

REPORT OF THE COMMITTEE ON BUDGET

Voting Members:

Ann H. Kobayashi, Chair; Joey Manahan, Vice Chair;
Carol Fukunaga, Trevor Ozawa, Kymberly Marcos Pine

Committee Meeting Held
February 11, 2015

Honorable Ernest Y. Martin
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Budget, which considered Bill 2 (2015) entitled:

"A BILL FOR AN ORDINANCE RELATING TO ARTICLE 64 OF CHAPTER 6,
REVISED ORDINANCES OF HONOLULU 1990, RELATING TO THE OTHER
POST-EMPLOYMENT BENEFITS RESERVE FUND,"

which passed first reading at the January 28, 2015 Council meeting, reports as follows:

The purpose of the Bill is to repeal Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, related to the Other Post-Employment Benefits Reserve Fund ("Reserve Fund").

The Director of the Department of Budget and Fiscal Services testified in support of the Bill noting that since the establishment of the Reserve Fund, the City is now required to pay its OPEB contributions into the state-established trust fund and that the Reserve Fund is no longer necessary.

No public testimony was presented or received on this Bill.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON FEB 18 2015

COMMITTEE REPORT NO. 45

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Your Committee considered and approved a posted proposed CD1 version of the Bill, which makes the following amendments:

1. Renumbers the second SECTION 3 to SECTION 4.
2. Makes various technical and non-substantive changes.

Your Committee on Budget is in accord with the intent and purpose of Bill 2 (2015), as amended herein, and recommends that it pass second reading, be scheduled for public hearing, and be referred back to the Committee on Budget in the form attached hereto as Bill 2 (2015), CD1. (Ayes: Kobayashi, Fukunaga, Manahan – 3; Noes: None; Excused: Ozawa, Pine - 2.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON FEB 18 2015

COMMITTEE REPORT NO. 45



A BILL FOR AN ORDINANCE

RELATING TO ARTICLE 64 OF CHAPTER 6, REVISED ORDINANCES OF HONOLULU 1990, RELATING TO THE OTHER POST-EMPLOYMENT BENEFITS RESERVE FUND.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to repeal Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, relating to the Other Post-Employment Benefits Reserve Fund ("Reserve Fund").

SECTION 2. Findings and Determinations. The Reserve Fund was established to accumulate, invest, appropriate, and manage funds to meet the costs of providing health care, life insurance and other post-employment benefits, other than pension obligations, to retirees and their dependents.

The City is now required to pay its Other Post-Employment Benefits contributions into the State Employer-Union Health Benefits Trust Fund OPEB trust fund.

Presently, there is no money in the Reserve Fund and there is no intention to use the Reserve Fund in the future.

As the Reserve Fund is no longer needed, the City now seeks to repeal Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990, relating to the Other Post-Employment Benefits Reserve Fund.

SECTION 3. Article 64 of Chapter 6, Revised Ordinances of Honolulu 1990 ("Other Post-Employment Benefits Reserve Fund"), is repealed.



A BILL FOR AN ORDINANCE

SECTION 4. This ordinance takes effect upon its approval.

INTRODUCED BY:

Ernest Martin (BR)

DATE OF INTRODUCTION:

January 22, 2015
Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20_____.

KIRK CALDWELL, Mayor
City and County of Honolulu