



HONOLULU AUTHORITY for RAPID TRANSPORTATION

HART FACTS—JUNE 2015

HART CEO Dan Grabauskas answers community questions about rail transit.

QUESTION:

Is HART required to undergo an independent financial audit?

DAN GRABAUSKAS:

Yes. HART is subject to annual audits of its financial statements by an independent audit firm (certified public accountant) to determine whether the financial statements are in order. The audit process includes a review of HART’s internal controls to identify deficiencies and tests of its compliance with laws, regulations, contracts, and grant agreements, which could have an impact on the amounts reported on the financial statements. The audit process takes approximately four to five months and in HART’s most recent audit, there were no findings. The auditors “did not identify any deficiencies in internal controls” and “found no instances of noncompliance”.

PROJECT REVENUE STATUS As of May 1, 2015	Projections to Date ¹	Collected or Committed to Date	Percentage (of projections)
REVENUE SOURCE:	(in millions)	(in millions)	
Project Beginning Cash Balance (Dec. 2009)	\$ 298	\$ 298	100%
General Excise Tax (GET) Surcharge ²	3,291	1,091	33%
Federal New Starts Funds	1,550	806	52%
Other Federal Transportation Funds	214	4	2%
Interest Income	2	9	—
TOTAL	\$5,355	\$2,208	41%

1 - Projections to date from the June 2012 Financial Plan.
 2 - Total GET surcharge revenue collected since January 1, 2007, is \$1.47 billion (includes \$378 million collected before December 2009).

PROJECT COST STATUS As of May 1, 2015	Current Budget ¹	Amount Committed ²	Amount Expended ³
	(in millions)	(in millions)	(in millions)
Guideway & Track Elements	\$1,154	\$ 544	\$ 177
Stations, Stops, Terminals, Intermodal	397	51	4
Support Facilities; Yards, Shops, Admin	114	115	65
Sitework & Special Conditions	1,034	718	430
Systems	248	232	25
Vehicles	192	191	21
SUB-TOTAL*	\$3,138	\$1,851	\$ 722
Right-of-Way (ROW), Land, Existing Improvements	\$ 198	\$ 93	\$ 82
Professional Services (e.g., Planning and Design)	1,103	1,026	685
Contingency	510	7	0
Finance Charges	215	0	0
SUB-TOTAL*	\$2,026	\$1,126	\$ 768
TOTAL*	\$5,164	\$2,979	\$1,490

1 - Current Budget reflects the June 2012 Baseline Budget with executed Budget Transfers.
 2 - Approved contract value. 3 - Portion of the work that has been paid.
 * All costs are rounded to the millions therefore subtotals may not add up to the amounts shown.

DID YOU KNOW? According to the American Public Transportation Association, for every one dollar invested in public transportation, four dollars in economic returns is generated.