



California High-Speed Rail: Financial Reports Executive Summary

December 6, 2023 Report (Data through September 30, 2023)

Executive Summary for December 6, 2023 Report

Accounts Payable Aging And Disputes Report

(\$ in millions)

	Prior Year Sept-22 Data	Prior Month Aug-23 Data	Current Month Sept-23 Data
Total Aged Invoices	\$0	\$0	\$0
Dispute Summary	\$130.0	\$200.8	\$157.2
Number of Invoices Paid	260	214	264
Value of Invoices Paid	\$100.1	\$111.5	\$238.9

- The Authority has not made a penalty payment in over six years (80 months) and did not have any aged invoices in the September 2023 reporting period.
- The Authority currently has a total of \$157.2M in disputed invoices, which represents a \$43.6M decrease in total disputes from the prior month.

Cash Management Report

(\$ in millions)

	Prior Year Sept-22 Data	Prior Month Aug-23 Data	Current Month Sept-23 Data
Prop 1A Bond Fund Ending Cash Balance	\$43.5	\$482.4	\$408.6
Cap-and-Trade Ending Cash Balance	\$1,822.4	\$2,569.4	\$2,453.7
Rail Property Management Fund Ending Cash Balance	\$11.6	\$11.8	\$12.0
Total Funds Ending Cash Balance	\$1,877.5	\$3,063.6	\$2,874.3

- The Proposition 1A cash balance fell \$73.8M month-over-month to \$408.6M. Cash expenditures were \$73.8M. The Authority has \$165.8M available through commercial paper for additional Proposition 1A cash as needed.
- The Cap-and-Trade cash balance fell \$115.7M month-over-month to \$2.5B. Proceeds from the Aug-2023 Cap-and-Trade auction are \$216.8M for the Authority but are not reflected in cash balances. The Nov 2023 Cap and Trade auction proceeds are estimated at \$355.6 and are also not reflected in cash balances.
- The Rail Property Management Fund cash balance rose \$144.3K month-over-month to \$12.0M. Payments received totaled \$232.0K and cash expenditures were \$87.6K. 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 December 6, 2023 Report

<u>Administrative Budget and Expenditures Report</u> (\$ in millions)	Prior Year Sept-22 Data	Prior Month Aug-23 Data	Current Month Sept-23 Data
Budget (Fiscal Year)	\$93.4	\$95.2	\$95.2
Monthly Expenditures	\$5.5	\$6.5	\$5.8
YTD Expenditures	\$15.2	\$11.9	\$17.7
Percentage of Budget Expended YTD	16.2%	12.5%	18.6%
Percentage of Personal Services Budget Expended YTD	19.7%	14.0%	21.0%
Percentage of Operating Expenses and Equipment Expended YTD	4.2%	6.4%	8.9%
Percentage of Fiscal Year Completed	25.0%	16.7%	25.0%
Total Authorized Positions	429	429	429
Total Filled Positions	328	355	361
Vacant Positions	101	74	68
Vacancy Rate	23.5%	17.2%	15.9%

- At 25.0% of the Fiscal Year completed, \$17.7M or 18.6% of the Administrative Budget (\$95.2M) has been spent, resulting in a budget underutilization value of 6.4%. The budget underutilization is due to position vacancies and low OE&E spending.
- As of September 30, 2023, the Authority's vacancy rate is 15.9%. The statewide vacancy rate is 20.7% for September 2023. The Authority has filled a net total of 33 positions over the past year, (from 328 to 361 filled positions).
- During the reporting month, the Authority completed recruitment for 12 vacant positions; however, the filled positions were offset by two separations from the Authority and four vacated positions from internal promotions/transfers, resulting in a net decrease of six vacant positions for the reporting month.

