



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

September 2023 Report (Data through July 31, 2023)

Executive Summary for September 2023 Report

Accounts Payable Aging And Disputes Report

(\$ in millions)

| | Prior Year July-22 Data | Prior Month June-23 Data | Current Month July-23 Data |
|-------------------------|----------------------------|-----------------------------|-------------------------------|
| Total Aged Invoices | \$0 | \$0 | \$0 |
| Dispute Summary | \$122.4 | \$200.8 | \$200.1 |
| | | | |
| Number of Invoices Paid | 218 | 285 | 243 |
| Value of Invoices Paid | \$103.8 | \$180.1 | \$83.6 |

- The Authority has not made a penalty payment in over six years (78 months) and did not have any aged invoices in the July 2023 reporting period.
- The Authority currently has a total of \$200.1M in disputed invoices, which represents a \$712.5K decrease in total disputes from the prior month.

Cash Management Report

(\$ in millions)

| | Prior Year July-22 Data | Prior Month June-23 Data | Current Month July-23 Data |
|---|----------------------------|-----------------------------|-------------------------------|
| Prop 1A Bond Fund Ending Cash Balance | \$65.6 | \$749.2 | \$637.7 |
| Cap-and-Trade Ending Cash Balance | \$2,006.7 | \$2,562.0 | \$2,548.9 |
| Rail Property Management Fund Ending Cash Balance | \$11.4 | \$11.6 | \$11.7 |
| Total Funds Ending Cash Balance | \$2,083.6 | \$3,322.8 | \$3,198.3 |

- The Proposition 1A cash balance fell \$111.5M month-over-month to \$637.7M. Cash expenditures were \$118.2M. The Authority has \$165.8M available through commercial paper for additional Proposition 1A cash as needed.
- The Cap-and-Trade cash balance fell \$13.0M month-over-month to \$2.5B. Proceeds from the Aug-2023 Cap-and-Trade auction are estimated at \$265.1M for the Authority, but are not reflected in cash balances as they are still pending action by the Department of Finance and the State Controller's Office.
- The Rail Property Management Fund cash balance rose \$80.9K month-over-month to \$11.7M. Payments received totaled \$214.2K and cash expenditures were \$133.2K. 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 September 2023 Report

Administrative Budget and Expenditures Report

(\$ in millions)

| | Prior Year July-22 Data | Prior Month June-23 Data | Current Month July-23 Data |
|---|----------------------------|-----------------------------|-------------------------------|
| Budget (Fiscal Year) | \$93.4 | \$96.5 | \$95.2 |
| Monthly Expenditures | \$4.7 | \$10.1 | \$5.4 |
| YTD Expenditures | \$4.7 | \$73.3 | \$5.4 |
| Percentage of Budget Expended YTD | 5.1% | 75.9% | 5.6% |
| Percentage of Personal Services Budget Expended YTD | 6.5% | 79.6% | 7.0% |
| Percentage of Operating Expenses and Equipment Expended YTD | 0.0% | 62.2% | 0.0% |
| Percentage of Fiscal Year Completed | 8.3% | 100% | 8.3% |
| | | | |
| Total Authorized Positions | 429 | 429 | 429 |
| Total Filled Positions | 310 | 355 | 356 |
| Vacant Positions | 119 | 74 | 73 |
| Vacancy Rate | 27.7% | 17.2% | 17.0% |

- At 8.3% of the Fiscal Year completed, \$5.4M or 5.6% of the Administrative Budget (\$95.2M) has been spent, resulting in a budget underutilization value of 2.7%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of July 31, 2023, the Authority's vacancy rate is 17.0%. The statewide vacancy rate is 20.6% as of July 31st, 2023. The Authority has filled a net total of 46 positions over the past year, (from 310 to 356 filled positions).
- During the reporting month, the Authority completed recruitment for six vacant position; however, the filled positions were offset by four separations from the Authority and one vacated position from internal promotions/transfers, resulting in a net increase of one filled positions for the reporting month.

