



## The Public Parade

### On Eroding The Tax Base

Last week we discussed how federal spending cuts are being translated into local tax increases and how revenue policy changes at the state level are shifting much of the burden from the backs of business and the wealthy to the shoulders of the general taxpayer.

Today we want to consider in a little more detail the tax picture as it emerges from the General Assembly.

While property holders in Chowan County and elsewhere across the state were bracing for tax increases, Rep. Vernon James's bill giving the counties authority to levy an additional one-half cent sales tax was making its way through the legislature.

For a time it looked as if this bill would go a long way toward relieving the hard-pressed county boards of commissioners in their search for revenue to continue needed government programs. A large portion of what was being lost in federal funds would be made up by raising the local sales tax levy.

But when the James bill reached the senate, an amendment was added earmarking 60 per cent of the new revenue for public schools on a descending scale over the next several years and 40 per cent for water and sewer construction, this too on a descending scale.

The effect of that amendment was to greatly reduce the benefit to the general fund from increasing the local sales levy by a half-cent. But the end was not yet in sight. When the senate's gas tax bill reached the floor of the house, Rep. Joe Mavretic tagged on an amendment exempting household personal property from ad valorem taxes.

Although it is difficult to tell how much, that represents another blow to the county and city general funds. A great many taxpayers simply check the block on their tax filing form accepting 10 per cent of their real property tax as a fair amount for household personal property - furniture, appliances, jewelry, etc. Not all taxpayers do this, however. A great many claim their household property does not exceed the \$300 exemption. Nevertheless, the levy on household property raises a significant amount of money for the general fund.

Thus the amendment has the effect of eroding the tax base even further.

Had we been in the legislature, we would have voted against the Mavretic amendment because it will relieve a large group of well-to-do people who have expensive furniture and jewelry but live in rented apartments or con-

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## District Court Session Held

Chowan District Court was in session July 15, the Honorable J. Richard Parker presiding over the criminal calendar.

Walter Raleigh Hawkins's suspended sentence was invoked during a probation violation hearing. He also pleaded guilty to a larceny charge and received an active sentence of 90 days which is to begin at the expiration of the previous sentence.

Edgar Wayne Ryan's suspended sentence of six months was invoked as the result of a probation violation hearing.

James E. Copeland pleaded guilty to exceeding a safe speed. He received a fine of \$10 and cost of court.

The Honorable J. Richard Parker also presided over the

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## Pelikan Corporation President Opens Edenton Plant

By JACK GROVE

Saying "We are proud to open this Edenton plant," Walter DeRungs, U.S. president of the Pelikan Corporation unveiled the company's sign at the N.C. 32 south facility. Attending the opening were Chowan County and Edenton officials and local businessmen.

The Swiss corporation has 25 factories worldwide and sales in 130 countries. The company is the world's largest producers for consumables for the office in typewriter ribbons, computer ribbons and carbon paper. Pelikan manufactures its own inks.

Founded in Hanover, West Germany 150 years ago, the company first made artists' colors. Pelikan began manufacturing in the U.S. eight years ago in Franklin, Tenn. and now has a plant in Derry, Penn.

DeRungs said that the move by his company to acquire the former Dennison Co. plant was prompted by several considerations. He said that the company felt a need "to distribute our manufacturing risk." Pelikan in the past had been dependent on European sources for film and

Dennison's film ribbon plant was "in many respects, ideal."

In stating the pros and cons of the area for professional people, the company felt that the quality of life for a bachelor engineer "is a little bit tough." DeRungs said that the environs were fine for a nature lover, but lacked sports facilities and diverse entertainment. He also said that the highway system needed improving.

The president said that some things should not be changed. Among them were "Your sense of citizenship with strong values and work ethic" and the unspoiled natural beauty. DeRungs, who is based in Tennessee, said, "I like to come here."

The Edenton facility currently employs 124 people, starting with 94 when Pelikan took over the operation earlier this year. In expanding the facility, the company expects to employ as many as 300 people by 1990.

