



CALIFORNIA

High-Speed Rail Authority

Finance & Audit Committee

Financial Reports Executive Summary

September 26, 2024 (Data through July 31, 2024)

Executive Summary for September 26, 2024

(Data through July 31, 2024)

Accounts Payable Aging And Disputes Report

(\$ in millions)

| | Prior Year Jul-23 Data | Prior Month Jun-24 Data | Current Month Jul-24 Data |
|-------------------------|---------------------------|----------------------------|------------------------------|
| Total Aged Invoices | \$0 | \$0 | \$0 |
| Dispute Summary | \$200.1 | \$160.2 | \$157.9 |
| | | | |
| Number of Invoices Paid | 243 | 287 | 259 |
| Value of Invoices Paid | \$83.6 | \$204.8 | \$138.9 |

- The Authority has not made a penalty payment in over seven years (90 months) and did not have any aged invoices in the July 2024 reporting period.
- The Authority currently has a total of \$157.9M in disputed invoices, which represents a \$2.3M decrease in total disputes from the prior month.

Cash Management Report

(\$ in millions)

| | Prior Year Jul-23 Data | Prior Month Jun-24 Data | Current Month Jul-24 Data |
|---|---------------------------|----------------------------|------------------------------|
| Prop 1A Bond Fund Ending CashBalance | \$637.7 | \$446.0 | \$336.1 |
| Cap-and-Trade Ending Cash Balance | \$2,548.9 | \$3,138.3 | \$3,109.2 |
| Rail Property Management Fund Ending Cash Balance | \$11.7 | \$12.2 | \$12.3 |
| Total Funds Ending Cash Balance | \$3,198.3 | \$3,596.6 | \$3,457.6 |

- The Proposition 1A cash balance fell \$109.9M month-over-month to \$336.1M. Cash expenditures were \$115.9M for July. The Authority has an additional \$512M available through commercial paper which was authorized in Spring 2024.
- The Cap-and-Trade cash balance fell \$29.2M month-over-month to \$3.1B. Proceeds from the May 22nd, 2024, Cap-and-Trade auction are estimated at \$281.1M for the Authority and is not reflected in this month's report.
- The Rail Property Management Fund rose \$124.8K month-over-month to \$12.3M. Payments received totaled \$250.0K and cash expenditures were \$125.2K. 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 26, 2024

(Data through July 31, 2024)

Administrative Budget and Expenditures Report

(\$ in millions)

| | Prior Year Jul-23 Data | Prior Month Jun-24 Data | Current Month Jul-24 Data |
|---|---------------------------|----------------------------|------------------------------|
| Budget (Fiscal Year) | \$95.2 | \$98.0 | \$111.9 |
| Monthly Expenditures | \$5.4 | \$10.3 | \$5.7 |
| YTD Expenditures | \$5.4 | \$82.4 | \$5.7 |
| Percentage of Budget Expended YTD | 5.6% | 84.1% | 5.1% |
| Percentage of Personal Services Budget Expended YTD | 7.0% | 85.3% | 6.0% |
| Percentage of Operating Expenses and Equipment Expended YTD | 0.0% | 79.1% | 1.2% |
| Percentage of Fiscal Year Completed | 8.3% | 100% | 8.3% |
| | | | |
| Total Authorized Positions | 429 | 429 | 496 |
| Total Filled Positions | 356 | 360 | 357 |
| Vacant Positions | 73 | 69 | 139 |
| Vacancy Rate | 17.0% | 16.1% | 28.0% |

- At 8.3% of the Fiscal Year completed, \$5.7M or 5.1% of the Administrative Budget (\$111.9M) 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.
- The 2024 Budget Act (Assembly Bill 107) was chaptered on June 26, 2024, and appropriated \$111.9M to the Authority for state operations including funding for 67 new state positions. This is an increase of \$13.9M over last fiscal year.
- As of July 2024, the Authority's vacancy rate is 28.0% and the statewide vacancy rate is 17.7% (August 31, 2024). The Authority has filled a net total of one position(s) over the past year (from 356 to 357 filled positions).
- During the reporting month, the Authority completed recruitment for 14 vacant positions; however, the filled positions were offset by eight separations, nine internal promotions from the Authority, and the addition of 67 new state positions (Assembly Bill 107), resulting in a net increase of 70 vacant positions.

