



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Kenneth Toru Hamayasu, P.E.
INTERIM EXECUTIVE DIRECTOR AND CEO

April 25, 2012

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The Honorable Ann Kobayashi
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813-3065

Dear Councilmember Kobayashi:

In response to your letter dated April 17, 2012, we provide the following:

1. Provide the total estimated Transit Fund Revenues and a breakdown of revenues according to the categories on page D-37 of the FY 2012-13 Executive Program and Budget Volume I.

Response: The estimated FY 2012-13 revenues are as follows:

Duplicate Copy - Any Record	\$0
Investment - Pool	\$167,000
Vacation Accumulated Deposits	\$0
Sundry Refunds - Prior Expend	\$257,938,000
Investments	\$0
Rental Income	\$70,000
County GET Surcharge	\$213,032,411

2. Provide the total estimated Transit Improvement Bond Fund revenues and a breakdown of the revenues for FY 2012-13.

Response: The total estimated Transit Improvement Bond Fund revenues in FY 2012-13 from the Draft Financial Plan for Entry into Final Design (September 2011) is \$274 million. This amount consists of \$174 million in Grant Anticipation Notes and \$100 million in Tax Exempt Commercial Paper.

3. In HART's capital budget submitted in December 2011, there is an interfund transfer from the federal grant subsidiary fund to the transit capital subsidiary fund for a reimbursement from the FTA. Please explain what this reimbursement is for.

Response: The reimbursement is for capital costs that the Honolulu Authority for Rapid Transportation (HART) will incur, including design, construction, and financing costs. The reimbursement ensures compliance with FTA's cash management requirements, i.e. minimizing the time elapsing between the transfer of funds from the Treasury and disbursement.

The Honorable Ann Kobayashi
Page 2
April 25, 2012

4. In the past, interfund transfers are shown in the City's operating budget. Why is this transfer listed in the details for the capital budget? Wouldn't it be more consistent with past practices for the transfer to be shown in the operating budget?

Response: HART determined that it seemed logical that the transfer be shown in the capital budget since it is related to capital expenditures.

Please let me know should you have any further questions.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

cc: All Councilmembers
HART Board of Directors