Alton Elmore, Chairman of the Chowan County Board of Commissioners welcomed the new company. "We appreciate your taking over the plant and saving an industry," he told DeRungs. "We

like it here and we think you'll come to like it too," he said. Edenton Mayor John Dowd extended the welcome of the town.

In his remarks, plant manager Nick Misra promised that "We will continue to be good neighbors and good citizens of Chowan

County."

DeRungs was asked where the corporation's name originated. "The pelikan was in the coat of arms of the founder. Trademarks have become a more and more important part of modern business," the corporate presi-

dent said.

DeRungs and an accompanying executive, Bert Beeler, from the Franklin headquarters are both natives of Switzerland. DeRungs pointed to the fact that Beeler had become a naturalized citizen of this country on July 9.



UNVEIL NEW SIGN—Pelikan president of U.S. operations Walter DeRungs (center) unveils the corporation's new sign with the assistance of (l. to r.) County Commissioner Alton Elmore, Mayor John Dowd and Town Manager Sam Noble. The former Dennison plant is located on N.C. 32 south.

## Boat Rules Discussed

The U.S. Coast Guard is in the process of determining regulations concerning the use of intoxicants on recreational boats. The information provided here was obtained from the Federal Register, Vol. 54, No. 100 of May 23, 1986. It is entitled, "Operation of a vessel while intoxicated; advanced notice of proposed rulemaking."

The Coast Guard is inviting public comment on the problem of drug and alcohol use by persons operating recreational vessels

and the options available for regulatory or other action.

The Coast Guard Authorization Act of 1984 mandates that appropriate standards be established for determining whether an individual is intoxicated while operating a boat. Regulations are also being pursued in regard to alcohol and drug use by licensed individuals and other members of the crew of commercial vessels.

Data on recreational boating ac-  
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## Sales Tax Increase Hearing Slated

Area residents may soon be paying a sales tax of five cents rather than the current four and one-half cent tax. A county option increase of a half cent tax was recently passed by the N.C. General Assembly. The bill was sponsored by First District Representative Vernon James of Pasquotank County.

A hearing on the tax rate increase for Chowan County will be held in the county commission board room in the new court house on Monday, July 21 at 9 a.m. County Manager Cliff Copeland said that if the increase was approved after the hearing it could be implemented on September 1.

Copeland was asked if he expected opposition to the proposal. "If anything, we expect a lot of support," he said. "A lot of people were concerned about the raising of the property tax. We need diversification of the tax system," he continued. The manager feels that it will also aid local merchants and customers in figuring tax on purchases.

Perquimans, Pasquotank, Camden and several other area counties have also scheduled early hearings in order to increase the sales tax by September 1. "It wouldn't surprise me if 40 counties will be holding early hearings in order to implement the tax by September 1," Copeland said.

The current optional half cent sales tax is levied by 99 of 100 of the state's counties. Chowan County's annual yield from the half cent is \$270,000, but the county manager expects a new half cent tax to bring in no more than \$100,000 during the first year of its life. As more counties adopt the

tax, the yield will increase. The return to the counties is based on population and not on the size of the sales volume at the point of collection.

Cities and towns located in counties passing the increase will automatically participate in the tax. Edenton Town Manager Sam Noble said that there was no way that he could estimate how much an increase would bring to the town for next year.

The new tax law requires that 40 per cent of the income to towns during the first five years be spent on water and sewer improvements and 30 per cent the following five years. After that, the towns may spend the income as they see fit.

Noble said, "We always need improvements in the water and sewer systems. You never have enough money to make all the improvements that you need." He cited as future needs of the town,

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HATCHERY VISIT—Congressman Walter B. Jones was the special guest at the 25th anniversary fete of the Edenton Fish Hatchery and Aquarium Friday.

## Fish Hatchery Celebrates Twenty-Fifth Anniversary

The twenty-fifth anniversary of the Edenton National Fish Hatchery and Aquarium brought dignitaries to the site Friday morning. On a broiling July day Congressman Walter B. Jones told assembled guests that, "I've supported this hatchery through my years in Congress."

Jones was forced to defer to an aide to read his prepared remarks due to an infected tooth and swollen jaw.