Executive Summary for December 6, 2023 Report

Capital Outlay Budget Summary

(\$ in millions)

	Prior Year Sept-22 Data	Prior Month Aug-23 Data	Current Month Sept-23 Data
Budget (Fiscal Year)	\$2,303.3	\$1,825.3	\$1,825.3
Monthly Expenditures	\$74.4	\$206.1	\$123.6
YTD Expenditures	\$211.2	\$318.4	\$441.9
Percentage of Budget Expended Year to Date	9.2%	17.4%	24.2%
Percentage of Fiscal Year Completed	25.0%	16.7%	25.0%

- At 25.0% of the fiscal year completed, YTD Capital Outlay expenditures are \$441.9M or 24.2% of the fiscal year budget.
- Construction Package Monthly Expenditures totaled \$108.7M, which includes: CP1: \$45.7M, CP2-3: \$37.4M, and CP4: \$25.6M.
- Design-Build (DB) Monthly Expenditures totaled \$86.8M, which includes: CP1: \$34.3M, CP2-3: \$31.0M, and CP4: \$21.5M.
 - Monthly expenditures Time Impact Analysis (TIA) settlement payments totaling \$9.0M, which includes: CP1 (\$3.1M), CP2-3 (\$5.9M), and CP4 (\$0)
- As of September 30, 2023, the percentage of DB contract dollars expended to date for each Construction Package are as follows: CP1: 66.7%, CP2-3: 70.1%, and CP4: 97.0%.

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: 25.0%						
Construction	\$1,477.2	\$1,477.2	\$114.3	\$418.1	28%	28%
Design Build with TIA Payment*	\$865.8	\$865.8	\$86.8	\$358.1	41%	41%
Design Build Contracts w/o TIA Payment*	(\$865.8)	(\$865.8)	(\$95.8)	(\$388.1)	45%	45%
Time Impact Analysis (TIA) Payments	N/A	N/A	(\$9.0)	(\$30.0)	3%	3%
Right-of-Way / Third Party	\$254.1	\$254.1	\$10.9	\$12.9	5%	5%
PCM / RDP / ETO / Legal	\$233.5	\$233.5	\$15.4	\$45.4	19%	19%
Environmental Mitigation / Resource Agency	\$26.7	\$26.7	\$1.2	\$1.6	6%	6%
Other Construction (SR46, Stations, etc.)	\$19.8	\$19.8	\$0.0	\$0.0	0%	0%
Fiscal-Year EAC, Project, and Unallocated Contingencies	\$77.4	\$77.4	\$0.0	\$0.0	N/A	N/A
Fiscal-Year Contingency – Transferred Out*	\$314.6	N/A	N/A	N/A	58%	N/A
Project Development	\$166.6	\$166.6	\$9.3	\$23.9	14%	14%
Bookend Projects (Local Assistance)	\$181.4	\$181.4	\$0.0	\$0.0	0%	0%
TOTAL	\$1,825.3	\$1,825.3	\$123.6	\$441.9	24%	24%

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

Executive Summary for December 6, 2023 Report

Total Project Expenditures

Program Category	Expenditures to Date (\$ in millions)	Percentage of Total Expenditures
Construction	\$8,963	77.0%
Project Development	\$1,460	12.6%
Local Assistance	\$745	6.4%
Support Funding – Project Delivery	\$130	1.1%
Support Funding – Construction	\$137	1.2%
Administration	\$202	1.7%
Total	\$11,638.2	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
CRISI Grant – Shafter Grade Separations**	\$201.9	\$0.0	\$201.9	\$89.9	\$0.0	\$89.9
Total	\$3,752.7	\$2,546.0	\$1,199.5	\$3,037.1	\$2,522.3	\$538.5

*Closeout Documents submitted to EPA

**Federal Grants awarded, pending formal grant agreements.

Executive Summary for December 6, 2023 Report

Contracts and Expenditures Report

(\$ in millions)

	Prior Year Sept-22 Data	Prior Month Aug-23 Data	Current Month Sept-23 Data
Number of Contracts	216	198	201
Total Value of Active Contracts	\$9,979.0	\$11,874.1	\$12,041.1
Number of Purchase Orders	95	118	123
Total Value of Purchase Orders	\$3,690	\$4,345	\$4,229
Total Value Contracts and Purchase Orders	\$9,982.7	\$11,878.4	\$12,045.3
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).
- As of September 30, 2023, the Authority had 201 active contracts and 123 active purchase orders (PO’s) with a total value of \$12.0B.
- Month-over-Month the value of active contracts increased by \$167.0M. The change in value of active contracts is primarily due to executed change orders for design-build contracts (\$138.8M), with CP1 (\$347.3K). CP2-3 (\$130.0M), CP4 (\$8.4M); three contract amendments (\$22.5M); two new contracts (\$758K).

