

# MEMORANDUM

**TO:** Howard Tipton, Town Manager  
**FROM:** Trish Shinkle, Town Clerk  
**REPORT DATE:** August 18, 2023  
**MEETING DATE:** September 11, 2023  
**SUBJECT:** Ordinance 2023-11, Amendments to Town Code Chapter 34, Employment Policies, Section 34.101-Board of Trustees

## **Recommended Action**

Pass Ordinance 2023-11 on first reading and forward to the October 2, 2023, Regular Meeting for second reading and public hearing.

## **Background**

The Town Commission froze the Firefighters and General Employees' Pension Plan effective September 30, 2013, and the Police Officers' Pension Plan effective February 1, 2014. Ordinance 2014-26 was adopted creating one Retirement Plan, one Board of Trustees (Consolidated Retirement System Board of Trustees {CRSBOT}), and one consolidated retirement fund for all three plans effective October 1, 2014, and concurrently set up the guidelines under which the CRSBOT would operate.

The Town Clerk's office has been reviewing portions of the Town Code to determine inconsistencies with policies/processes enacted for the Town's various Boards/Committees.

In reviewing Chapter 34, Section 34.101, relating to the CRSBOT, Subparagraphs (E) and (F) were identified for amendments to provide consistency with the term dates for the Town's other standing Boards/Committees (due to the time frame the CRSBOT was originally established) and the election procedures for employee Trustees.

With the exception of the CRSBOT, all other Board/Committee terms end in May of each year, specifically "on the second Wednesday of May of the year in which the term is set to expire." By extending the term expiration dates to coincide with the May terms of the other four permanent Boards/Committees, the Clerk's office believes that there may be more applicant interest for vacancies as all other Boards/Committees are advertised in April each year when there are more residents present on the island. During the month of August (the current advertising period for CRSBOT), a large percentage of our residents may vacation out of state. Although a minimal amount, this amendment would reduce advertising costs by \$1,200-\$1,500 per year.

Additionally, Subsection (F) outlines the nomination and election procedures for employee Trustees to be established by the Commission. Since inception, the CRSBOT has established this process, in lieu of the Town Commission. This proposed amendment would align the Code with the process that has been in use since 2014.

Other minor amendments reflected below are modifications to capitalization of words/phrases as approved by the Town Commission in 2019 when amendments to Code sections are made.

The Clerk's office submitted the recommended amendments to the CRSBOT at their August 18, 2023, meeting and the Board of Trustees voted unanimously to forward to the Town Commission with a recommendation for approval.

The proposed amendments are relected below (additions shown as underlined text/deletions shown as ~~striketrough~~ text):

**34.101. - Board of ~~t~~Trustees.**

(E) Trustees other than the ~~t~~Town ~~m~~Manager or designee shall serve staggered three-year terms, and may succeed themselves in office. To implement the staggered terms, the first elected employee ~~t~~Trustee who is a ~~p~~Police ~~e~~Officer member shall serve a one-year term; the first elected employee ~~t~~Trustee who is a ~~f~~Firefighter member shall serve a two-year term; and the first elected employee ~~t~~Trustee who is a ~~g~~General ~~e~~Employee member shall serve a three-year term. The staggered terms for the appointed ~~t~~Trustees shall be implemented as follows: two appointed ~~t~~Trustees shall serve an initial term of one year; two appointed ~~t~~Trustees shall serve an initial term of two years; and one appointed ~~t~~Trustee shall serve an initial term of three years; as determined by the ~~t~~Town ~~e~~Commission. Trustees who are elected or appointed following the initial terms shall serve a term of three years. Effective with appointments or reappointments beginning in September 2023, term expirations will be extended to the month of May in the following year, until all such appointments or reappointments are consistent with a May term expiration. The terms of appointment shall expire on the second Wednesday of May of the year in which the term is set to expire.

(F) The ~~b~~Board of ~~t~~Trustees created by this ~~s~~Section 34.101 shall be responsible for the administration and proper operation of the ~~e~~Consolidated ~~r~~Retirement ~~s~~System. The ~~b~~Board is hereby designated as the ~~p~~Plan ~~a~~Administrator. The ~~t~~Town ~~e~~Commission shall designate one of the ~~t~~Trustees it appoints as ~~e~~Chairman of the ~~b~~Board and another ~~t~~Trustee as ~~v~~Vice ~~e~~Chairman, and may change such designations from time to time. The ~~t~~Town Board shall establish the nominating and election procedures, as may be amended, for the election of employee ~~t~~Trustees. The ~~b~~Board shall meet at least quarterly each year. The ~~b~~Board shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature, and description.

**Staff Recommendation**

Pass Ordinance 2023-11 on first reading and forward to the October 2, 2023, Regular Meeting for second reading and public hearing.

**Attachment:**

Ordinance 2023-11 (Available in the Town Clerk's Office)

**End of Agenda Item**