

CITY OF EDEN, N. C.

A special meeting of the City Council, City of Eden, was held on Tuesday, June 12, 2001 at 4:00 p.m. in the Council Chambers, 308 West Stadium Drive. Those present for the meeting were as follows:

Mayor:	(absent)	Philip K. Price
Mayor Pro Tem:		John E. Grogan
Council Members:		Ronald H. Reynolds
		Ronald L. Janney
		Christine H. Myott
		Garry Tudor
		William W. Rorrer
		C. H. Gover, Sr.
City Manager:		Brad Corcoran
City Attorney:	(absent)	Charles J. Nooe
City Clerk:		Kim J. Scott
Deputy Clerk:		Sheralene Thompson
Representatives from staff		
Representatives from News Media:		Reid Baer, The Daily News

MEETING CONVENED:

Mayor Pro Tem Grogan called the special meeting of the City Council to order and welcomed those in attendance.

Consideration of the erection of a salt spreader hanger:

Mayor Pro Tem Grogan explained that this had been \$10,000 in this year's budget and it could be done for \$5,800. He noted that they could take a \$10,000 item out of next year's budget. He asked if there were any questions.

Council Member Rorrer commented that he was somewhat familiar with this and he could tell them that this was a good price, but by the same token, they needed it, but they have not had it and there were a lot of things they needed that they have not had and they were going to have to be mighty careful. He stated that if this salt spreader came out of Powell Bill money, which was not restricted, he would vote for it but if it came out of the General Fund he could not do it.

A motion was made by Council Member Rorrer seconded by Council Member Grogan for the money to erect the salt spreader hanger be taken out of the Powell Bill money. All Council Members voted in favor of this motion. This motion carried.

Additions to Agenda:

Mayor Pro Tem Grogan noted that everyone received information regarding the repair of a fire truck or purchasing a new fire truck. He explained that the Council had asked them to get some numbers together and he would like to discuss it to hopefully authorize them to proceed with the repair of fire truck number 101.

A motion was made by Council Member Janney seconded by Council Member Myott to add consideration to proceed with the repair of fire truck number 101 to the agenda. All Council Members voted in favor of this motion. This motion carried.

Budget Work Session:

Mayor Pro Tem Grogan explained that at the last budget session the Council had asked the City Manager to look into overtime.

Mr. Corcoran explained that the Council requested that he meet with the Department Heads to look at overtime, to see if anything additional could be done within the budget. He explained that to make it easier, he had developed a chart entitled "Summary of Overtime" as of April 30, 2001. He noted that it was by department so they could see a departmental breakdown that showed the actual 1998-99 figures, the 1999-2000 figures, the adopted figures for the current budget, the amount of money that had been spent through April 30, and then down at the bottom

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under totals they would see the extrapolation of what was estimated it would be at the end of the 12 months, then they would see the Departmental Requests that were received for the next budget and then two Manager's Recommendation columns.

He explained that the first Manager's Recommendation column were the recommendations that were in the budget as they now had them. The second recommendation column were those recommendations made after meeting with the Department Heads and taking a good hard look at overtime and what they felt could and could not be done.

He noted that as they went through it they would see that the first department was Finance. In the Finance Department basically they did not work after 5:00 p.m. They rarely had to and if they did they turned it in as comp time. However, during the past year they would see where they had spent \$2,335 this year. He explained that it was in large due to the fact that they were obviously without a Director of Finance for a number of months and then they also had other illnesses within the department that prevented other employees from being there on a regular basis. He explained that the reason it was recommended that it remain at \$1,000 was because they had just received news that one of their employees would be out an additional two months and that it may even go beyond that and with a new Director of Finance coming on board, it was hard to tell what extra work may or may not be required.

Mr. Corcoran explained that the next one was the Police Department and in this area they would note that in 1998-99 they spent about \$26,728, which went up to \$33,338 in 1999-00 and this year it was estimated to be right at about \$36,000. Basically the overtime within the Police Department could be broken down into a variety areas. He explained that first of all they have holiday pay. There were 10 holidays and the city's ordinance clearly sets forth that employees required to work holidays were paid at time and a half. He added that they also had court time, which was unavoidable. He also added that they have emergency situations and special training schools. He explained that he felt that \$36,000 was probably an optimistic figure, but it was a good target to shoot for.

