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HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

530 S. KING ST. STE. 202, HONOLULU, HI 96813

VAL AQUINO OKIMOTO
COUNCILMEMBER
DISTRICT VIII
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February 11, 2026

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

Dear Mr. Formby:

Subject: **BUDGET COMMUNICATION NO. 5**
Fiscal Year 2027 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") 2027. 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. Kiana Pascual, prior to 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 FY27 Operating and CIP Budgets and program.

2. Comparison of the FY26 Operating and CIP Budgets to the FY27 Operating and CIP Budgets by Source of Funds and by Function (pie charts).

3. Projections for FY27 through FY37 for the amount of new general obligation (G.O.) bond issuances, G.O. requirements, and net debt issuance.

4. Projections for FY27 through FY37 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

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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 FY27. 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 FY21 to FY25.

8. A graph depicting budgeted revenues for FY26, actual revenues for FY26, budgeted revenues for FY27, and projected revenues for FY28 and the percentage change between the same.

9. A graph showing expenses divided into fixed (uncontrollable) and discretionary (controllable) for FY26 budgeted expenses, FY25 actual expenses, FY26 budgeted expenses, FY26 projected expenses, and FY27 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 FY26 to FY27 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 further request 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 FY26 and FY27 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 FY27, and the number of vacant positions that may be abolished.

4. Discussion of **overtime**, including the number of FY 27 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 27 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 27, 2026.

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. Kiana Pascual, at extension 83816 to confirm the exchange.

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

Sincerely,



VAL AQUINO OKIMOTO, Chair
Committee on Budget

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

cc: All City Departments

EXHIBIT A

FY2026-2027 ANNUAL BUDGET REVIEW
DEPARTMENTAL BUDGET BRIEFING SCHEDULE
CITY COUNCIL CHAMBER

Monday, March 9, 2026 — 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 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 10, 2026 — CIP and Operating Budget Review by Department

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

Wednesday, March 11, 2026 — CIP and Operating Budget Review by Department

10:00 am. 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 12, 2026 — 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
Honolulu Fire Department

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 13, 2026 — 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.

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EXHIBIT B

March 2026

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

EXHIBIT B

April 2026

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

EXHIBIT B

May 2026

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

EXHIBIT B

June 2026

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