Executive Summary for September 2023 Report

Capital Outlay Budget Summary

(\$ in millions)

| | Prior Year July-22 Data | Prior Month June-23 Data | Current Month July-23 Data |
|--|----------------------------|-----------------------------|-------------------------------|
| Budget (Fiscal Year) | \$2,303.3 | \$2,303.3 | \$1,825.3 |
| Monthly Expenditures | \$67.3 | \$255.0 | \$112.3 |
| YTD Expenditures | \$67.3 | \$1,342.5 | \$112.3 |
| Percentage of Budget Expended Year to Date | 2.9% | 58.3% | 6.2% |
| Percentage of Fiscal Year Completed | 8.3% | 100% | 8.3% |

- At 8.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$112.3M or 6.2% of the fiscal year budget. The underutilization of budget is detailed in the table below.
- Construction Package Monthly Expenditures totaled \$98.7M, which includes: CP1: \$39.6M, CP2-3: \$32.5M, and CP4: \$26.7M.
- Design-Build (DB) Monthly Expenditures totaled \$87.7M, which includes: CP1: \$35.4M, CP2-3: \$29.0M, and CP4: \$23.3M.
 - Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling \$13.4M, which includes: CP1 (\$3.1M), CP2-3 (\$3.8M), and CP4 (\$6.5M)
- As of July 31, 2023, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CP1: 64.0%, CP2-3: 69.0%, and CP4: 92.5%.

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 | \$1,477.2 | \$1,477.2 | \$107.2 | \$107.2 | 7% | 7% |
| Design Build with TIA Payment* | \$852.2 | \$852.2 | \$87.7 | \$87.7 | 10% | 10% |
| Design Build Contracts w/o TIA Payment* | (\$852.2) | (\$852.2) | (\$74.3) | (\$74.3) | 9% | 9% |
| Time Impact Analysis (TIA) Payments | N/A | N/A | (\$13.4) | (\$13.4) | 2% | 2% |
| Right-of-Way / Third Party | \$238.2 | \$238.2 | \$1.1 | \$1.1 | 0% | 0% |
| PCM / RDP / ETO / Legal | \$220.8 | \$220.8 | \$18.3 | \$18.3 | 8% | 8% |
| Environmental Mitigation / Resource Agency | \$25.4 | \$25.4 | \$0.1 | \$0.1 | 1% | 1% |
| Other Construction (SR46, Stations, etc.) | \$18.3 | \$18.3 | \$0.0 | \$0.0 | 0% | 0% |
| Fiscal-Year EAC, Project, and Unallocated Contingencies | \$122.4 | \$122.4 | \$0.0 | \$0.0 | N/A | N/A |
| Fiscal-Year Contingency – Transferred Out* | \$269.6 | N/A | N/A | N/A | 50% | N/A |
| Project Development | \$166.6 | \$166.6 | \$5.1 | \$5.1 | 3% | 3% |
| Bookend Projects (Local Assistance) | \$181.4 | \$181.4 | \$0.0 | \$0.0 | 0% | 0% |
| TOTAL | \$1,825.3 | \$1,825.3 | \$112.3 | \$112.3 | 6% | 6% |

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

Executive Summary for September 2023 Report

Total Project Expenditures

| Program Category | Expenditures to Date (\$ in millions) | Percentage of Total Expenditures |
|------------------------------------|--|-------------------------------------|
| Construction | \$8,647 | 76.5% |
| Project Development | \$1,444 | 12.8% |
| Local Assistance | \$745 | 6.6% |
| Support Funding – Project Delivery | \$122 | 1.1% |
| Support Funding – Construction | \$142 | 1.3% |
| Administration | \$201 | 1.8% |
| Total | \$11,300 | 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 | \$2,545.4 | \$0 | \$2,498.6 | \$2,522.3 | \$0 |
| FY10 Grant | \$928.6 | \$0.0 | \$928.6 | \$359.8 | \$0.0 | \$359.8 |
| EPA Brownfields* | \$.600 | \$.557 | \$.043 | <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 | \$59.6 | \$0.0 | \$59.6 |
| RAISE Grant - Merced Extension (Design)** | \$25.0 | \$0.0 | \$25.0 | \$16.0 | \$0.0 | \$16.0 |
| RAISE Grant - Fresno Depot** | \$20.0 | \$0.0 | \$20.0 | \$13.2 | \$0.0 | \$13.2 |
| Total | \$3,550.8 | \$2,546.0 | \$997.6 | \$2,947.2 | \$2,522.3 | \$448.6 |