He noted that within the Fire Department they were at about \$14,800 in 1998-99 and that jumped up to \$27,100 in 1999/00 and further this year where it was anticipated to be in excess of \$30,000. He stated that he and Chief Overby had discussed it and they felt that they would be able to make some changes. He explained that they have broken down the overtime that they felt he could get by with and that amount was \$15,000.

In the Engineering Department, the overtime was analyzed and primarily as they might suspect, examples of overtime there were night time water leak detection with listening devices, I&I investigative work during storm events, and during their street contracts where they have hired a contractor to come in they work past when the staff works, but they still wanted staff on sight to make sure what they were doing was what the city wanted done. He stated that again, if they looked at the historical figures, they used \$3,300 in 1998-99, \$2,000 (1999-00) and this year they were right at about \$2,000 and it was expected to be around \$3,300 or \$3,400. They had requested \$4,000 and again, based on past history and the fact that some of this was unavoidable he felt that \$3,500 would be a fair target to shoot for.

He stated that in the Streets Department a couple of things dictate overtime there. He noted that one was the leaf collection program and the way the leaves fall. He explained that if they fall gradually they usually did not have a huge amount of overtime, but if they fall mostly at one time, in order to meet collection routes and schedules, the overtime was somewhat larger. He added that also impacting this department was snowstorms. He noted that in 1998-99 they had a pretty good year, \$6,500. The next year it shot up to \$10,108 (1999-00), but then again this year it was a pretty good year (\$5,560) and they did not have a great deal of snow. He stated that in looking at the fact it was estimated that (figure) would end somewhere in the \$6,500 figure, again if they have a great year they may be able to get by with the \$6,500 figure, if they have a bad year they might be looking at near \$10,000, so they basically looked somewhere in the middle and recommended \$7,500.

In the Solid Waste Department there was a whole host of reasons and occasions that overtime may be needed. He explained that it could be such as when breakdowns were experienced in the residential household collections operation, which then necessitated the use of a rear loader unit

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and additional staff for the completion of the routes. If they have equipment breakdowns at the automated or transfer station, major equipment breakdowns, they pay 2 hours per pay period to an employee for the opening and closing of the recycling drop off facility on Sundays. A lot of times they have some turnover in staff or shortage in staff which obviously impacts the number of people on duty and sometimes in order to get routes done that necessitates them working extra hours. He noted that as they could see the overtime had been pretty consistent in this department with \$23,100 in 1998-99, and \$24,000 in 1999-00. They were going to try to get by with \$23,500 this year, but he noted that they did hope that some overtime hours would go down with the acquisition of an additional automated truck, so they felt that they could reduce that figure by \$1,000 to \$22,500.

Within the Planning Department most of that overtime was necessary due to attendance at night meetings by staff members other than the Director, as well as a few emergency inspections and/or training. He added that it was felt that as a target they could cut that in half from \$2,000 to \$1,000.

He noted that in the Recreation Department they limited their overtime with the exception of emergency situations. He also noted that in 1998-99 the actual figure was \$124. In 1999/00 it was \$44 and that no money had been spent as of yet this year, so it was felt that the Manager's Recommendation of \$500 could probably be reduced by a couple of more hundred dollars down to \$300.

In the Water Resources, Water Plant and Wastewater Treatment Plant areas, looking at the historical figures of what had actually been spent and looking at what the department request was versus the Manager's Recommendation, they would note that there had already been some pretty significant cuts, especially in Water Resources. He stated that one of the things that impacting those and several reasons why they have not recommended any additional change here, first of all, they may be aware they have 12 hour rotating shifts at both the Water and Wastewater Plant. He noted that they used to have two operators per shift, however several years ago that was reduced to one operator per shift. There were 168 hours in a week and they only have four Water and Wastewater Operators that were assigned to cover that 168 hours. If all four of them work a 40 hour week then that comes up 160, so they were 8 short. He explained that Mr. Asbury scheduled them in such a manner that it did not require overtime. He noted that one of the things that happens was that obviously some of those people eventually go on vacation or have sick leave and any time any of those events take place it necessitates the kicking in of overtime to the 12 hour rotating shift and the fact that he had limited staff. In addition, as with other departments he had the holiday premium pay as they were well aware he was required by law to have operators there 24/7 which meant that regardless of the holidays he had to have personnel there so they were paying 10 holidays at 24 hours a day. Then they have their operational and maintenance emergency within the plant and Mr. Asbury had presented several charts there and if anyone was interested in more information he could give that to them, but their feeling was that at \$13,000, \$7,200 and \$10,000 respectively, those were very realistic numbers and in all likelihood especially under Water Resources the figure may actually be higher than what was already there.

