



CALIFORNIA

High-Speed Rail Authority

Finance & Audit Committee

Financial Reports Executive Summary

November 7, 2024 (Data through August 31, 2024)

Executive Summary for November 7, 2024

(Data through August 31, 2024)

Accounts Payable Aging And Disputes Report

(\$ in millions)

	Prior Year Aug-23 Data	Prior Month Jul-24 Data	Current Month Aug-24 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$200.8	\$157.9	\$156.5
Number of Invoices Paid	214	259	249
Value of Invoices Paid	\$111.5	\$138.9	\$92.2

- The Authority has not made a penalty payment in over seven years (91 months) and did not have any aged invoices in the August 2024 reporting period.
- The Authority currently has a total of \$156.5M in disputed invoices, which represents a \$1.4M decrease in total disputes from the prior month.

Cash Management Report

(\$ in millions)

	Prior Year Aug-23 Data	Prior Month Jul-24 Data	Current Month Aug-24 Data
Prop 1A Bond Fund Ending Cash Balance	\$482.4	\$336.1	\$262.2
Cap-and-Trade Ending Cash Balance	\$2,569.4	\$3,109.2	\$3,361.5
Rail Property Management Fund Ending Cash Balance	\$11.8	\$12.3	\$12.3
Total Funds Ending Cash Balance	\$3,063.6	\$3,457.6	\$3,636.0

- The Proposition 1A cash balance fell \$74.0M month-over-month to \$262.2M. Cash expenditures were \$74.0M for August. The Authority has an additional \$1.5B available through commercial paper which was authorized in Fall 2024.
- The Cap-and-Trade cash balance rose \$252.3M month-over-month to \$3.4B. This is due to expenditures of \$28.7M and proceeds of \$281.1M from the May 2024 Cap-and-Trade auction posting for the Authority. The August 2024 Cap-and-Trade auction proceeds are estimated at \$130.4M and are not reflected in cash balances.
- The Rail Property Management Fund stayed consistent at \$12.3M. Payments received totaled \$362.6K and cash expenditures were \$331.9K. 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 November 7, 2024

(Data through August 31, 2024)

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year Aug-23 Data	Prior Month Jul-24 Data ¹	Current Month Aug-24 Data
Budget (Fiscal Year)	\$95.2	\$111.9	\$111.9
Monthly Expenditures	\$6.5	\$5.7	\$6.5
YTD Expenditures	\$11.9	\$5.7	\$12.2
Percentage of Budget Expended YTD	12.5%	5.1%	10.9%
Percentage of Personal Services Budget Expended YTD	14.0%	6.0%	12.5%
Percentage of Operating Expenses and Equipment Expended YTD	6.4%	1.2%	3.7%
Percentage of Fiscal Year Completed	16.7%	8.3%	16.7%
Total Authorized Positions	429	496	496
Total Filled Positions	355	356	352
Vacant Positions	74	140	144
Vacancy Rate	17.2%	28.2%	29.0%

- At 16.7% of the Fiscal Year completed, \$12.2M or 10.9% of the Administrative Budget (\$111.9M) has been spent, resulting in a budget underutilization value of 5.8%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of August 2024, the Authority's vacancy rate is 29.0% and the statewide vacancy rate is 17.7% (August 31, 2024). The Authority has a net total of three vacant position(s) over the past year (from 355 to 352 filled positions).
- During the reporting month, the Authority completed recruitment for 9 vacant positions; however, the filled positions were offset by nine separations, four internal promotions from the Authority, resulting in a net increase of 4 vacant positions.

Footnote(s):

1. Vacancies in July were previously reported as 139 but have been corrected to 140.

Executive Summary for November 7, 2024

(Data through August 31, 2024)

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Aug-23 Data	Prior Month Jul-24 Data	Current Month Aug-24 Data
Budget (Fiscal Year)	\$1,825.3	\$2,629.4	\$2,629.4
Monthly Expenditures	\$206.1	\$119.6	\$141.3
YTD Expenditures	\$318.4	\$119.6	\$260.9
Percentage of Budget Expended Year to Date	17.4%	4.5%	9.9%
Percentage of Fiscal Year Completed	16.7%	8.3%	16.7%

- At 16.7% of the fiscal year completed, YTD Capital Outlay expenditures are \$260.9M or 9.9% of the fiscal year budget.
- Construction Package Monthly Expenditures totaled \$113.0M, which includes: CP1: \$58.1M, CP2-3: \$46.7M, and CP4: \$8.3M.
- Design-Build (DB) Monthly Expenditures totaled \$97.8M, which includes: CP1: \$52.0M, CP2-3: \$38.9M, and CP4: \$7.0M.
- Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling \$5.1M, which includes: CP1: \$3.0M, CP2-3: \$2.1M, and CP4: \$0.0.
- The percentage of DB contract dollars expended to date for each Construction Package are as follows: CP1: 70.9%, CP2-3: 77.8%, and CP4: 98.4%.

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: 16.7%						
Construction	\$2,389.9	\$2,389.9	\$128.7	\$227.0	10%	10%
Design Build with TIA Payment*	\$1,254.4	\$1,254.4	\$97.8	\$175.5	14%	14%
Design Build Contracts w/o TIA Payment*	(\$1,254.4)	(\$1,254.4)	(\$92.7)	(\$163.2)	13%	13%
Time Impact Analysis (TIA) Payments	N/A	N/A	(\$5.1)	(\$12.3)	1%	1%
Right-of-Way / Third Party	\$231.8	\$231.8	\$5.0	\$9.0	4%	4%
PCM / RDP / ETO / Legal	\$249.7	\$249.7	\$25.0	\$39.2	16%	16%
Environmental Mitigation / Resource Agency	\$52.1	\$52.1	\$0.7	\$0.8	2%	2%
Other Construction (SR46, Stations, etc.)	\$392.5	\$392.5	\$0.1	\$2.5	1%	1%
Other	\$208.7	\$208.7	\$0.0	\$0.0	N/A	N/A
Project Development	\$149.5	\$149.5	\$7.9	\$27.6	18%	18%
Bookend Projects (Local Assistance)	\$90.7	\$90.7	\$4.7	\$6.3	7%	7%
TOTAL	\$2,629.4	\$2,629.4	\$141.3	\$260.9	10%	10%

*Numbers in parenthesis are non-adds but included to provide additional detail.

