



Schools blindsides county for \$458K

Cuts made to get \$1.9 million

By **RITCHIE E. STARNES**
Editor

On Monday the Edenton-Chowan Board of Education blindsided the Board of Commissioners with a state ultimatum - pay or the schools lose nearly \$1.9 million.

During a joint meeting, school leaders explained

to the commissioners that because of Chowan's fiscal hardship in recent years, the county and school system had unknowingly become out of compliance for receipt of Low Wealth Supplemental Funding and Small County Supplemental Funding. If the county fails to compensate the amount in arrears as well as pay next year's allocation, or a total of \$458,000, the school system would lose funding.

News and the timing of the state Department of Public Instruction's finding stunned county officials. Although DPI typically provides data earlier in the year, school officials explained that DPI was late with its



Goodwin



Smith

data because of the state's budget wrangling. DPI's letter to the schools was dated June 3. There was no explanation, however, as to why the previous years' data had not been made public sooner. "It's troubling to me that

I've never seen anything from DPI before and when we're talking about a violation," said Eddy Goodwin, commission chairman. The county's current expense appropriation per student must be at least 95 percent of the average of the local current expense appropriations per student for the three prior fiscal years, Superintendent Allan Smith explained. Based on the state formula, Chowan County's ap-

propriation per student for the June 30, 2009 needed to be \$1,423.18. Chowan's pre pupil appropriation fell short by \$3.14.

DPI concludes that, because of the shortfall, the supplement has in effect been supplanting, a violation, the county's required appropriation to qualify for the funding.

DPI requires the county to pay the fiscal deficiency

See **SCHOOLS, 2A**

Budget calls for no tax hike

Revenue remains down

By **REBECCA BUNCH**
Staff Writer

Edenton taxpayers will not endure a property tax hike, if the proposed 2011-12 budget is approved.

In addition to a proposed budget that contains no property tax increase for the next fiscal year, the budget calls for no fee increases in the town's water, sewer and electric rates.

Under the proposed \$4.5 million budget the property tax rate would remain at 29 cents per \$100 valuation. Town Manager Anne-Marie Knighton noted that if the "extremely conservative" budget is approved it would mark the fifth consecutive year the town has not raised property taxes.

A public hearing on the town's proposed budget is scheduled for 6 p.m. Tuesday in the Town Council's chambers.

Finance committee chairman Sambo Dixon said that in preparing the budget town officials were mindful of the financial difficulties many in the community were facing, and had tried to hold the line on increasing the cost of services.

"The people of Edenton are suffering from the current economic downturn and I feel that it is important that we do not further burden our citizens," Dixon said.

Mayor Roland Vaughan echoed that sentiment.

Vaughan said the town was doing everything possible to avoid having to institute a tax hike at a time when residents are struggling and the town's revenue stream had been weakened by the poor economy.

"Hopefully that (less revenue) will change in the future, but right now things are very tight," Vaughan said. "We will continue to do the best we can to ease the burden on our citizens"

See **BUDGET, 3A**

A VISIT FROM BUTTERFIELD



U.S. Rep. G.K. Butterfield, D-N.C., talks with Keith Stevens, left, operations manager, and Rebecca Wooley, lamination manager, during a tour of Regulator Marine in Edenton on Tuesday morning.

STAFF PHOTOS BY REBECCA BUNCH

Congressman tours local businesses

By **REBECCA BUNCH**
Staff Writer

Congressman G.K. Butterfield, D-NC, urged workers at Regulator Marine on Tuesday to pay close attention to proposed federal budget changes.