Executive Summary for September 26, 2024

(Data through July 31, 2024)

Capital Outlay Budget Summary

(\$ in millions)

| | Prior Year Jul-23 Data | Prior Month Jun-24 Data | Current Month Jul-24 Data |
|--|---------------------------|----------------------------|------------------------------|
| Budget (Fiscal Year) | \$1,825.3 | \$1,850.3 | \$2,629.4 |
| Monthly Expenditures | \$112.3 | \$177.0 | \$119.6 |
| YTD Expenditures | \$112.3 | \$1,786.5 | \$119.6 |
| Percentage of Budget Expended Year to Date | 6.3% | 96.6% | 4.5% |
| Percentage of Fiscal Year Completed | 8.3% | 100% | 8.3% |

- At 8.3% of the fiscal year completed, YTD Capital Outlay expenditures are \$119.6M or 4.5% of the fiscal year budget.
- Construction Package Monthly Expenditures totaled \$93.3M, which includes: CP1: \$41.3M, CP2-3: \$41.5M, and CP4: \$10.6M.
- Design-Build (DB) Monthly Expenditures totaled \$77.7M, which includes: CP1: \$34.3M, CP2-3: \$36.0M, and CP4: \$7.5M.
- Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling \$7.2M, which includes: CP1: \$3.0M, CP2-3: \$4.2M, and CP4: \$0.0.
- The percentage of DB contract dollars expended to date for each Construction Package are as follows: CP1: 69.8%, CP2-3: 76.8%, and CP4: 98.2%.

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: 8.3% | | | | | | |
| Construction | \$2,389.9 | \$2,389.9 | \$98.3 | \$98.3 | 4% | 4% |
| Design Build with TIA Payment* | \$1,235.5 | \$1,235.5 | \$77.7 | \$77.7 | 6% | 6% |
| Design Build Contracts w/o TIA Payment* | (\$1,235.5) | (\$1,235.5) | (\$70.5) | (\$70.5) | 6% | 6% |
| Time Impact Analysis (TIA) Payments | N/A | N/A | (\$7.2) | (\$7.2) | 1% | 1% |
| Right-of-Way / Third Party | \$228.2 | \$228.2 | \$3.9 | \$3.9 | 2% | 2% |
| PCM / RDP / ETO / Legal | \$248.4 | \$248.4 | \$14.2 | \$14.2 | 6% | 6% |
| Environmental Mitigation / Resource Agency | \$52.1 | \$52.1 | \$0.1 | \$0.1 | 0% | 0% |
| Other Construction (SR46, Stations, etc.) | \$393.2 | \$393.2 | \$2.4 | \$2.4 | 1% | 1% |
| Fiscal-Year EAC, Project, and Unallocated Contingencies | \$232.5 | \$232.5 | \$0.0 | \$0.0 | N/A | N/A |
| Fiscal-Year Contingency – Transferred Out* | \$159.5 | N/A | N/A | N/A | 29% | N/A |
| Project Development | \$148.8 | \$148.8 | \$19.7 | \$19.7 | 13% | 13% |
| Bookend Projects (Local Assistance) | \$90.7 | \$90.7 | \$1.6 | \$1.6 | 2% | 2% |
| TOTAL | \$2,629.4 | \$2,629.4 | \$119.6 | \$119.6 | 5% | 5% |

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

Executive Summary for September 26, 2024

(Data through July 31, 2024)

Total Project Expenditures

| Program Category | Expenditures to Date (\$ in millions) | Percentage of Total Expenditures |
|------------------------------------|---------------------------------------|----------------------------------|
| Construction | \$10,254.9 | 77.9% |
| Project Development | \$1,579.8 | 12.0% |
| Local Assistance | \$781.6 | 5.9% |
| Support Funding – Project Delivery | \$145.4 | 1.1% |
| Support Funding – Construction | \$174.6 | 1.3% |
| Administration | \$224.3 | 1.7% |
| Total | \$13,160.6 | 100.0% |

