

County balances budget with heavy cuts, tax hike

By Vernon Fueston
Staff Writer

After a six-hour marathon meeting, Chowan's county commissioners have voted on a balanced budget proposal adopting heavy cuts to county services and education while adopting a three and one half cent tax increase on property owners.

The cuts represent a \$3.4

million dollar cut from the county's initial budget proposal, frequently referred to as "option E," that would have required a 26.5 cent per \$100 property tax increase to balance.

The new budget will allow \$15.3 million in expenses and will set the new county property tax rate at 68.5 cents per \$100.

Among the biggest budget

casualties were the schools, social services, recreation and the sheriff's department, jail and public safety department.

County residents are likely to notice changes the budget cuts as they find increased user fees for children's sports and reduced hours at the library.

The county manager's office will be leaving its quarters in

the old jailer's house behind the county office building to save utility costs. County Manager Peter Rascoe said he has no idea where his department will go, but he said they would be there on July 1.

The county's Emergency Management Department will no longer operate the way it has in past years.

Its director, Doug Belch announced his retirement as

funds were cut for his position, leaving no one in place to write the documents required by FEMA for many of its disaster relief programs and assistance.

The commissioners put back \$30,000 to cover the cost of a part time or contracted person to cover those responsibilities. They also expressed the hope that an expected grant for \$15,000 will come

through from the state to augment the county's funds.

Monday's meeting, which started at 6 p.m., lasted until past midnight with the commissioners divided over budget cuts and the need to raise taxes.

As they debated each line item a pattern developed.

Jimmy Allgood proposed

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Area schools take big hit

By Rebecca Bunch
Staff Writer

Dr. Allan Smith spent Tuesday morning meeting with senior staff in the wake of a \$1.2 million cut to the school system's budget enacted by the county commissioners Monday night.

Kerri Albertson, School/Community Relations Director, said the school board would have a special meeting Monday, June 8, at 6:30 p.m.

Smith reacted to news of the budget's adoption by saying he and his staff are "disappointed that the reduction is so much more drastic than we had asked the commissioners to consider."

"While we can use our reserve fund to (replace) some of the loss this year, it leaves us frighteningly vulnerable once that money is gone," he said.

"While we hope the economy improves, this leaves me deeply concerned about our ability to serve students and the community," Smith added.

"I worry that we'll be in the same situation in June 2010 and won't have any reserves left to draw from, and I hate to think about what will happen to our schools then."

Lesser amount

During a public hearing held by the county commissioners last Wednesday evening, Dr. Smith and Board of Education Chair Ricky Browder asked that the county budget limit cuts the school system must absorb to no more than \$665,000.

"The proposed school reductions for the 2009-2010 budget of \$1.2 million is by far the largest reduction of any funded agency or county department," Smith said, "and represents a decrease of 28.22% of local revenue from the current budget this year."

He also pointed out that the school that the school system was being asked to bear "a disproportionate share" of proposed county budget cuts.

"The schools — which account for approximately 24% of the county's budget — are being asked to make up over 60% of the total reductions," Smith said.

"Even when expenditures for new debt are factored, the cuts to the schools (represent) half of the reductions in the county's budget for next year," he added.

Commission Chairman Eddy Goodwin questioned the size of the school board's reserve funds, saying the reserves were higher than need-

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Colony Tire enlarges re-tread plant

By Vernon Fueston
Staff Writer

After re-branding and expanding its Edenton re-tread plant, Colony Tire will be adding between 10 and 12 employees as workers in the new Michelin re-tread factory.

The refitting of the 22,000 square foot facility cost \$2.5 million and required the complete replacement of the company's manufacturing equipment.

The move comes after the company purchased three former Michelin retail outlets in the Tidewater area and signed a deal to change its retread operation from the Bandag brand to Michelin according to Charlie Creighton, Colony's CEO.

The three new tire outlets, which serve both commercial and retail customers, will expand Colony's market, allowing the expansion of the plant from 50,000 tires per year to a capacity 100,000.

Creighton said the plant should eventually double its workforce to 30 employees.

The move will also involve the closure of Colony Tire's 24,000 square foot retread facility in Norfolk. That plant will become a commercial tire distribution center for the company.



VERNON FUESTON/THE CHOWAN HERALD

Tire builder Allen White applies the tread to a tire at Colony Tire's new Edenton plant.

"That's good for Edenton and at the same time, it's good for Norfolk, putting in a wholesale center," Creighton said. He said the Norfolk center would employ 12 workers, about the same number currently working in the plant.

Creighton said he is impressed with the Michelin retread process, both for its manufacturing efficiency

and the quality of its product.

Making the change involved gutting the old plant and completely changing its manufacturing process, culminating in the plant's re-opening June 1.

The installation took two weeks, completely re-making factory. 10 Michelin technicians, six trainers, two proj-

ect managers and five marketing executives worked on the change over.