*Closeout Documents submitted to EPA

**Federal Grants awarded, pending formal grant agreements.

Executive Summary for September 2023 Report

Contracts and Expenditures Report

(\$ in millions)

| | Prior Year July-22 Data | Prior Month June-23 Data | Current Month July-23 Data |
|--|----------------------------|-----------------------------|-------------------------------|
| Number of Contracts | 217 | 200 | 195 |
| Total Value of Active Contracts | \$9,860.0 | \$11,799.9 | \$11,833.5 |
| Number of Purchase Orders | 91 | 131 | 118 |
| Total Value of Purchase Orders | \$3.2 | \$4.3 | \$4.5 |
| Total Value Contracts and Purchase Orders | \$9,863.2 | \$11,804.2 | \$11,837.9 |
| 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 July 31, 2023, the Authority had 195 active contracts and 118 active purchase orders (PO's) with a total value of \$11.8B.
- Month-over-Month the value of active contracts increased by \$33.6M.
- The Month-over-Month change in value of active contracts is primarily due to executed change orders for design-build contracts (\$124.6M), with CP1 (\$109.2M), CP2-3 (\$945.6K), CP4 (\$14.4M); one contract amendment (\$49.8KM); one new contract (\$950KM); and the removal of six expired contracts (\$92M).
- The Authority's Small Business Utilization Rate (SBU) goal is 30.0%. The September-23 report reflects a 23.4% SBU. The current rate represents a 7.2% increase from the inception of SBU reporting in Feb-15 of 16.2%.
- SBU rates: Construction (DB only) 21.5% (CP1 24.7%, CP2-3 18.5%, CP4 21.1%), and Professional Services (includes all non-construction plus non-DB construction) 28.2%
- The 30% SBU goal is comprised of: 17% Small Business (SB) and Micro Business (MB), 10% Disadvantaged Business Enterprise (DBE), and 3% Disabled Veteran Business Enterprise (DVBE). The Authority's overall achievement for each program is: 9.5% SB and MB, 9.9% DBE, and 4.0% DVBE.
- As of June 30, 2023, there are **779** small businesses actively working on the high-speed rail project, including **265** DBE's and **97** Certified DVBE's.

Executive Summary for September 2023 Report

Contingency Summary (data is cumulative through July 31, 2023, \$ in millions)

| Contingency Category | Total Allocation | Monthly Authorized (Under \$25M) | Monthly Authorized (Over \$25M) | Cumulative Authorized | Remaining Balance |
|---|------------------|----------------------------------|---------------------------------|-----------------------|-------------------|
| Project Contingency | | | | | |
| CP1 | \$2,791.6 | \$2.2 | \$0.0 | \$2,024.6 | \$767.0 |
| CP2-3 | \$2,691.5 | \$0.9 | \$0.0 | \$1,721.6 | \$969.9 |
| CP4 | \$518.5 | \$13.8 | \$0.0 | \$420.8 | \$97.6 |
| Total Project Contingency Subtotal | \$6,001.6 | \$16.9 | \$0.0 | \$4,167.0 | \$1,834.5 |
| Other Contingency | | | | | |
| Unallocated Contingency | \$492.3 | \$0.0 | \$0.0 | \$82.1 | \$410.2 |
| Interim Use/Project Reserve | \$208.1 | \$0.0 | \$0.0 | \$53.9 | \$154.3 |
| Other | \$530.8 | \$0.9 | \$0.0 | \$137.3 | \$393.5 |
| Other Contingency Subtotal | \$1,231.2 | \$0.9 | \$0.0 | \$273.2 | \$958.0 |
| Total Contingency | \$7,232.8 | \$17.8 | \$0.0 | \$4,440.2 | \$2,792.5 |

- 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 2023 Activity, \$ in millions)

| Contingency Category | Project | Contract # | Code (See legend) | Authorizations (\$ in millions) | Comments |
|---|---------|------------|-------------------|---------------------------------|----------|
| Contingency Category: Project Contingency | | | | | |
| None for the reporting month | | | | | |
| | | | | | |
| Total Monthly Change Orders >\$25M and Governance Actions | | | | | |

Table Code Legend

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

- Amounts shown in the Total Monthly Authorizations Over \$25M (\$0.0M) are also included in the Contingency Summary Table.
- Authorization totals include rounding adjustments.