



CALIFORNIA

High-Speed Rail Authority

Finance & Audit Committee

Financial Reports Executive Summary

Supplemental Committee Report August 2024 (Data through May 31, 2024)

Executive Summary for Supplemental Committee Report August 2024

(Data through May 31, 2024)

Accounts Payable Aging And Disputes Report

(\$ in millions)

	Prior Year May-23 Data	Prior Month Apr-24 Data	Current Month May-24 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$128.4	\$107.1	\$112.0
Number of Invoices Paid	262	256	250
Value of Invoices Paid	\$113.2	\$67.7	\$130.8

- The Authority has not made a penalty payment in over seven years (88 months) and did not have any aged invoices in the May 2024 reporting period.
- The Authority currently has a total of \$112.0M in disputed invoices, which represents a \$4.9M increase in total disputes from the prior month.

Cash Management Report

(\$ in millions)

	Prior Year May-23 Data	Prior Month Apr-24 Data	Current Month May-24 Data
Prop 1A Bond Fund Ending CashBalance	\$793.6	\$871.5	\$526.3
Cap-and-Trade Ending Cash Balance	\$2,381.2	\$3,051.6	\$3,252.3
Rail Property Management Fund Ending Cash Balance	\$11.6	\$12.1	\$12.2
Total Funds Ending Cash Balance	\$3,186.4	\$3,935.3	\$3,790.8

- The Proposition 1A cash balance fell \$345.2M month-over-month to \$526.3M. This decrease is due to the expenditure corrections from Cap and Trade to utilize Prop 1A cash. Cash expenditures were \$345.2M for May. The Authority has an additional \$512M available through commercial paper which was authorized in Spring 2024.
- The Cap-and-Trade cash balance rose \$200.7M month-over-month to \$3.3B. This increase is due to the expenditure corrections to utilize Prop 1A cash. 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 cash balance rose \$52.5K month-over-month to \$12.2M. Payments received totaled \$194.2K and cash expenditures were \$141.7K. The Rail Property Management Fund receives revenues from leases/rents collected on Authority-owned property, and proceeds are used for property-related expenditures.

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(Data through May 31, 2024)

Administrative Budget and Expenditures Report

(\$ in millions)

	Prior Year May-23 Data	Prior Month Apr-24 Data	Current Month May-24 Data
Budget (Fiscal Year)	\$96.5	\$98.0	\$98.0
Monthly Expenditures	\$7.2	\$7.0	\$7.6
YTD Expenditures	\$63.1	\$64.6	\$72.1
Percentage of Budget Expended YTD	65.4%	65.9%	73.6%
Percentage of Personal Services Budget Expended YTD	72.3%	70.3%	77.4%
Percentage of Operating Expenses and Equipment Expended YTD	39.7%	46.8%	57.3%
Percentage of Fiscal Year Completed	91.7%	83.3%	91.7%
Total Authorized Positions	429	429	429
Total Filled Positions	354	361	360
Vacant Positions	75	68	69
Vacancy Rate	17.5%	15.9%	16.1%

- At 91.7% of the Fiscal Year completed, \$72.1M or 73.6% of the Administrative Budget (\$98.0M) has been spent, resulting in a budget underutilization value of 18.1%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of May 2024, the Authority's vacancy rate is 16.1% and the statewide vacancy rate is 18.3%. The Authority has filled a net total of 6 positions over the past year (from 354 to 360 filled positions).
- During the reporting month, the Authority completed recruitment for six vacant positions; however, the filled positions were offset by five separations from the Authority and two vacated position from internal promotions, resulting in a net increase of one vacant position.

Executive Summary for Supplemental Committee Report August 2024

(Data through May 31, 2024)

Capital Outlay Budget Summary (\$ in millions)	Prior Year May-23 Data	Prior Month Apr-24 Data	Current Month May-24 Data
Budget (Fiscal Year)	\$2,303.3	\$1,850.3	\$1,850.3
Monthly Expenditures	\$145.8	\$124.9	\$203.0
YTD Expenditures	\$1,087.5	\$1,406.5	\$1,609.5
Percentage of Budget Expended Year to Date	47.2%	76.0%	87.0%
Percentage of Fiscal Year Completed	91.7%	83.3%	91.7%

- At 91.7% of the fiscal year completed, YTD Capital Outlay expenditures are \$1,609.5M or 87.0% of the fiscal year budget.
- Construction Package Monthly Expenditures totaled \$176.2M, which includes: CP1: \$49.8M, CP2-3: \$112.3M, and CP4: \$14.0M.
- Design-Build (DB) Monthly Expenditures totaled \$144.4M, which includes: CP1: \$42.3M, CP2-3: \$92.4M, and CP4: \$9.7M.
- Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling \$9.8M, which includes: CP1: \$3.0M, CP2-3: \$4.2M, and CP4: \$2.6M.
- The percentage of DB contract dollars expended to date for each Construction Package are as follows: CP1: 68.7%, CP2-3: 77.6%, and CP4: 98.3%.

