



# HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

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February 4, 2025

'25FEB06 PM 2:08 CITY CLERK

Mr. Michael Formby, Managing Director  
Managing Director's Office  
530 South King Street, Room 306  
Honolulu, Hawaii 96813

Dear Mr. Formby:

Subject: **BUDGET COMMUNICATION NO. 4**  
Fiscal Year 2026 Departmental Budget Briefing Procedures, Schedule, and Calendar

Attached for your information is the Annual Budget Review's Departmental Budget Briefing Schedule and calendar for Fiscal Year (FY) 2026. Please note that this year's briefings will start with the Administrative Overview followed by Departmental Capital (CIP) and Operating Budget Reviews.

Please have each department submit **26 copies** of their presentation to the Budget Committee Clerk, Ms. Joy Yamane, before or at the time of their scheduled presentation.

Presentations should be designed as follows:

## Administrative Overview

Presentation to contain but not be limited to the following (please present in a graphic presentation):

1. Policies and priorities that guided preparation of the FY26 Operating and CIP Budgets and program.
2. Comparison of the FY25 Operating and CIP Budgets to the FY26 Operating and CIP Budgets by Source of Funds and by Function (pie charts).
3. Projections for FY26 through FY36 for the amount of new general obligation (G.O.) bond issuances, G.O. requirements, and net debt issuance.
4. Projections for FY26 through FY36 for the amount of debt service, in total amount and as a percentage of the Operating Budget, associated with the net debt issuance determined above in item #3.

5. A graph depicting: a) the amount of the City's outstanding debt as of the date of the presentation, including that which can be legally excluded; and b) the amount of the City's current authorized, but unissued debt, as of the date of the presentation.
6. Details of the bond issuances and/or restructuring (including commercial paper) proposed for FY26. Details should include but not be limited to the amount of issuance/restructuring, estimated interest rate, term, structure, projected date of issuance, and projected annual debt service payments.
7. A graph depicting unreserved, undesignated fund balances (General Fund & Highway Fund), and unrestricted net assets (Sewer and Solid Waste Funds) from FY20 to FY24.
8. A graph depicting budgeted revenues for FY25, actual revenues for FY25, budgeted revenues for FY26, and projected revenues for FY27 and the percentage change between the same.
9. A graph showing expenses divided into fixed (uncontrollable) and discretionary (controllable) for FY25 budgeted expenses, FY24 actual expenses, FY25 budgeted expenses, FY25 projected expenses, and FY26 proposed expenses and the percentage changes between each of those years.
10. List of fees charges by department and identification of any proposed increase from FY25 to FY26 and the justification for any proposed increase.

### **Departmental Budget Briefing Schedule**

Each Department will make one presentation that covers both CIP and Operating budgets.

Departments should allow not more than **10 minutes** to present their department budgets in order to have adequate time for questions and answers after the presentation.

### **Operating Budget Review**

I am requesting that the Operating Budget Review Presentations be brief and focused on the changes in departmental budgets. I am further requesting that each department meet with each councilmember individually prior to the departmental budget briefings to provide an introductory overview of their department, which would include but is not limited to narrative details such as historical background, national comparisons, mission statements, responsibilities and goals, and objectives and outcomes.

Each department's Operating Budget slides and presentation should contain **only** the following information:

1. Details of **changes** between the FY25 and FY26 Operating Budgets.
2. Discussion of **budget issues** - new proposals or changes in operations.

3. Discussion of **vacancies**, including the current number of vacant positions, the number of vacancies that are expected to be filled by July 1, the number of vacancies that are expected to be filled during FY26, and the number of vacant positions that may be abolished.
4. Discussion of **overtime**, including the number of FY 26 budgeted overtime hours, the source of funding for all overtime appropriations, and identification of the object code through which overtime has been budgeted. Please provide all this information regarding overtime by department *and then by budget activity*.
5. Discussion of **changes in revenue sources** for the department's budget.
6. Discussion of any **federal funds** budgeted in the department's FY 26 budget, including any FTEs (permanent, temporary, or contract) proposed to be funded by federal funds. Please provide all this information regarding federal funds by department *and then by budget activity*.

Please refrain from diverging from the briefing parameters discussed above to allow for sufficient time for questions and answers by councilmembers.

### **Capital Budget Review**

#### **Project Review**

In view of the city's increasing debt burden, new CIP projects should be justified as to: (1) why they are necessary; and (2) why they must be implemented in this budget cycle. This requirement for justification includes projects that received planning and/or design funding in the past, but have not yet gone out to bid. Ongoing projects should be discussed in terms of their current status, projected completion date, and amounts expended and encumbered to date, versus amounts appropriated.

