

**City Council Reconvened Special Work Session
August 5, 2024**

The City Council of the City of Elizabeth City Reconvened their Recessed Special Work Session of July 29, 2024 on Monday, August 5, 2024 in Council Chambers, located on the 2nd floor of the Municipal Administration Building, 306 E. Colonial Avenue, Elizabeth City, NC.

MEMBERS PRESENT: Mayor Kirk Rivers
Mayor Pro Tem Kem Spence
Councilman Johnson Biggs
Councilman Joseph Peel
Councilwoman Rose Whitehurst
Councilwoman Katherine Felton
Councilman Ronnie Morris
Councilman Johnnie Walton

MEMBERS ABSENT: Councilman Javis Gibbs

OTHERS PRESENT: City Manager Montre' Freeman
Deputy Finance Director Brian Lewis
Data Processing Manager Heather Corbett
Interim Chief of Police James Avens
Electric Superintendent Donnell White
Interim Human Resources Director Anna Spence
Public Utilities Director Dwan Bell
Public Utilities Deputy Director Raymond Staten
Development Services Director Reggie Goodson
Parks and Recreation Director Sean Clark
Fire Chief Chris Carver
IT Director Matthew Simpson
ECDI Director Debbie Malenfant
IT Systems Analyst Pedro Holley II
City Clerk April Onley

Mayor Rivers called the Reconvened Special Work Session back to order at 5:31 p.m.

1. Discussion – Employee Raises:

Mayor Rivers returned the Council's attention to the meeting's order of business, the continued discussion of employee raises.

Manager Freeman reminded the Council that the motion proposed during the last meeting was a 5% increase and \$1,500 bonus for Public Utilities employees and a 3% increase for the remainder of the City's employees. In Fund 10, it's budgeted at \$180,893. The contingency expense line will decrease leaving \$132,732 to balance. To balance Fund 30, it will decrease by \$4.5 million. In Fund 31, it will decrease by \$97,892 to \$5.7 million. In Fund 34, there will be an increase in earned revenue to \$2,050. In Fund 40, there will be an increase to the residential sanitation fee revenue changing revenue to \$1,762,500. So far, we have received \$1.84 million. Even increasing the revenues, we are still projected to come in over that number. He advised that the motion can be carried out as originally proposed by Mayor Pro Tem Spence.

Mayor Rivers asked whether the Council wanted those who had received raises already to be removed from consideration. Mayor Pro Tem Spence acknowledged that he was considering removing Police, Fire and Electric from his motion. Manager Freeman stated that his understanding was that with the exception of the Public Utilities Department, all remaining employees were to be included in receiving 3%. Mayor Rivers asked the manager if he could provide the Council with a copy of the document that he just read from. He added that he had also had list of people who had received about \$67,000 in raises altogether and he did not believe they should be included in the increases either.

People who received those raises caused the Council to prolong this process and they would essentially be receiving two increases in one year. He noted that he was not referring to Police, Fire or the Electric Lineman in this instance, although they did receive raises throughout the year. The eight or nine people he was referring to had gotten about \$67,000 amongst themselves, and he did not feel that they should get another 3% on top of that. He believed that the Council was aware of the list of individuals he was referencing.

Councilwoman Whitehurst stated that no one who received a 3% or higher raise already should be awarded another 3% in her opinion.

Councilman Walton inquired as to why the Council was so quiet this evening. He felt they often wanted to talk for hours and now no one had much to say. Councilwoman Felton told Councilman Walton that the appearance of a crowd of employees would not keep her from speaking her mind. She seconded the initial motion to give Public Works a 5% increase and a \$1,500 bonus. It was discussed that after Public Works received their raise, then they would see to the others who had been overlooked during the mid-year raises. She wanted those who had been left out to be rewarded.

Mayor Rivers asked for clarification on Fund 31. Manager Freeman explained that they'd received \$6.1 million in FY 2024 and were in good shape financially.

Councilman Walton felt that what the manager returned with was information that would satisfy the initial motion and request. What the Council was doing now was tossing around thoughts and feelings. The crowd is present because they are concerned and this is dealing with their money. If the Council had preplanned and done what we wanted before we came forward, it would have been fair. It was not fair to the manager, the department heads or the workers to do what we did. Nobody can make the same amount of money as anyone else. I am not opposed to raises. I made the motion to get everyone to \$15 an hour several years ago. If a person changes a position, if they're working under someone and go to a higher level, you expect them to get more money because their responsibilities have changed. If I go from lineman to quarterback, I should get more money. People are paid differently. We make sure that everyone in our organization has a comfortable life but that doesn't mean that everyone gets the same amount of money. I have many thoughts on it. I wouldn't want to be a manager with 300 grumbling and irritated people under me, and I'm only doing what I'm doing because the people at the top aren't giving me good direction. We can do better than that. The manager brought back something we can accept, but we can make it better. If an employee leaves an assistant job and becomes the person in charge, things change and they deserve more money. When a police chief changes and you were giving one a certain amount and someone else takes over, don't give them pennies and say they deserve less than the other one. You are not doing people fairly. We never have talked about the chief and the city manager yet and I think they need to be included. When you catch up two or three audits in so many months, that's a big deal. I don't care what anyone says. We have to look at things realistically and stop trying to be politically sound. Be fair. Politics is the ugliest thing in the world if you let it be. Some people come to the meetings just to bring havoc. Some people just come to laugh at you. If we can't work it out, it's our own fault.

Mayor Pro Tem Spence noted that he made the original motion and asked the manager to come back with the appropriate numbers for the motion. He was not sure what the back and forth was about. The manager came back with the numbers and he believed they were good to move forward.