Colony Tire employs 500 people in 43 stores located in northeastern North Carolina and southeastern Virginia, including the cities of Norfolk, Chesapeake, Suffolk and Newport News. A retail store is also located in Edenton.

Proposed town budget calls for no increases

By Rebecca Bunch
Staff Writer

Edenton's town council will consider its proposed 2009-2010 budget at a public hearing June 9.

The budget calls for no tax increase and keeps the current property tax rate of 29 cents per \$100 for property taxes, Town Manager Anne-Marie Knighton said.

"If the budget is approved this will be the third year in a row that the Town has held the line on the tax rate," Knighton said in her budget message.

"The budget (also) includes no fee increases in any of the funds," she added.

Knighton said she asked the town's department heads to submit their budget requests based on keeping core services intact and avoiding any undue hardship on citizens because of the recession.

"Given the difficult and uncertain economic times facing us, we are deeply cognizant of the personal financial pressures that our taxpayers are likely facing," she said. "So, we worked to formulate a budget that is in essence



Knighton

a (continuation) of our current operating budget."

Knighton acknowledged she used a "very conservative" approach in preparing her budget last year, and based her projections on revenues the town received during FY 2005/06. She said she used the same formula in preparing this budget.

Knighton said she projected sales tax revenue for the budget based on a 10 percent decrease over the previous year.

The proposed budget also projects a 20 percent decline in land transfer taxes, an 8 percent decline in privilege licenses, and no growth in the tax base.

Knighton said projecting land transfer tax revenues was particularly difficult in light of the recession.

She said she reviewed receipts from the last 10 years before coming up with a recommendation.

Knighton's new general fund budget is actually 3.5 percent less than last year's figure, cutting \$151,000.

It also reflects no new spending initiatives, something she said is unusual for the town. The proposed budget also defers cost of living increases for employees.

The budget hearing will be held in the town's council chambers on Tuesday, June 9 at 6 p.m.

EMS office slated for elimination under new budget

By Vernon Fueston
Staff Writer

After considering a proposal to eliminate the county's Office of Public Safety, saving \$95,000, commissioners restored \$30,000 the department's budget allowing a director to remain at a reduced salary.

Having someone in the county responsible for those functions is a prerequisite for receiving federal and state emergency assistance in the event of a disaster.

The commissioners said they hoped a state grant would be forthcoming for an additional \$15,000 to boost the director's salary and expense allowance.

That department, headed by EM director Doug Belch, is responsible for coordinating the response to a county emergency by its own fire,



Belch

police and rescue services as well as state and federal agencies.

Also on the list of Belch's responsibilities is the care and upkeep of Chowan's Emergency Operations Center.

Housed on the second story of the county's public safety center is a complex of offices, conference rooms, sleeping quarters and even kitchen facilities for county officials who might have to stay at the center during a disaster.

The center comes with

state-of-the-art communications equipment and plasma television screens to keep officials in touch with their state and federal counterparts.

The department is also responsible for planning the county's response to hurricanes and any other natural or other disasters.

As a temporary measure, Belch also serves as head of the county EMS service following the resignation of its

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DSS adjusts to budget

By Vernon Fueston
Staff Writer

Ben Rose is a man with a problem. It wasn't long ago that Chowan County's social services department was accepting a little over 50 applications for food stamps each month.

Now his department processes over 100. He said that's to be expected during a deep recession like the one we're experiencing, but that same recession is forcing him to cut back on expenses.

Rose, whose resignation as director was announced June 1, said

he's had a good relationship with the county's commissioners from the beginning of the budget process.

Rose will be taking a position as DSS director in Cabarrus County and will work through June 17. Malanie Corprew will handle his duties for the next six months while the county searches for a new director.

With the second largest budget of all the county's departments, he said he's tried to be proactive in helping the county through the crisis, trimming his original \$3.8 million budget request down to all little over \$2.3 million.

Commissioners passed a budget for that amount June 1.

The commissioners must still vote on the cuts proposed so far.

Rose said reaching that number was a challenge because his department works under restrictions that others don't have.

"Our services are mandated. That's the challenge," Rose said. "If we cut a staff person, we don't cut the services that person was doing. If we cut a food stamp worker, his services just go to another worker."

Without the ability to cut back on programs, Rose said he only has just three places to look for savings - payroll, operations and foster care.

In the area of foster care, Rose said the cuts made so far are to the allowance he budgets for taking care of children, not in the numbers of children the county will care for. He said that one way or another, any child in need will be provided foster care.

As he explains, Rose sits in his darkened second floor office, a tiny fan blowing at maximum speed on his desk. Like all county offices, his department is operating with out cooling until June 30 and is attempting to save electricity wherever possible.

Rose said his department has frozen one unfilled position for a Medicaid worker, forbidden any capital purchases for things like computers and copiers, and cut back on any other operational expenses it can, like staff travel.

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