.1M (from \$91.1M to \$97.2M) to account for changes in salaries and benefits, OE&E, and an increase in reimbursement authority (\$3.9M).
- At 58.3% of the Fiscal Year completed, \$32.1M or 33% of the Administrative Budget (\$97.2M) has been spent, resulting in a budget underutilization value of 25.3%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of January 31, 2022, the Authority's vacancy rate is 31.9%, 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 7 vacant positions during the reporting month; however, the filled positions were reduced by 5 separations from the Authority and 2 vacated positions from internal promotions/transfers, resulting in a net of zero filled positions in the reporting month.

Executive Summary for March 2022 Report

Form-to-Function Implementation: Consultant Staff and State Staff Comparison

	Positions	18/19	19/20	20/21	21/22	Form-To-Function Completion (Fully Staffed)
State	Filled	185	227	278	292	429
	Vacant	41	44	78	137	0
	Total Authorized	226	271	356	429	429
RDP	FTEs Filled	345	321	293	259	241
	Vacant	105	53	51	85	0
	Total Authorized	450	374	344	344	241

State vs RDP Staff
(Total Authorized Positions)



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). In September 2021, an additional 73 state positions were authorized through SB 170.
- RDP position counts use Full-Time Equivalents (FTE's) and filled positions for historical fiscal years utilize monthly averages from October 2018 through January 2022. For FY2021-22, a 3-month moving average has been utilized to smooth seasonal and/or monthly variations in staffing.
- State Staff positions filled by fiscal year include data from June 2019 (FY18/19), June 2020 (FY19/20), June 2021 (FY20/21), and January 2022 (FY21/22).

Executive Summary for March 2022 Report

Capital Outlay Budget Summary

(\$ in millions)	Prior Year Jan-21 Data	Prior Month Dec-21 Data	Current Month Jan-22 Data
Budget (Fiscal Year)	\$2,903.3	\$2,312.6	\$2,312.6
Monthly Expenditures	\$65.5	\$90.1	\$178.0
YTD Expenditures	\$721.5	\$524.9	\$702.9
Percentage of Budget Expended Year to Date	24.9%	22.7%	30.4%
Percentage of Fiscal Year Completed	58.3%	50%	58.3%

- At 58.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$702.9M or 30.4% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled **\$154.0M**, which includes: CPI - \$94.9M, CP2-3 - \$48.5M, and CP4 - \$10.6M.
- Design-Build (DB) Monthly Expenditures totaled **\$107.9M**, which includes: CPI - \$84.6M, CP2-3 - \$15.3M, and CP4 - \$8.0M.
 - CPI monthly expenditures include a \$41.2M Time Impact Analysis (TIA) settlement payment. This payment is part of a larger approved TIA settlement agreement totaling \$122M.
- As of January 31, 2021, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CPI: 66.1%, CP2-3: 67.1%, and CP4: 78.4%.

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: 58.3%						
Construction	\$2,083.9	\$1,442.3	\$160.5	\$604.1	29%	42%
Design Build with TIA Payment*	\$1,050.1	\$588.2	\$107.9	\$387.5	37%	66%
Design Build Contracts w/o TIA Payment*	(\$1,050.1)	(\$588.2)	(\$66.7)	(\$346.3)	33%	59%
Time Impact Analysis (TIA) Payments**	n/a	n/a	(\$41.2)	(\$41.2)	4%	7%
Right-of-Way / Third Party	\$373.3	\$306.2	\$32.8	\$92.8	25%	30%
PCM / RDP / ETO / Legal	\$201.4	\$201.1	\$13.3	\$110.3	55%	55%
Environmental Mitigation / Resource Agency	\$64.7	\$42.0	\$6.0	\$13.1	20%	31%
Other Construction (SR 99, Stations, etc.)	\$87.7	\$28.3	\$0.5	\$0.5	1%	2%
Fiscal-Year EAC and Project Contingency	\$306.7	\$276.6	n/a	n/a	n/a	n/a
Fiscal-Year Contingency – Transferred Out*	(\$237.7)	n/a	n/a	n/a	(44%)	n/a
Project Development	\$144.7	\$131.1	\$4.9	\$21.9	15%	17%
Bookend Projects (Local Assistance)	\$84.0	\$130.1	\$12.6	\$76.8	91%	59%
TOTAL	\$2,312.6	\$1,703.4	\$178.0	\$702.9	30%	41%

*Numbers in parenthesis are non-adds but included to provide additional detail. FY Project Contingency starting budget was \$544.4M.

**Time Impact Analysis (TIA) payment.

Executive Summary for March 2022 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$7,038.3	76%
Project Development	\$1,325.2	14%
Local Assistance	\$535.9	6%
Support Funding – Project Development	\$98.9	1%
Support Funding – Construction	\$96.5	1%
Administration	\$157.3	2%
Total	\$9,252.3	100%

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	\$2,499.0	\$2,523.7	\$0.0	\$2,523.7	\$0.0	101%

- 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 \$2,523.7M (101%) with no Pending FRA Approvals as of January 31, 2022, which means the Authority has fully met its state funding match requirements for federal dollars one year ahead of schedule.

