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March 16, 2023

Ms. Lori Kahikina
Executive Director and CEO
Honolulu Authority for Rapid Transportation (HART)
1099 Alakea Street, Suite 1700
Honolulu, Hawaii 96813

SUBJECT: **BUDGET COMMUNICATION NO. 11**
Request for Additional Information Relating to HART Budgets

Dear Executive Director Kahikina,

There is a discrepancy with the figures stated in Bill 16 (2023), Relating to the Honolulu Authority for Rapid Transportation ("HART") Operating Budget, for "Transfers to Other Funds" and the figures reported on pages C-7 and C-8 of the Detailed Statement of Revenues and Surplus in the FY 24 Program Book ("Program Book"). Specifically:

1. Page 3 of Bill 16 (2023) states that **\$1,135,507** will transfer to the General Fund ("GN") from the Transit Fund ("TR") for Central Administrative Services Expenses ("CASE"), while page C-8 of the Program Book states that "Recov CASE-HART" will be **\$3,200,000**.
2. Page 3 of Bill 16 (2023) states that **\$411,720** will transfer to the GN from the TR for Services Provided to HART, while page C-7 of the Program Book states "Recov-Direct Costs HART" will be **\$1,437,812**.
3. Page 3 of Bill 16 (2023) states that **\$103,601,250** will transfer to the GN from the TR for Debt Service, while page C-7 of the Program Book states that "Recov Debt Svc-HART" will be **\$92,171,250**.

Please explain the discrepancy in the three aforementioned figures. If the explanation is that the discrepancy with one or more of the above referenced figures is due to the "capitalization" of these expenses through Bill 17 (2023), Relating to HART's Capital Budget, then please confirm and provide greater detail, including the amounts that should be revised in Bill 16 (2023) or provide the Council with the revised pages for the FY 24 Detailed Statement of Revenues and

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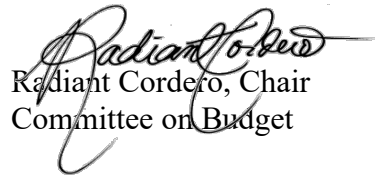
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Surplus (Mayor's Message 53 (2023), Volume 1). For your reference, please see HART's response during the FY 23 budget cycle in Departmental Communication 238 (2022).

Please provide all information requested by no later than Thursday, March 23, 2023.

Thank you for your attention to these requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Radiant Cordeiro", is written over the printed name and title.

Radiant Cordeiro, Chair
Committee on Budget

cc: Department of Budget and Fiscal Services