Small Business Utilization

	DBE ¹ (10% Min. Target)	DVBE ² (3% Min. Target)	MB & SB ³	Totals (Historic 30% Overall Target)
Construction	9.8%	4.1%	9.3%	23.2%
Professional Services	12.9%	2.6%	12.7%	28.2%
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 Feb-15 of 16.2%.
- SBU rates for the DBs are as follows: CP1 24.6%, CP2-3 19.1%, CP4 21.6%
- As of August 31, 2023, there are **812** small businesses actively working on the high-speed rail project, including **282** DBE’s and **99** 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 December 6, 2023 Report

Contingency Summary (data is cumulative through September 30, 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	\$0.3	\$0.0	\$2,039.2	\$752.4
CP2-3	\$2,691.5	\$9.7	\$48.3	\$1,898.8	\$792.7
CP4	\$518.5	\$9.1	\$0.0	\$445.1	\$73.3
Total Project Contingency Subtotal	\$6,001.6	\$19.1	\$48.3	\$4,383.1	\$1,618.5
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	\$0.2	\$0.0	\$140.3	\$390.4
Other Contingency Subtotal	\$1,231.2	\$0.2	\$0.0	\$276.3	\$955.0
Total Contingency	\$7,232.8	\$19.4	\$48.3	\$4,659.3	\$2,573.4

- 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 (September 2023 Activity, \$ in millions)

Contingency Category	Project	Contract #	Code (See legend)	Authorizations (\$ in millions)	Comments
Contingency Category: Project Contingency					
CP 2-3 Contingency	CP2-3	HSR13-57	A/B	\$48.3	DFJV Interim Time Extension
Total Monthly Change Orders >\$25M and Governance Actions				\$48.3	

Table Code Legend

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

- Amounts shown in the Total Monthly Authorizations Over \$25M (\$48.3M) are also included in the Contingency Summary Table.
- Authorization totals include rounding adjustments.

Preliminary Numbers for the December F&A Report

Look Ahead at Next Month's F&A Report with Preliminary Data (October 31, 2023)

Capital Outlay Expenditure Summary Update

(\$ in millions)

	Current Month Sept-23 Data	Preliminary Oct-23 Data
Construction Package 1 – DB	\$34.3	\$112.3
Construction Package 1 – Total for CP	\$45.7	\$119.1
Construction Package 2-3 – DB	\$31.0	\$46.4
Construction Package 2-3 – Total for CP	\$37.4	\$51.4
Construction Package 4 – DB	\$21.5	\$7.6
Construction Package 4 – Total for CP	\$25.7	\$9.8
All Construction Packages – DB	\$86.8	\$166.3
All Construction Packages – Total CP	\$108.7	\$180.2
All Capital Expenditures – DB's, other CP work, Proj Dev, and Bookends	\$123.6	\$199.7

Administrative Position Summary Update

	Current Month Sept-23 Data	Preliminary Oct-23 Data
Authorized Positions	429	429
Filled Positions	361	361
Vacant Positions	68	68
Vacancy Rate	15.9%	15.9%

Federal Grant Summary

	Current Month Sept-23 Data	Preliminary Oct-23 Data
Previously Awarded Grants	\$3,551	\$3,753 ¹
New Grant Awards	\$202 ¹	\$0
Pending Grant Applications	\$3,510	\$3,456 ²

- (\$ in millions)
1. Awarded FFY 22 Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant for \$201,946,942 (9/25).
 2. The Authority was not awarded FFY 23 Grid Resilience and Innovation Partnerships (GRIP) Grant: Charging Project for \$53,536,176 (10/18).