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 | Match to Date | Remaining Match |
| ARRA Grant | \$2,552.6 | \$2,545.0 | \$0.0 | \$2,498.2 | \$2,522.3 | \$0.0 |
| FY10 Grant | \$928.6 | \$0.0 | \$928.6 | \$359.8 | \$0.0 | \$359.8 |
| Brownfields [Closed 2023] | \$0.6 | \$0.557 | \$0.0 | <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 | \$60.1 | \$0.0 | \$60.1 |
| RAISE Grant - Merced Extension (Design) | \$25.0 | \$14.0 | \$11.0 | \$16.0 | \$9.0 | \$7.0 |
| RAISE Grant - Fresno Depot* | \$20.0 | \$0.0 | \$20.0 | \$13.2 | \$0.0 | \$13.2 |
| CRISI Grant - Shafter Grade Separation* | \$201.9 | \$0.0 | \$201.9 | \$89.9 | \$0.0 | \$89.9 |
| Federal State Partnership (FSP) Grant* | \$3,073.6 | \$0.0 | \$3,073.6 | \$768.4 | \$0.0 | \$768.4 |
| Corridor Identification and Development Program (CIDP) Grant | \$0.5 | \$0.0 | \$0.5 | <i>n/a</i> | <i>n/a</i> | <i>n/a</i> |
| Total | \$6,826.8 | \$2,559.6 | \$4,259.6 | \$3,805.6 | \$2,531.3 | \$1,298.4 |

*Federal Grants awarded, pending formal grant agreements.

Executive Summary for September 26, 2024

(Data through July 31, 2024)

Contracts and Expenditures Report - Active

(\$ in millions)

| | Prior Year Jul-23 Data | Prior Month Jun-24 Data | Current Month Jul-24 Data |
|--|---------------------------|----------------------------|------------------------------|
| Number of Contracts | 195 | 191 | 192 |
| Total Value of Contracts | \$11,833.5 | \$12,975.6 | \$13,124.3 |
| Number of Purchase Orders | 118 | 115 | 112 |
| Total Value of Purchase Orders | \$4.5 | \$4.0 | \$4.0 |
| Total Value Contracts and Purchase Orders | \$11,837.9 | \$12,979.6 | \$13,128.3 |
| Total Expenditures Contracts and Purchase Orders | \$7,789.5 | \$9,126.8 | \$9,230.0 |
| Cumulative Small Business UtilizationRate | 23.4% | 23.7% | 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).
- The Authority has 192 active contracts and 112 active purchase orders (PO's) with a total value of \$13.1B.
- Month-over-Month the value of active contracts increased by \$148.7M. The change in value of active contracts is primarily due to executed change orders for design-build contracts \$51.7M (CP1: \$37.3M, CP2-3: \$5.0M, CP4: \$9.4M); the addition of five new contracts for \$133.6M; and the removal of four completed contract(s) (\$36.7M).

Small Business Utilization

| | DBE ¹ (10% Min. Target) | DVBE ² (3% Min. Target) | MB & SB ³ | Totals (Historical 30% Overall Target) |
|--------------------------|---------------------------------------|---------------------------------------|----------------------|---|
| Construction | 9.9% | 4.0% | 8.9% | 22.8% |
| Professional Services | 12.1% | 2.9% | 16.7% | 31.1% |
| Overall Cumulative Total | 10.0% | 3.9% | 9.5% | 23.4% |

- On November 2, 2023, the Board adopted new Small Business Utilization (SBU) targets. These will be reported in a revised table as more new contracts are executed with the new targets.
- The current SBU rate represents a 7.2% increase from the inception of reporting in February 2015 of 16.2%.
- SBU rates for the DBs are as follows: CP1 23.7%, CP2-3 19.9%, CP4 21.0%
- As of June 30, 2024, there are **852** small businesses actively working on the high-speed rail project, including **296** DBE's and **107** Certified DVBE's.

