



**CALIFORNIA**  
High-Speed Rail Authority

## 2023-24 Fiscal Year Budget Request

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**July 27, 2023**

# SUMMARY

In accordance with existing Board Policy HSRA11-001, which directs Board approval of the budget, Staff recommends Board approval of:

- The 2023-24 fiscal year Capital Budget of \$1.825 billion.
- The 2023-24 fiscal year Administrative Budget of \$95.2 million.

This presentation includes the following:

- Summary of the 2023-24 Budget Package enacted by the Legislature and signed by the Governor.
- Review of revenues available for 2023-24 expenditures.
- Proposed expenditure budgets for 2023-24.
- Draft Board resolution and action to approve the 2023-24 budget.

# 2023-24 BUDGET PACKAGE

## Budget Appropriations

SB 101 – Budget Bill (Chapter 12, Statutes of 2023):

- This is the 2023 Budget Act and includes state operations appropriations for the Authority.
- These appropriations, and the continuously appropriated Cap-and-Trade funding, provide \$95.2 million for the Authority’s Administrative Budget.
- Funding for the Capital Budget is already appropriated through prior legislation.

## Budget Trailer Bills – the Infrastructure Package

The Governor proposed a package of statutory changes to accelerate critical infrastructure projects across California that help build our 100% clean electric grid, ensure safe drinking water and boost the state’s water supply and modernize our transportation system. The legislation includes various provisions related to project delivery, environmental processes, and coordination, and is also intended to maximize federal grant awards.

- A key provision that benefits the Authority was in Senate Bill 146 (Chapter 58, Statutes of 2023), which includes a provision that allows the Authority to extend our successful National Environmental Policy Act (NEPA) Assignment MOU with the Federal Railroad Administration. We are working on that MOU extension now.

# MARCH 2023 EXPENDITURE AUTHORIZATION

At the March 16, 2023 Board meeting, the Board approved an updated Expenditure Authorization of \$20.010 billion. Today's Board item does not modify that approval, rather it requests the 2023-24 fiscal-year slice of this program budget.

Current Expenditure Authorization (\$ in millions)	
	Amount
Project Development	\$ 1,888.7
Construction:	
CP1	\$ 5,981.5
CP2-3	\$ 4,981.0
CP4	\$ 1,397.5
Track and Systems / Stations	\$ 2,265.4
System Wide	\$ 2,197.7
TOTAL Construction	\$ 16,823.1
Bookend Projects	\$ 1,298.0
<b>Total</b>	<b>\$ 20,009.8</b>

# REVIEW OF REVENUES AVAILABLE TO SUPPORT 2023-24 EXPENDITURES

## Cash Balances:

At the monthly Finance and Audit Committee meetings, Authority Staff report cash balances in each of our cash accounts. As of May 31, 2023, cash balances are as follows:

- Proposition 1A Bond Funds     \$ 793.6 million
- Cap-and-Trade Funds             \$ 2,381.2 million
- Property Funds                     \$ 11.6 million
- TOTAL                                 \$ 3,186.4 million

## Awarded Federal RAISE Grants:

- The budget projects we will expend about \$13 million of the total \$69 million the Authority has been awarded from three Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grants.

## Future Cap-and-Trade Proceeds and Proposition 1A Bond Sales

- The Authority anticipates receiving additional Cap-and-Trade revenues in the range of \$750 million to \$1.0 billion in 2023-24.
- The Authority has approximately \$3.4 billion in Proposition 1A bond authority that remains available for future bond sales.

# CAPITAL OUTLAY BUDGET

Fiscal Year 2023-24

<b>Capital Outlay Budget (\$ in millions) - FY 2023-24 BUDGET</b>	
	Amount
Bond Fund (Prop 1A) - Project Dev. Phase I	\$ -
Federal Trust Fund (Brownfields) - Project Dev	\$ -
Cap and Trade - Project Dev	\$ 160
Federal RAISE Grant - Merced Extension Design	\$ 7
<b>PROJECT DEVELOPMENT SUBTOTAL</b>	<b>\$ 167</b>
Bond Fund (Prop 1A) – Construction	\$ 1,282
Federal Trust Fund (ARRA/FY10) – Construction	\$ -
Cap and Trade - Construction	\$ 171
Federal RAISE Grant – Construction	\$ 6
<b>CONSTRUCTION SUBTOTAL</b>	<b>\$ 1,459</b>
Bond Fund (Prop 1A) - Bookends (Local Assistance)	\$ 199
Cap and Trade - Bookends (Local Assistance)	\$ -
<b>LOCAL ASSISTANCE SUBTOTAL</b>	<b>\$ 199</b>
<b>Budget</b>	<b>\$ 1,825</b>

# ADMINISTRATIVE BUDGET

## Summary by Office

Administrative Budget (\$ in millions) - FY 2023-24 BUDGET	
	Amount
Executive Office	\$ 1.4
Risk Management office	\$ 1.5
Administration Office	\$ 11.0
Strategic Communications Office	\$ 2.4
Financial Office	\$ 9.7
Legal Office	\$ 4.3
Program Delivery Office	\$ 41.4
Northern California Region Office	\$ 1.3
Central Valley Region Office	\$ 1.4
Southern California Region Office	\$ 1.0
Audit Office	\$ 2.0
Legislative Office	\$ 0.6
Information Technology Office	\$ 17.3
<b>Budget</b>	<b>\$ 95.2</b>
<b>POSITIONS</b>	<b>429</b>

# CONCLUDING REMARKS

In accordance with existing Board policies, Staff recommends Board approval of the attached draft resolution:

*The Board approves the FY 2023-24 Capital Budget of \$1.825 billion and the FY 2023-24 Administrative budget of \$95.2 million (subject to adjustments by the enacted State budget), that aligns spending for the next year with expected program revenues and spending priorities.*

# THANK YOU

Comments and Questions