In Collection & Distribution overtime was broken down and actually 99% of the overtime that they see there was associated with emergencies. When they see \$19,000 for 1998-99 and \$22,000 for 1999-01 that gave them an indication of the emergencies that were experienced that year. This year they have been very fortunate to a large extent in that through April they had only encountered \$9,840. He added that the history of the past years they would note that \$30,000 was approved in the current budget, the Department Request was to lower that by \$8,000 and then the Manager's Recommendation was to lower that by an additional \$2,000 so with \$20,000 it was already \$10,000 less than what was in the current budget, but they felt that was a fair figure given what has happened in previous years.

He stated that finally they have the Garage and again, they have a lot of the same, it really depended upon how bad the weather was. He noted that it kind of corresponds with the Streets Department. He noted that they had \$1,600 in 1998/99 and the Streets Department had \$6,500. The Street Department jumped up to \$10,100 in 1999/01 and the Garage jumped up to \$3,200. The Street Department went back down this year to \$5,500 and the Garage went back down to

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\$386. Given the fact though that they had \$1,600 in one year and \$3,200 in another year that was an average of in excess of \$2,000 they felt that \$2,000 was probably a realistic number.

Mr. Corcoran stated that if they looked at the last three years and average all of the overtime that had been paid they would see an average of \$148,481 a year, they would see a two year average of \$156,726, and they were estimating that the overtime at the end of this year would be approximately \$161,381. The recommendations that they had before them equaled \$139,000 which was a substantial reduction when compared to the \$161,381 that was currently anticipated for this year.

Council Member Tudor referred to the Fire Department. He stated that it appeared to be inconsistent, what he had recommended and what he had now recommended \$28,000 versus \$15,000. He noted that they adopted \$16,000 last year and spent \$27,000. He asked where such a cut was going to come from, up to this point, \$27,096.

Chief Overby replied that he cut back on school programs and sending them out of town to school. He explained that when they were sent to a school out of town and were gone a week, he had to pay overtime. When he called out special task forces for arson investigation or anything he had four members of that team that he paid comp time or overtime, it was their choice according to Fair Labor Standards. He noted that he had one guy who took comp time and the other three always took overtime. He stated that they had a lot of fires last year that when he went back and looked, they had rung up a lot of overtime hours. He stated that with their special programs, most of their educators either had to come back when he did not have anybody available and he had to pay overtime. He explained that he went back and checked what he had to pay compared to what he had been paying to run the programs. He stated that he went back and made all his cuts on what he could put to the side trying to save some money and what he could not put aside.

Council Member Tudor questioned the school programs.

Chief Overby replied that he left his school programs in, the special presentations for all of their grade schools.

Council Member Tudor asked if this was bare bones for him, having made such a big cut.

Chief Overby replied that it was minimum and like he told the Manager, there would be some times when he would not be able to call out, if he got to a certain limit. He added that he had even talked to his men and some were willing to do comp time instead.

Council Member Tudor asked if this hurt his department. He stated that he had the feeling it hurt their ability to provide fire service.

Chief Overby replied that it did not give him free reign on fire investigations, which eats up a lot of time. He explained that fire investigations eats up a lot of time, doing interviews, pictures, etc. He stated that he and Mr. Carter did a lot of it by themselves but when they needed that extra legwork they would call out the guys that were off duty. He stated that he figured a minimum in there and hopefully they would not have that many fires. He added that he was counting on that and hoping they were through a period where there had been a lot of fires.

Council Member Tudor explained that the reason he questioned it, it was just the cut from what was first recommended to what was recommended now, which was a \$13,000 difference. He stated that it appeared that the Fire Department had received an excessive cut compared to everyone else, and that was why he wanted to know a little more.

Chief Overby recalled that he had two people out on sick leave and one ended up retiring on disability. He stated that he had to cover those shifts and there was a lot of overtime where he had to ask his firemen to work 12 extra hours and bring somebody in for 12 hours. That ate up a whole lot of it.

Mr. Corcoran noted that if they would look under the actual 1998 figure and the actual 1999 figure they would see that there was almost an increase of 100% in one year. It was an

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astronomical cut but it was an astronomical increase as well. He pointed out that two years ago they were right at \$15,000 and then they jumped up to the 30 neighborhood.

Council Member Myott questioned if it was overtime when they burned a house at night.