Councilman Peel asked if the original motion included Police and Fire. Mayor Pro Tem Spence said it did not. Councilman Peel asked if Mayor Pro Tem Spence would be open to a friendly amendment to include them in the increases.

Mayor Pro Tem Spence explained the reason he did not originally include them was because he wanted to make sure that the workers in Public Utilities got what they needed. Now that we have the numbers back and it looks like we're okay, he would be okay with including them as well.

Councilman Joseph Peel made a friendly amendment to the motion made by Mayor Pro Tem Kem Spence to include Police, Fire and Electric personnel in

the 3% salary increases. Mayor Pro Tem Spence accepted the friendly amendment to his original motion.

Councilwoman Felton stated that she had a question before she'd issue a second on the motion. For Fund 31, she asked about the line entitled "increased water revenues". Was anything going to push over to the citizens to account for these raises? If it was, she was not in support of that. The manager said it would not. He explained that the revenue number is an estimated projection for the year, which will still be under the amount we brought in last year. We already anticipate bringing in more than that this year.

Councilman Biggs asked if we have a good feel on what our expenses are since we've not completed out 2023 audit yet. We can say we brought in more money, but if we spent more money, it can cancel out. You have increased expense with increased revenue. Do you feel the net is there to support this? Manager Freeman believed that the support is there. We are in good shape. Once the economic impact hits to increase at Halstead Corridor, we will be in more of a sound position.

Mayor Rivers reminded the Council the motion as it stands now is to provide the Public Works Department with a 5% increase, a \$1,500 bonus, and a 3% to all other City employees. He noted that would now also include Police, Fire and Electric personnel due to a friendly amendment.

Manager Freeman noted that no part-time employees were included in these raises. Mayor Rivers confirmed that the Council only wanted full-time staff to receive raises. Councilman Biggs asked if the people who received interim raises were included. Mayor Rivers informed him that he was still trying to find that out right now.

Mayor Pro Tem Spence reiterated that his motion has only addressed a 5% increase for Public Works and a \$1,500, plus 3% for everyone else. Mayor Rivers stated that his problem was there were people who had received raises in the last 90 to 120 days and they would essentially be getting two raises. He was not referencing Police and Fire here. Eight or nine people had received a sum of about \$67,000 that the Council was not aware of until they found out on their own.

Councilwoman Whitehurst asked if those particular individuals could be excluded.

Manager Freeman stated that the numbers he presented this evening accounted for 5% for Public Works, a \$1,500 bonus for those same individuals and then a 3% raise for all others.

Councilman Morris said he was not comfortable with giving the people additional money who had already received large raises this year. There were people who'd received money, and one of those people alone received \$32,000. That is not fair and we're up here talking about fairness to City employees. The Mayor mentioned \$67,000, but I figured up that we've given out more than \$100,000 to employees in mid-year raises. It's not fair to our employees. I don't care how many people come in and want to have a show. It's not fair to you all that people are getting money that you are also qualified to get. We could have easily given 3% increases if we were doing the way we should have been. Even if we gave a 1.5% increase over the last few years, it would have been better. I am just not for giving people who have already gotten significant raises more money. I am especially not happy about giving it to some of them who have gotten it less than 90 days ago.

Councilman Walton opined that a lot of the conversation we are having makes sense and it has to sink in. There is a thin line between right and wrong. If a chief of police is making \$93,000 and you gave him a 4% raise but you gave the other chief \$110,000, that's not fair. We might have to take some of these positions case by case.

Mayor Rivers advised that interim positions are not part of this conversation. The interim positions receive a 4% increase by policy. Councilman Walton felt that we were dragging our feet. Mayor Rivers said that depended on how fast we hired directors. He counted raises totaling \$8,000, \$14,000, \$17,000, \$5,000 and so on. If the person who already received \$14,000 and is getting another 3%, that's about 20% in total. We are talking about giving 3% to the masses. If they have already received 3%, they should be getting another one. This is only a handful of people and it's only individuals. These people, in

my opinion, should not be included. None of them are receiving this pay because they're serving as an interim.

Councilman Walton believed that if the Mayor felt that way, he should have made the motion. Mayor Rivers noted that he could not make a motion. Councilman Walton stated that he engaged in a lot debate and discussion though.

Councilman Joseph Peel called for the question. The motion was seconded by Mayor Pro Tem Kem Spence. Those voting in favor of the motion were: Biggs, Peel, Whitehurst, Spence, Felton, Morris and Walton. Against: None. Motion carried.

Mayor Rivers explained that as the question had been called for, the Council would need to redirect their attention to the motion on the floor. He restated the motion as follows:

Motion was made by Mayor Pro Tem Kem Spence, seconded by Councilwoman Katherine Felton to provide a 5% salary increase for the workers in the Public Utilities Department, along with a \$1,500 bonus. All other employees, minus the handful who had previously received raises within the last 120 days would receive a 3% salary increase. Those voting in favor of the motion were: Biggs, Peel, Whitehurst, Spence, Felton and Morris. Against: Walton. Motion carried.

Mayor Rivers advised that as this had been a reconvened special meeting, no other discussion could be held. Manager Freeman requested that the Mayor provide him the list of individuals that would need to be removed from receiving the 3% increase so Brian could begin working on the budget amendment. Mayor Rivers requested that the budget amendment be prepared in time for the August 26th meeting with all necessary information so they could get that passed to begin funding the raises.

2. Adjournment:

There being no further business to be discussed, Mayor Rivers adjourned the meeting at 6:10 p.m.

E. Kirk Rivers
Mayor

April D. Onley
City Clerk, NCCMC