#### **Multiple Work Phases**

Section 9-106.3(a) of the Revised Charter of Honolulu 1973 (Amended 2017 Edition), as amended, establishes that appropriations in the capital budget are valid only for the fiscal year from which it is made and for the twelve months thereafter. Very few projects with appropriated funds for both pre-construction (i.e., land acquisition, planning, design) and construction work phases within the same budget ordinance are implemented within the 24-month period. Therefore, please justify why projects proposing such multi-phase funding should be appropriated. Explain in detail how all proposed budgeted phases would be implemented within the 24-month period.

### **Departmental Budget Briefing Schedule**

Adherence to the Departmental Budget Briefing Schedule should be made a priority. However, should a department wish to change the designated slot for its presentation, the following procedure is to be followed:

1. Requests for changes will only be accepted on or before Friday, February 21, 2025.

Managing Director Formby

February 4, 2025

Page 4

2. Each department wishing to make a change must confer with the department they wish to exchange slots with. The initiating department will then call the Budget Committee Clerk, Ms. Joy Yamane, at Extension 83814 to confirm the exchange.

Your cooperation with the above process would be appreciated. I look forward to an informative departmental budget review.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tyler Dos Santos-Tam', with a long horizontal flourish extending to the right.

TYLER DOS SANTOS-TAM, Chair  
Committee on Budget

Attachment: Departmental Budget Briefing Schedule (Exhibit A)  
Budget Calendar (Exhibit B)

cc: All City Departments

FY2025-2026 ANNUAL BUDGET REVIEW  
**DEPARTMENTAL BUDGET BRIEFING SCHEDULE**  
CITY COUNCIL CHAMBER

**Monday, March 10, 2025 – Administrative Overview and CIP and Operating Budget Review by Department**

9:00 a.m. Administrative Overview

Office of the Mayor/Managing Director  
(Culture and Arts, Office of Housing, Office of Climate Change,  
Sustainability and Resiliency, Neighborhood Commission, Office of  
Economic Revitalization)  
Department of Budget and Fiscal Services  
Department of Emergency Management  
Department of the Prosecuting Attorney  
Royal Hawaiian Band  
Department of the Medical Examiner  
Department of the Corporation Counsel  
(Ethics Commission)

**Tuesday, March 11, 2025 – CIP and Operating Budget Review by Department**

9:00 a.m. Emergency Services Department  
Honolulu Police Department  
Honolulu Fire Department  
Department of Ocean Safety  
Department of Parks and Recreation  
Department of Land Management  
Liquor Commission

**Wednesday, March 12, 2025 – CIP and Operating Budget Review by Department**

10:00 a.m. Honolulu Authority for Rapid Transportation  
Department of Transportation Services  
Department of Planning and Permitting  
Department of Community Services  
Department of Information Technology  
Department of Facility Maintenance

**Thursday, March 13, 2025 – CIP and Operating Budget Review by Department**

10:00 a.m. Department of Human Resources  
Department of Enterprise Services  
(Auditoriums, Golf Courses, Zoo, Concessions)  
Department of Design and Construction  
Department of Environmental Services  
Department of Customer Services  
  
Legislative Branch  
(City Auditor, City Clerk, City Council, Council Services)

**CIP and Operating Budget Review:** For additional requests of any department on particular projects and/or programs.

**Friday, March 14, 2025 – CIP and Operating Budget Review**

10:00 a.m. Set as a contingency day in the case Committee members have additional requests of any department on particular projects and/or programs.

\* \* \* \* \*

# March 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2 Mayor's Budgets Due	3	4 COMMITTEE	5 COMMITTEE	6 COMMITTEE	7	8
9	10 Departmental Budget Briefing	11 Departmental Budget Briefing	12 Departmental Budget Briefing	13 Departmental Budget Briefing	14 Departmental Budget Briefing (Contingency Day)	15
16	17	18	19 COUNCIL (Budget 1st Rdg)	20	21	22
23	24	25	26 Prince Jonah Kūhiō Kalaniana'ole Day	27	28	29
30	31 Special CD1 Budget Meeting (10 am)					

# April 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 COMMITTEE	2 COMMITTEE	3 COMMITTEE	4	5
6	7	8	9	10	11	12
13	14	15	16 COUNCIL (Budget/PH-2nd Rdg)	17	18 Good Friday	19
20	21	22	23	24	25	26
27	28	29 COMMITTEE	30 COMMITTEE			



# May 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 COMMITTEE	2	3
4	5	6	7	8	9	10
11	12 Special CD2 Budget Meeting	13	14 COUNCIL	15	16	17
18	19	20	21	22	23	24
25	26 Memorial Day	27 COMMITTEE	28 COMMITTEE	29 COMMITTEE	30	31

# June 2025

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 COUNCIL (Budget 3rd Rdg)	5	6	7
8	9	10	11 King Kamehameha Day	12	13	14
15 Charter Deadline for Council to Adopt Budget & Revenue Program	16	17	18	19 Juneteenth	20	21
22	23	24 COMMITTEE	25 COMMITTEE	26 COMMITTEE	27	28
29	30					