Chief Overby replied that he used men that were on duty. If he brought anybody back in, it had to be pretty serious.

Council Member Janney noted that this was a good report.

Council Member Tudor explained that he just wanted to be sure that in the interest of saving money, he, as the Fire Chief had not felt pressured to make excessive cuts, cuts that he did not feel comfortable making, being able to do his job and do it well. He stated that if he felt comfortable with this great. He noted that they all felt the pressure of needing to do the minimum because they were low on money, but he did not want minimum fire protection for their citizens and that was why he wanted to address this. He stated that he saw this as a big cut and if he agreed with what the City Manager had said and he could adequately do what he needed to do, that was great. He stated that he did not want any department head to feel that they had to cut, cut and cut and he was afraid they could not adequately do what they needed to do and he wanted to be sure of that.

Chief Overby replied that he could do it.

Council Member Janney pointed out that they needed to let the Manager manage.

Mr. Corcoran explained that first of all each department head gave him a report on what they could or could not live with. Then they met as a group to go through it. He explained that basically it was the report that they all have. He stated that he sort of echoed what Council Member Rorrer said at the last meeting. Basically what they have done was try to be sensitive to the financial condition of the city and come back with what they felt was a realistic report, but he could not guarantee them, in fact the majority of his body tells him that they were going to be in excess of \$139,000. He added that they would sure do their best, but if they needed more money then they would just come back and make the request. He stated that he did feel comfortable that with some of the changes they were making, all of the overtime that they were going to pay was overtime that was either required and/or needed. They were not going to be paying overtime just to be paying overtime and that he could assure them.

Council Member Rorrer stated that he did not really want to leave the impression that this thing was cut in stone. They all knew it was not and if somebody had to have some then they would get it if they had to have it, but they were going to have to answer for why they had to have it. As far as pressure was concerned that did not bother him because they (Council) were under pressure also.

Council Member Grogan agreed, they have really all shown, especially this year, that the “ought tos” and “want tos” were two different things and they were doing what they ought to do and that was keeping it at bare minimum and at that time he entertained a motion.

A motion was made by Council Member Tudor seconded by Council Member Myott to accept the City Manager’s Summary of Overtime. All Council Members voted in favor of this motion. This motion carried.

Overtime – Police Department:

Mr. Corcoran explained that he wanted to bring to the Council’s attention a matter dealing with the proposed budget. He noted that they each should have received a memo entitled “Overtime - Police Department”. He explained that it basically stated that police officers within the Eden Police Department were regularly scheduled to work a total of 84 hours every two weeks. When all this was added together it was total of 168 hours in a 28 day work cycle. This was eight (8) hours more than what was typically required of a normal employee working a 40 hour week, 160 hours per 28 day work cycle. He explained that the Fair Labor Standards Act states that law enforcement officers shall be entitled to overtime after a total of 171 hours in a 28 day work

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cycle. Currently the city paid its officers for those 8 hours per 28 day work cycle. So they have each officer earning 8 hours for every 28 day work cycle there was and they pay this at straight time.

He stated that it was his understanding that it used to be those hours were primarily taken in compensatory time and that was one of the reasons that the comp time within the Police Department was getting so high. It was then the desire of the Council to reduce the comp time as much as possible, so apparently the decision was made to start paying in the form of straight time. He stated that obviously if they looked at the Fair Labor Standards Act and what they were doing this was not a legal requirement. In other words, he explained that they were not doing it because the Fair Labor Standards Act tells them they have to do it. In essence they were doing it as a benefit that was instituted at some point in the past. He stated that current law allows management to change work schedules to require no more than 160 hours per 28 day work cycle. The cost of this benefit was approximately \$70,000, including benefits. Approximately \$59,000 of it was in overtime pay and actually the other \$11,000 was in FICA and retirement. In the past this amount came out of the "Salaries" line item instead of the "Salaries – Overtime" line item. This year when the budget was prepared they were obviously trying to get at bare bones. He explained that Ms. Blackstock, Acting Human Resources Director, gave him the report on individual salaries for officers and that was all that was put in the budget, what their salaries were, not knowing that there was overtime money also in that line item. Therefore that money was not in the budget that the Council currently had.

Mr. Corcoran explained that brought them to two options. The first option was to add back to the budget approximately \$70,000 under Salaries-Overtime where it should be shown, and FICA and Retirement. This would continue the previous tradition of paying for those eight hours that were currently in question.