Executive Summary for November 7, 2024

(Data through August 31, 2024)

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$10,377.3	78.0%
Project Development	\$1,588.6	11.9%
Local Assistance	\$786.3	5.9%
Support Funding – Project Delivery	\$141.5	1.1%
Support Funding – Construction	\$183.0	1.4%
Administration	\$226.9	1.7%
Total	\$13,303.5	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

Executive Summary for November 7, 2024

(Data through August 31, 2024)

<u>Contracts and Expenditures Report - Active</u> (\$ in millions)	Prior Year Aug-23 Data	Prior Month Jul-24 Data	Current Month Aug-24 Data
Number of Contracts	198	192	192
Total Value of Contracts	\$11,874.1	\$13,124.3	\$13,149.3
Number of Purchase Orders	118	112	101
Total Value of Purchase Orders	\$4.3	\$4.0	\$3.9
Total Value Contracts and Purchase Orders	\$11,878.4	\$13,128.3	\$13,153.3
Total Expenditures Contracts and Purchase Orders	\$7,901.6	\$9,230.0	\$9,320.5
Cumulative Small Business Utilization Rate	23.4%	23.4%	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).
- The Authority has 192 active contracts and 101 active purchase orders (PO's) with a total value of \$13.2B.
- Month-over-Month the value of active contracts increased by \$25.0M. The change in value of active contracts is primarily due to executed change orders for design-build contracts \$23.7M (CP1: \$15.9M, CP2-3: \$2.3M, CP4: \$5.6M); the addition of one new contract(s) for \$700.0K; an amendment of one contract(s) for \$550.0K; and the removal of two completed contract(s) (\$151.5K).

<u>Small Business Utilization</u>	DBE ¹ (10% Min. Target)	DVBE ² (3% Min. Target)	MB & SB ³	Totals (Historical 30% Overall Target)
Construction	8.9%	4.3%	9.2%	22.5%
Professional Services	15.6%	2.6%	10.9%	28.8%
Overall Cumulative Total	10.1%	4.0%	9.5%	23.6%

- 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 7.4% increase from the inception of reporting in February 2015 of 16.2%.
- SBU rates for the DBs are as follows: CP1 23.6%, CP2-3 20.5%, CP4 20.9%
- As of July 31, 2024, there are **860** small businesses actively working on the high-speed rail project, including **299** DBE's and **108** Certified DVBE's.

Footnote(s):

1. Disadvantaged Business Enterprise (DBE)

2. California Disabled Veteran Business Enterprise (DVBE)

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

Executive Summary for November 7, 2024

(Data through August 31, 2024)

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

Contingency Category	Monthly Executed (Under \$25M)	Number of Executed Change Orders	Monthly Executed (Over \$25M)	Number of Executed Change Orders
Project Contingency				
CP1	\$15.9	12	\$0.0	0
CP2-3	\$2.3	3	\$0.0	0
CP4	\$6.9	4	\$0.0	0
Total Project Contingency Subtotal	\$25.0	19	\$0.0	0
Other Contingency				
Unallocated Contingency	\$0.0	0	\$0.0	0
Interim Use/Project Reserve	\$0.0	0	\$0.0	0
Other	\$4.8	3	\$0.0	0
Other Contingency Subtotal	\$4.8	3	\$0.0	0
Total Contingency	\$29.8	22	\$0.0	0

- Contingency Category “Other” refers to Non-Design Build Central Valley Scope and Non-Central Valley Scope.

Change Orders and HSR Governance Actions over \$25M (\$ in millions)

Contingency Category	Project	Contract #	Code (See legend)	Executed (\$ 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 November 21, 2024, F&A Report

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

Capital Outlay Expenditure Summary Update

(\$ in millions)	Current Month Aug-24 Data	Preliminary Sep-24 Data
Construction Package 1 – DB	\$52.0	\$38.1
Construction Package 1 – Total for CP	\$58.1	\$46.7
Construction Package 2-3 – DB	\$38.9	\$42.4
Construction Package 2-3 – Total for CP	\$46.7	\$50.5
Construction Package 4 – DB	\$7.0	\$0.1
Construction Package 4 – Total for CP	\$8.3	\$0.7
All Construction Packages – DB	\$97.8	\$80.5
All Construction Packages – Total CP	\$113.0	\$97.9
All Capital Expenditures – DB's, other CP work, Proj Dev, and Bookends	\$141.3	\$127.2

Administrative Position Summary Update

	Current Month Aug-24 Data	Preliminary Sep-24 Data
Authorized Positions	496	496
Filled Positions	352	355
Vacant Positions	144	141
Vacancy Rate	29.0%	28.4%

Federal Grant Summary

(\$ in millions)	Current Month Aug-24 Data	Preliminary Sep-24 Data
Previously Awarded Grants	\$6,827	\$6,827
New Grant Awards	\$0	\$0
Pending Grant Applications	\$686	\$671 ^{1,2}

1. 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). Submitted FFY 24 Reconnecting Communities Pilot (RCP) – Chowchilla for \$127,092,235 (9/30).
2. Not awarded FFY 24 Multimodal Project Discretionary (MEGA) Grant for \$236,095,307 (9/24).