

DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR

ANDREW T. KAWANO
DIRECTOR

CARRIE CASTLE
DEPUTY DIRECTOR
875994

March 15, 2022

The Honorable Tommy Waters
Chair and Presiding Officer
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Waters and Councilmembers:

SUBJECT: Proposed Amendments to Bill 14 (2022)
Executive Operating Budget and Program for FY 2023

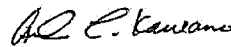
We are submitting proposed amendments to Bill 14 (2022), the Executive Operating Budget and Program, to the debt service appropriation and to the reimbursement of debt service from the Honolulu Authority for Rapid Transportation (HART) in revenues. HART's budget was developed in the fall of 2021 and was approved by its Board of Directors in November before the budget was submitted to the City Council in December, 2021. Since that time, HART has regularly monitored its cash flow forecast and the need for the issuance of bonds. HART determined that it will not need additional financing for FY 2023 and is therefore removing the budgeted \$250 million issuance of G.O. bonds, and the related financing costs, from its budget. Also, both HART and the Department of Budget and Fiscal Services' Treasury Division determined that debt service payments that were shown as scheduled payments for FY 2023 actually are meant to be paid over a longer period of time.

The attached proposed amendments to Bill 14 (2022), reflect the decreased debt service estimate for HART, and the corresponding decrease in reimbursement for debt service from HART. There is no net effect on the City's General Fund budget because HART reimburses the City for the debt service that is related to HART projects.

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We appreciate your continued assistance and support. Should you have any questions concerning this matter, please contact me at 768-3901.

Sincerely,

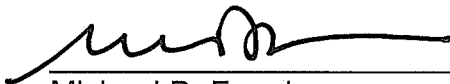


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Kawano, Andy
Date: 2022.03.15
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Andrew T. Kawano
Director

Attachments

APPROVED:



Michael D. Formby
Managing Director

ATTACHMENT

- I. Amendment to Executive Operating Budget and Program
- II. Amendment Relating to Detailed Statement of Revenues and Surplus

I. AMENDMENT TO EXECUTIVE OPERATING BUDGET AND PROGRAM

FUNCTION/PROGRAM/AGENCY/ACTIVITYAMENDMENTPOS.AMOUNTCOEFUND**DEBT SERVICE**

BOND PRINCIPAL AND INTEREST

City and County Bonds

City and County Bonds

Reduce appropriation for debt service

(\$138,092,500)

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II. AMENDMENT RELATING TO DETAILED STATEMENT OF REVENUES AND SURPLUS

<u>FUND</u>	<u>AMENDMENT</u>	<u>AMOUNT</u>	<u>FUND</u>
General Fund	Reduce "Recov Debt Svc-HART"	(\$138,092,500)	GN