He explained that the second option was to keep the budget as presented which meant that the Chief of Police would have to modify working schedules accordingly to eliminate the extra eight hours being worked, which would then bring them within the rights pursuant to the Fair Labor Standards Act.

Mayor Pro Tem Grogan asked what his recommendation was.

Mr. Corcoran replied that this \$70,000 coming out of the budget was not required by law. He noted that they have all talked about the need to save money. He suggested that they needed to weigh on the one hand the need to save money, the fact that \$70,000 could buy three police cruisers easily and they have the consideration that law did not require it. On the other hand they needed to weigh the fact that for many years now apparently those officers have been receiving this. Whether the Council did it, he did not know and obviously there was the school of thought that just because they did it yesterday did not mean they needed to do it tomorrow. He explained that his point was that it was \$70,000 that by law they did not have to pay and they could adjust schedules and save the \$70,000. He added that if they did that though, there were 30 officers out there that have been getting this 8 hours, basically a month times 12, which was 100 hours and that was a significant chunk of pay they have been used to year in and year out that they would lose on July 1st.

Council Member Myott asked if this meant they would work 8 hours less.

Mr. Corcoran replied that was correct. The Police Chief would just have to adjust his schedule, there were numerous departments that do that, but they have not gotten into how he would do that. He stated that in reading Mr. Asbury's information, he has some of his people actually in one 2 week period work about 42/43 hours and in the next 2 week period they worked less, but there were different ways to do it. He added that it was not a matter that it could not be done, it was just a matter that it was a large sum of money and everybody needed to know it was not normal salaries, this was extra money that was being paid, but it was something that they have apparently been receiving for years. He also added that obviously on those 30 officers it would have a financial impact.

Council Member Reynolds commented that he saw where he was coming from but he thought they were in a different ballgame right now, if they looked at their checkbook.

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Council Member Gover stated that he had given them two options and asked which one he would say served the city better.

Mr. Corcoran replied that when he looked at the overtime, his feeling was as he approached the Fire Chief was that the only overtime that they should be paying was the overtime that they have to pay by law. If they did not have to pay the overtime by law (then) they should eliminate it.

Council Member Reynolds asked if he was saying they should go with option two to which Mr. Corcoran replied that was correct.

Mayor Pro Tem Grogan commented that before a motion was made to do this, they should let the Police Chief make a comment.

Chief Benthin stated that he realized that \$70,000 was a lot of money but it was going to be approximately \$1,000 out of the pockets of 33 families.

A motion was made by Council Member Reynolds seconded by Council Member Gover to approve Option #2, which was the City Manager's recommendation.

Council Member Myott asked the Chief if he had discussed this with his men and if they would they like a day off.

Chief Benthin replied that he had not discussed it with them yet, (but) he thought they would like to have the \$1,000.

Council Member Tudor commented that those police officers have been paid this much for the last three years. They gave the police officers (and) all the city employees \$1,000 and they were going to feel like they have taken the \$1,000 bonus back.

Chief Benthin stated that they have been paid or compensated one way or another since he had been there 11 ½ years.

Mr. Corcoran asked Ms. Blackstock to provide a history. He added that the other thing, they have not seen anywhere where the Council ever approved this. He stated that he thought the (former) Director of Human Resources had administered it.

Ms. Blackstock explained that in the past they paid for 160 hours a month and 8 hours went into comp time a month. She stressed that they did not pay for that extra 8 hours, it was put into their comp time hours. She explained that it was changed in 1996 and they started paying that additional 8 hours and put it in their salaries. She added that it was not put into their annual salary.

Council Member Myott stated that she recalled that the reason that was done, they were getting too many comp hours.

Ms. Blackstock agreed. They all changed the comp hours. She stated that at first they did not have a set figure on how many comp hours they could have, then they lowered it to 120 for police, and since it was lowered they started paying them that additional 8 hours a month.

Mr. Corcoran added that basically the Council set lower comp time standards and told the management and staff to lower comp time to work within the new guidelines that the Council had established. At that time the two options remained the same, which were where they could convert the comp time to paying the employees or they could just change the schedule because there was nothing anywhere that says they have to work 168 hours, (and) every other employee worked 160 hours.

Council Member Janney added that the other departments were falling within the guidelines that he recommended.