Striped bass are raised at the hatchery to replenish depleted stocks in area waters and in the Chesapeake Bay. Jones chairs a committee in the House of Representatives that oversees the fisheries industry.

Hatchery manager Elliott Atstupenas reviewed the history of the Edenton facility. He said that in the early 1960's the hatchery was being used to provide fish for stocking farm ponds. William C. Bunch, then manager, decided to experiment with striped bass.

Atstupenas said, "As far as I'm concerned, this hatchery is the father of striped bass experimentation in the country." He said that the facility has been in the forefront of striped bass culture ever since.

Jim Pulliam, Southeastern Regional director of the fish and

Wildlife Service, parent agency of the facility, said that federal involvement in fisheries management dated to 1861. It was in that year that a fish culture program for salmon was begun in California.

The Edenton facility first began operation in 1899. Pulliam spoke of the importance of striped bass to the east coast fishing industry and the hatchery's role. "Striped bass have been declining alarmingly" along the coast since the 1970's. He attributed fish population degradation to loss of fish habitat, water pollution and over-fishing.

Speaking of Jones, Pulliam said, "The chairman has been a good friend of ours in Congress." The congressman indicated that he was seeking \$500,000 in federal money to fund a land use study in North Carolina coastal area connected with the Albemarle and Pamlico Estuaries.

Jones said that restocking coastal waters from the hatchery was not the only thing that needed to be done. "The Edenton Fish Hatchery can produce as many fish as possible but we must have the clean water and habitat to support them," he said.

The Edenton Hatchery supplies over 400,000 striped bass fingerlings annually for the restocking

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## Sealed Bids Opened

Sealed bids were opened Tuesday by Edenton's Town Council and L.E. Wooten and Company, prime contractor for the new land application sewage treatment system. The system is separated into four parts for contracting purposes: electrical; lagoon and pump stations; spray system; and lines from pump stations to the plant.

The apparent low bidder was the Bryant Electrical Co. of High Point, N.C. for part of the work. None of the bids were acted upon by the council due to protests from two other bidders.

Roanoke Construction Co. of Roanoke Rapids, N.C. and Crain & Denbo, Inc. of Durham, N.C. lodged formal protests alleging that Bryant was ineligible to bid.

Town Manager Sam Noble explained that Bryant and others had submitted bids in a previous bid process and that Bryant's was then the low bid. However, Bryant discovered that they had bid on the basis of a system document that was missing two pages. For that reason, the re-bidding took place Tuesday.

The protesting companies maintain that state law prohibits any company, withdrawing from a bid, to take part in any subsequent re-bid. Noble said that in this case, Bryant was not at fault. Representatives of the Wooten company advised and the council agreed to, seek legal advice prior to awarding the bids.

The system is to be built on a tract acquired from the estate of C.H. Small, Sr. on Mexico Road. The current sewage plant is located at Cape Colony and will be closed when the new system becomes operational.



STATE AUDITOR IS SPECIAL GUEST— Ed Renfro, N.C. State Auditor, speaks to the quarterly meeting of the East Carolina Fireman's Association last Thursday night.

## Firemen Select New Officers

Edenton was the setting for a dinner meeting of the 32 county East Carolina Fireman's Association last Thursday evening. The quarterly meeting at the American Legion building was hosted by Edenton Fire Chief Lynn Perry, a director of the organization.

Special guest speakers for the event were State Auditor Ed Renfro and Phil Riley, N.C. Deputy Insurance Commissioner, Fire and Rescue.

An election of officers saw Tarboro Fire Chief George Cherry installed as president of the association, Chief Perry as vice-president and Gail Joyner of Farmville as

secretary-treasurer.

Renfro acknowledged praise for his work on the state level to obtain a raise in pension compensation for retired firemen. He has been urging an amendment to the appropriations bill to raise the pension from a monthly \$75 to \$100. In discussing the pension fund he said, "The legislature has seen fit to say thank you to the greatest group of people in the world - firemen and rescue squadsmen."

Riley gave a presentation on the State Emergency Response Team (SERT). Betting that not many firemen knew about SERT, he

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