

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

Adopt Ordinance 2023-11 following 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~~own 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

Adopt Ordinance 2023-11 following second reading and public hearing.

Attachments

- A. Business Impact Estimate
- B. Ordinance 2023-11 (Available in the Town Clerk's Office)

MEMORANDUM

TO: Howard Tipton, Town Manager
FROM: Trish Shinkle, Town Clerk
REPORT DATE: September 18, 2023
MEETING DATE: October 2, 2023
SUBJECT: Ordinance 2023-11 – Business Impact Estimate

Background

As approved as part of Senate Bill 170, effective July 1, 2023, the Town is required to prepare a business impact estimate prior to enacting an ordinance, subject to exemptions noted in the law. Ordinance 2023-11 is proposed to be adopted by the Town on October 2, 2023, and is subject to this new requirement.

Summary of Proposed Ordinance 2023-11

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 Consolidated Retirement System Board Of Trustees (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.

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.

Estimate of the direct economic impact of the proposed ordinance on private, for-profit business in the Town

A. Estimate of direct economic impact on private, for-profit business in the Town.

The Ordinance is intended to update the Town Code to be consistent with the processes/policies enacted for the various Town's boards/committee. It is not intended to and should have no impact on businesses within the Town.

B. Identification of any new charge or fee on businesses subject to the proposed ordinance or for which business will be financially responsible.

The proposed Ordinance does not provide for any new charge or fee on businesses.

C. An estimate of the Town's regulatory costs, including an estimate of revenues from any new charges or fee that will be imposed on businesses to cover such costs.

The proposed Ordinance does not provide for any services not already provided by the Town. Therefore there are no additional regulatory costs and no new revenues generated by the proposed Ordinance.

A good faith estimate of the number of businesses likely to be impacted by the ordinance

None.

Any additional information the board determines may be useful

Adoption of the proposed Ordinance under consideration promotes public health, safety and welfare by ensuring consistency and more efficiency in the timing of appointments to the Town's advisory boards. If adopted, resident appointment to the CRSBOT board will occur at the same time as all other Town's advisory board members appointments.

End of Agenda Item