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Mr. Corcoran replied yes, most departments all work 40 hours a week, which a 28 day work cycle was 160 hours. He explained that the Fair Labor Standards Act says that they did not have to pay a dollar of overtime on a law enforcement officer until they worked in excess of 171 hours. He explained that what they have done, they have said even though it was not over 171 they would go ahead and pay those officers 8 hours of straight time because their schedule was such that it worked them 168 hours. He pointed out that the thing that the Council needed to know was there was nothing by law that says their schedule had to be 168 hours.

A substitute motion was made by Council Member Rorrer seconded by Council Member Grogan to ask the City Manager and Police Chief to work on this item for ninety (90) days into the new budget and bring it back to the Council with a figure.

Action on the substitute motion was as follows: Council Members Tudor, Myott, Grogan and Rorrer voted in favor of this motion. Council Members Janney, Gover and Reynolds voted in opposition. This motion carried.

Mr. Corcoran stated, for clarification, what exactly did the Council want them to do for ninety days. He asked if they wanted them to continue paying this, because he could generate the numbers tomorrow.

Council Member Rorrer agreed that he would have to, but he would need to see how much it could be cut. He stated that some of it could possibly be traded off for some comp time or some of it could be voluntarily eliminated.

Council Member Janney pointed out that was not going to work to which Council Member Rorrer questioned why it would not.

Mayor Pro Tem Grogan recommended that the City Manager and the Police Chief get together and try to work out a compromise situation, if it could be done, and report it Tuesday night at the regular meeting. He stated that would do two things, number one give them the opportunity to talk to the people and let them know what they were looking at and at the same time, it may not be a compromise, it might come back and be Option #1 and Option #2 as they have just talked about.

Council Member Janney stated that he had made his recommendation to which Council Member Rorrer commented that was really what he had said only he was using 90 days. Council Member Myott asked if that was enough time.

Mr. Corcoran replied yes it was. He stated that he thought that the officers obviously were not going to want to lose the pay. He stated that he could not envision many of them voluntarily say, "Chief, go ahead and take my \$1,000 a month away." He stated that as far as a flex schedule, if he has to do it he could come up with it. He added that he did not think they were going to get a compromise, either they did or they did not.

He explained that he and the Police Chief met on this and had a quite lengthy discussion. He stated that they could talk again, but he thought the only compromise was if the Council wanted to tell him to change the schedule from 84 hours to 82 and split the difference. In other words instead of paying them 8 hours a month they would pay them 4 hours a month. They changed their schedule and reduced them by a total of 4 hours instead of 8, so instead of \$70,000 it costs \$35,000. The city takes on the burden of half of it and the employees take on the burden of half of it. That was the only compromise they could come up with.

Council Member Myott commented that sounded like a compromise.

Council Member Rorrer stated that there might be some of them that really did not care about the extra overtime. This was the reason to give them 90 days to work on it.

Council Member Tudor stated that he would rather see them eliminate two officers through attrition as officers retired or whatever (just) not replace them and save the \$70,000 that way. He stated that they were going to be saying the wrong thing to police officers and to all of their other city employees if they were accustomed to being paid a certain way and now at this point,

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change it and they were taking home less money. He stated that they were undermining themselves and there had to be another way to save \$70,000 other than cutting paychecks.

Council Member Janney asked the City Manager if he was going to add \$70,000 to the budget before next week to which Mr. Corcoran replied correct, he was going to add \$70,000 to the budget tonight. Council Member Janney pointed out that he did not think they all realized how much that budget was already in deficit.

Council Member Myott stated that she did not quite understand. She asked if they were already being paid this, why was it not in the budget.

Mr. Corcoran replied that when they looked at the budget and they looked at their line item and see Salaries, they have "Salaries" and they have "Salaries – Overtime". He asked them what they thought it meant when they read "Salaries". He explained that it meant "Salaries". He asked how anyone was supposed to know that \$60,000 of overtime was tucked away in that line item. In other words their overtime line item was not accurately telling them or anyone else how much they were really spending on overtime. Their "Salaries" line item was being padded.

Mr. Corcoran explained that when he saw "Salaries", "Salaries" meant salaries, so when he and Ms. Blackstock worked on the budget, she gave him the salaries. They totaled up the Chief's salaries and put in an average of 4-½ % increase that came at \$2,020,000. He stated that it was not until they got into this detailed study of the overtime that they discovered that the city was paying this 8 hours a month that it did not have to pay but it had been paying it. He stated that he and Ms. Blackstock began looking for this money because it was not shown under "Overtime", which was where it should have been shown and that was when they found that it had been tucked away under "Salaries" for several years now.