Executive Summary for March 2022 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Jan-21 Data	Prior Month Dec-21 Data	Current Month Jan-22 Data
Number of Contracts	204	205	203
Total Value of Contracts	\$8,435.5	\$8,591.8	\$8,792.3
Number of Purchase Orders	44	55	58
Total Value of Purchase Orders	\$0.9	\$2.4	\$2.2
Total Value Contracts and Purchase Orders	\$8,436.3	\$8,594.2	\$8,794.5
Small Business Utilization Rate	21.5%	23.5%	23.6%

- 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 January 31, 2022, the Authority had 203 active contracts and 58 active purchase orders (PO's) with a total value of \$8.8B.
- Month-over-Month the value of contracts increased \$200.4M, primarily due to executed change orders for CP design-build contracts (\$204.4M).
- The Mar-22 report (Jan-22 data) reflects a Small Business Utilization Rate (SBU) of 23.6%. The current rate represents a 7.4% 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 December 31, 2021, there are **655** small businesses actively working on the high-speed rail project, including **214** DBE's and **75** Certified DVBE's.

Executive Summary for March 2022 Report

Contingency Summary (data is cumulative through January 31, 2022, \$ 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	\$1,945	\$1,237	\$708	\$1,638	\$950	\$688	\$418	\$278	\$139	\$0	\$0	\$0	\$4,001	\$2,465	\$1,535
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	\$525	\$26	\$499	\$525	\$26	\$499
Total	\$1,945	\$1,237	\$708	\$1,638	\$950	\$688	\$418	\$278	\$139	\$1,159	\$86	\$1,073	\$5,160	\$2,551	\$2,609

Notes:

Contingency Summary Table (above):

- Total Allocation (Total Alloc.) 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 (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.

HSR Governance Actions (Monthly Activity)

January 2022 Activity

Category/Contract	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
Authorizations >25 million	CP 1	HSR 13-06	A/B	\$122	TPZP Time Impact Analysis
	CP 1	HSR 13-06	A/B	\$47	TPZP Golden State Blvd.
	CP 1	HSR 11-20	B	\$27	Wong Harris Extension
Authorizations <25 million	CP 1, 2-3, 4	Various	A/B	\$47	Executed Change Orders
Monthly Subtotal				\$244	
Previously Approved Authorizations				\$2,221	
Total Cumulative Authorizations				\$2,465	
Contingency Category: Unallocated Contingency					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$6	
Total Cumulative Authorizations				\$6	
Contingency Category: Interim Use/Project Reserve					
Authorizations					None
Monthly Subtotal					
Previously Approved Authorizations				\$54	
Total Cumulative Authorizations				\$54	
Contingency Category: Other					
Authorizations	Other	New	A/B	\$6	CV Station Design
Monthly Subtotal				\$6	
Previously Approved Authorizations				\$19	
Total Cumulative Authorizations				\$26	
Grand Total Cumulative Authorizations				\$2,551	

Table Code Legend

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

Preliminary Numbers for April F&A Report

Look Ahead at Next Month's F&A Report with Preliminary Data (through February 28, 2022)

Capital Outlay Expenditure Summary Update

(\$ in millions)

	Current Month Jan-22 Data	Preliminary Feb-22 Data
Construction Package 1 – DB	\$84.6	\$21.3
Construction Package 1 – Total for CP	\$94.9	\$26.9
Construction Package 2-3 – DB	\$15.3	\$17.7
Construction Package 2-3 – Total for CP	\$48.5	\$20.6
Construction Package 4 – DB	\$8.0	\$9.5
Construction Package 4 – Total for CP	\$10.6	\$12.0
All Construction Packages – DB	\$107.9	\$48.5
All Construction Packages – Total CP	\$154.0	\$59.5
All Capital Expenditures – DB's, other CP work, Proj Dev, and Bookends	\$178.0	\$68.7

Administrative Position Summary Update

	Current Month Jan-22 Data	Preliminary Feb-22 Data
Authorized Positions	429	429
Filled Positions	293	293
Vacant Positions	137	137
Vacancy Rate	31.9%	31.9%

State Match to ARRA and State Match Liability Update

	Current Month Jan-22 Data	Preliminary Feb-22 Data
State Match Approved	\$2,523.7	\$2,523.7
State Match Submitted	\$0.0	\$0.0
Total	\$2,523.7	\$2,523.7
% Approved/Submitted	100%	100%

Contingency Balance & Upcoming Change Orders

Current Remaining Contingency			
Construction Package	Contingency Value Balance 1-31-2022	Change Orders Pending Governance Action	Remaining Contingency
CP1	\$ 708	\$ (126)	\$ 582
CP2-3	\$ 688	\$ (187)	\$ 501
CP4	\$ 139	\$ (8)	\$ 131
Total	\$ 1,535	\$ (322)	\$ 1,213
Program Wide Unallocated Contingency			\$ 419
Total Available Contingency			\$ 1,632

(\$ in Millions)

Contingency Balance & Contractor Change Orders

Projection of Contingency Balance after Proposed Change Orders				
Construction Package	Contractor-Valued Change Orders Outstanding	Historical Payment %	Cost With Historical Savings	Remaining Contingency After Change Orders
CP1	\$ 507	63%	\$ 320	\$ 261
CP2-3	\$ 827	63%	\$ 523	\$ (22)
CP4	\$ 71	63%	\$ 45	\$ 86
Total	\$ 1,406		\$ 888	\$ 325
Program Wide Unallocated Contingency				\$ 419
Total Available Contingency				\$ 744

(\$ in Millions)