Footnotes:

1. Disadvantaged Business Enterprise (DBE)

2. California Disabled Veteran Business Enterprise (DVBE)

3. Micro Business (MB) & Small Business (SB)

Executive Summary for September 26, 2024

(Data through July 31, 2024)

Contingency Summary (data is cumulative, \$ in millions)

| Contingency Category | Total Allocation | Monthly Authorized (Under \$25M) | Monthly Authorized (Over \$25M) | Cumulative Authorized | Remaining Balance |
|---|------------------|----------------------------------|---------------------------------|-----------------------|-------------------|
| Project Contingency | | | | | |
| CP1 | \$2,853.4 | \$37.3 | \$0.0 | \$2,529.2 | \$324.3 |
| CP2-3 | \$2,712.5 | \$5.0 | \$0.0 | \$2,399.0 | \$313.5 |
| CP4 | \$538.0 | \$9.4 | \$0.0 | \$515.8 | \$22.2 |
| Total Project Contingency Subtotal | \$6,103.9 | \$51.7 | \$0.0 | \$5,444.0 | \$659.9 |
| 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 | \$646.9 | \$0.4 | \$0.0 | \$170.4 | \$476.4 |
| Other Contingency Subtotal | \$1,347.3 | \$0.4 | \$0.0 | \$306.4 | \$1,040.9 |
| Total Contingency | \$7,451.2 | \$52.2 | \$0.0 | \$5,750.3 | \$1,700.9 |

- 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 (\$ in millions)

| Contingency Category | Project | Contract # | Code (See legend) | Authorizations (\$ in millions) | Comments |
|---|---------|------------|-------------------|---------------------------------|----------|
| Contingency Category: Project Contingency | | | | | |
| | | | | | |
| | | | | | |
| Total Monthly Change Orders >\$25M and Governance Actions | | | | \$0.0 | |

Table Code Legend

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

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

Preliminary Numbers for the October F&A Report

Look Ahead at Next Month's F&A Report with Preliminary Information (Data through August 31, 2024)

Capital Outlay Expenditure Summary Update

| (\$ in millions) | Current Month Jul-24 Data | Preliminary Aug-24 Data |
|--|------------------------------|----------------------------|
| Construction Package 1 – DB | \$34.3 | \$52.0 |
| Construction Package 1 – Total for CP | \$41.3 | \$58.1 |
| Construction Package 2-3 – DB | \$36.0 | \$38.9 |
| Construction Package 2-3 – Total for CP | \$41.5 | \$46.7 |
| Construction Package 4 – DB | \$7.5 | \$7.0 |
| Construction Package 4 – Total for CP | \$10.6 | \$8.3 |
| All Construction Packages – DB | \$77.7 | \$97.8 |
| All Construction Packages – Total CP | \$93.3 | \$113.0 |
| All Capital Expenditures – DB's, other CP work, Proj Dev, and Bookends | \$119.6 | \$137.3 |

Administrative Position Summary Update

| | Current Month Jul-24 Data | Preliminary Aug-24 Data |
|----------------------|------------------------------|----------------------------|
| Authorized Positions | 496 ¹ | 496 ¹ |
| Filled Positions | 357 | 352 |
| Vacant Positions | 139 | 144 |
| Vacancy Rate | 28.0% | 29.0% |

1. The 2024 Budget Act (Assembly Bill 107) was chaptered on June 26, 2024, which included 67 new state positions.

Federal Grant Summary

| (\$ in millions) | Current Month Jul-24 Data | Preliminary Aug/Sep-24 Data |
|----------------------------|------------------------------|--------------------------------|
| Previously Awarded Grants | \$6,827 | \$6,827 |
| New Grant Awards | \$0 | \$0 |
| Pending Grant Applications | \$746 | \$544 ^{1,2} |

- Submitted FFY 24 Wildlife Crossing Pilot Program (WCPP) Grant for \$4,345,017 (9/4). Submitted FFY 24 Railroad Crossing Elimination (RCE) Grant for \$89,645,961 (9/23).
- Not awarded FFY 24 Grid Resilience and Innovation Partnership (GRIP) Grant for \$60,200,000 (8/6). Not awarded FFY 24 Multimodal Project Discretionary (MEGA) Grant for \$236,095,307 (9/24).