Council Member Gover stated that he thought when they gave everybody \$1,000 and gave them the raise that they were doing the appropriate thing. He stated that now some of them were saying they were \$1,000 short in the Police Department. He stated that he thought that good money had been paid to have that study made to tell them how much to pay.

Mayor Pro Tem Grogan pointed out that he (Matt Reece) had the same numbers the City Manager had.

Mr. Corcoran stated that he sympathized with it and agreed that people were used to that but if those 30 employees were entitled to 168 hours, and 8 hours times 12, a hundred and some odd hours a month, then why were the other 150 employees not also entitled to that. He pointed out that that was the real question because by law they were not forced to pay for that 168 hours yet they were giving them 168 and paying for 168. He asked what if Mr. Sexton (Municipal Services Director) or Mr. Asbury (Treatment Plants Director) wanted to start scheduling their employees at 168. He asked if they would pay them. He admitted that he knew it was a tough decision and he hated having to discuss it but Mr. Asbury had emergency operations, his department and his area was just as important as the police. He stated that also Chief Overby had the Fire Department. He asked why the firemen were not entitled to that. He stated that the question was not the 35 employees over there that were getting the benefit, the question was the 150 employees that did not get the benefit.

Mayor Pro Tem Grogan stated that he would pull out his "Robert's Rule of Order" and at that time he entertained a motion on this item to be resubmitted as to whether they would like Option #1 or Option #2.

A motion was made by Council Member Reynolds seconded by Council Member Gover to accept the City Manager's recommendation of Option #2.

Mayor Pro Tem Grogan noted that Council Member Rorrer had made a substitute motion and he had seconded it and he was now withdrawing his second.

Action on the motion to accept Option #2 *(as recommended by the City Manager which was to keep the budget as presented which means that the Chief of Police will need to modify working schedules accordingly to eliminate the extra eight (8) hours being worked. This is within his*

June 12, 2001

Minutes of the special, June 12, 2001, meeting of the City Council, City of Eden:

rights pursuant to the Fair Labor Standards Act) was as follows: Council Members Grogan, Janney, Rorrer, Gover and Reynolds voted in favor of this motion. Council Members Tudor and Myott voted in opposition. This motion carried.

Council Member Rorrer commended Mayor Pro Tem Grogan for following the rules.

Authorization to Proceed with Repair of Fire Engine - #101:

In a weekly report to the Council, Mr. Corcoran explained on May 25, 2001, he had written the Council concerning Fire Engine 101 and the fact that water had been discovered in the oil. Mr. Tommy Carter, Superintendent – Fleet Maintenance contacted Covington Diesel in Greensboro, NC to see if they could examine the engine in a effort to determine what was needed. Mr. Corcoran meet earlier this morning with Mr. Ronnie Overby, Fire Chief and Mr. Tommy Carter, Superintendent – Fleet Maintenance to discuss the findings as reported by Covington Diesel. The head is completely blown and the engine in need of being replaced. The people a Covington Diesel offered to replace the cylinder head and bearing (with no warranty) at an estimated cost of approximately \$5,000. They have offered an inframe overhaul (with six months warranty) at an estimated cost of \$9,572.40. They have offered to replace the engine with a new engine (with one year warranty) at an estimated cost of \$13,838.00. Given the fact that they do not have the funds to purchase a new vehicle, they felt it was important to get this engine repaired in a manner that will allow them to keep it within their fleet of available fire trucks. Due to the fact that they were not looking at an estimated price difference of at least \$4,265.60 (overhaul versus a new engine) and were only receiving an additional 6 months of warranty, it was recommended by Mr. Tommy Carter as well as Covington Diesel to proceed with the needed overhaul versus a brand new engine. The quoted prices did not include any miscellaneous parts such as belts, hoses, filters, fluid replacement or taxes on the total bill. In addition, the radiator is leaking and will need to be repaired. Covington Diesel has yet to give a quote on this work due to the fact that the radiator will need to be pulled and sent to a radiator shop.

A motion was made by Council Member Rorrer seconded by Council Member Janney for approval to repair the fire engine. All Council Members voted in favor of this motion.

Adjournment:

A motion was made by Council Member Gover seconded by Mayor Pro Tem Grogan to adjourn. All Council Members voted in favor of this motion.

Respectfully submitted,

Kim J. Scott, CMC
City Clerk

ATTEST:

Philip K. Price
Mayor