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: 91.7%						
Construction	\$1,634.9	\$1,719.6	\$186.5	\$1,474.0	90%	86%
Design Build with TIA Payment*	\$1,112.1	\$1,276.1	\$144.5	\$1,165.5	105%	91%
Design Build Contracts w/o TIA Payment*	(\$1,112.1)	(\$1,276.1)	(\$134.7)	(\$1,069.5)	96%	84%
Time Impact Analysis (TIA) Payments	N/A	N/A	(\$9.8)	(\$96.0)	9%	8%
Right-of-Way / Third Party	\$184.1	\$169.4	\$19.0	\$91.4	50%	54%
PCM / RDP / ETO / Legal	\$258.6	\$220.7	\$19.9	\$200.8	78%	91%
Environmental Mitigation / Resource Agency	\$23.6	\$17.4	\$1.3	\$8.5	36%	49%
Other Construction (SR46, Stations, etc.)	\$42.7	\$35.9	\$1.8	\$7.7	18%	22%
Fiscal-Year EAC, Project, and Unallocated Contingencies	\$13.9	\$0.0	\$0.0	\$0.0	N/A	N/A
Fiscal-Year Contingency – Transferred Out*	\$378.1	N/A	N/A	N/A	69%	N/A
Project Development	\$175.2	\$171.5	\$8.8	\$105.1	60%	61%
Bookend Projects (Local Assistance)	\$40.1	\$111.1	\$7.7	\$30.4	76%	27%
TOTAL	\$1,850.3	\$2,002.2	\$203.0	\$1,609.5	87%	80%

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

Executive Summary for Supplemental Committee Report August 2024

(Data through May 31, 2024)

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$10,016.8	78.0%
Project Development	\$1,533.5	11.9%
Local Assistance	\$766.7	6.0%
Support Funding – Project Delivery	\$142.0	1.1%
Support Funding – Construction	\$168.3	1.3%
Administration	\$218.0	1.7%
Total	\$12,845.3	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	\$2,545.4	\$0.0	\$2,498.6	\$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	\$2,560.0	\$4,259.6	\$3,805.9	\$2,531.3	\$1,298.4

*Federal Grants awarded, pending formal grant agreements.

Executive Summary for Supplemental Committee Report August 2024

(Data through May 31, 2024)

<u>Contracts and Expenditures Report - Active</u> (\$ in millions)	Prior Year May-23 Data	Prior Month Apr-24 Data	Current Month May-24 Data
Number of Contracts	230	191	183
Total Value of Contracts	\$11,759.3	\$12,656.2	\$12,793.3
Number of Purchase Orders	131	107	111
Total Value of Purchase Orders	\$3.5	\$4.2	\$3.7
Total Value Contracts and Purchase Orders	\$11,762.8	\$12,660.3	\$12,796.9
Total Expenditures Contracts and Purchase Orders	\$7,713.6	\$8,818.8	\$8,925.6
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 183 active contracts and 111 active purchase orders (PO's) with a total value of \$12.8B.
- Month-over-Month the value of active contracts increased by \$137.1M. The change in value of active contracts is primarily due to the removal of 11 completed contracts (\$11.5M); and the addition of executed change orders for design-build contracts \$33.5M, with CP1: \$7.5M, CP2-3: \$17.0M, CP4: \$9.0M; three contract amendments \$103.7M; and three new contracts \$11.4M.

<u>Small Business Utilization</u>	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%	22.9%
Professional Services	12.8%	2.9%	16.7%	31.8%
Overall Cumulative Total	10.1%	3.9%	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 20.2%, CP4 20.9%
- As of March 31, 2024, there are **847** small businesses actively working on the high-speed rail project, including **292** DBE's and **105** Certified DVBE's.

1. Disadvantaged Business Enterprise (DBE)
2. California Disabled Veteran Business Enterprise (DVBE)
3. Micro Business (MB) & Small Business (SB)

Executive Summary for Supplemental Committee Report August 2024

(Data through May 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	\$7.5	\$0.0	\$2,487.6	\$365.9
CP2-3	\$2,712.5	\$24.0	\$0.0	\$2,249.0	\$463.5
CP4	\$538.0	\$11.5	\$0.0	\$504.1	\$33.9
Total Project Contingency Subtotal	\$6,103.9	\$43.0	\$0.0	\$5,240.7	\$863.3
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	\$0.5	\$0.0	\$169.5	\$477.4
Other Contingency Subtotal	\$1,347.3	\$0.5	\$0.0	\$305.4	\$1,041.9
Total Contingency	\$7,451.2	\$43.5	\$0.0	\$5,546.0	\$1,905.2

- 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 (\$ 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				\$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.