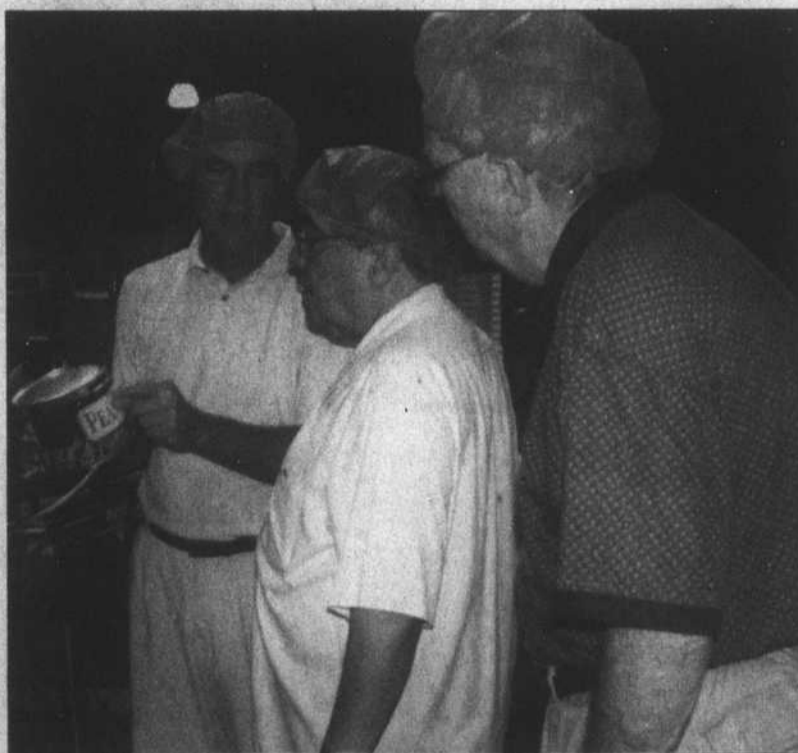
During a visit to an Edenton boat manufacturer Butterfield told company officials and employees as well as local officials that the country's soaring debt could result in changes to current services such as Medicare and Medicaid that would impact them and their families.

"The government is not able to continue funding (services) as it has in the past," Butterfield said. "We just cannot do it."

While the economy has begun to recover, Butterfield said, it still has a long way to go.

"It's going to be a difficult road that we will have to travel," he added. "But we have to set priorities, we have to help each other."

See **BUTTERFIELD, 3A**



Hal Burns of Jimbo's Jumbo's talks about peanut manufacturing with Congressman Butterfield as County Commissioner John Mitchener listen.

CPO hired at B&G Club

By **REBECCA BUNCH**
Staff Writer

Stephanie A. McLean is the new chief professional officer (CPO) of the Boys & Girls Club in Edenton.

McLean, of Durham, began her new position May 31.

McLean said she was no stranger to the local club.

"I was here (in Edenton) about two and a half years ago when they'd just moved into the building," McLean said. She has been a board member of the Goodwill Community Foundation in Durham since 2006 and McLean said it was in that capacity that she first met Jerome Levisy, who was then CPO of the Edenton club, and made the visit here.

Since accepting the job in Edenton, McLean said, she has reached out to Levisy and he has responded with good advice and encouragement.

Levisy said Thursday that he didn't hesitate to endorse McLean for the job in Edenton when he found out she was interested.

Levisy praised her enthusiasm and people skills, and predicted she would do well with the Edenton club.

"Stephanie is the consummate professional," Levisy said. "I'm looking forward to hearing great things about her work in Edenton."

Scotty Harrell, board chairman of the Edenton Boys & Girls Club, said he was impressed with the solid organizational and communications skills

See **CPO, 2A**

Four-laning rural road money is at stake

Counties protest proposed changes

By **CINDY BEAMON**
Staff Writer

A move to cut state funds for rural roads may fall victim to the General Assembly's efforts this week to move toward ad-

jourment. Even so, local officials fear the effort could rear its head again later.

House Bill 635 would cut funds aimed at four-laning a network of intrastate roadways, including U.S. Highways 64, 158 and 17 in northeastern North Carolina. Most of the roads are four-laned, except in rural

areas where the widening remains unfinished. If the bill passes, the funds for completing the intrastate system would shift mostly to urban areas.

Camden commissioners joined other officials in the region in passing a resolution protesting the change in the state's "equity formula."

"Eastern North Carolina lags behind in transportation resources and continues to have significant unmet transportation needs," the resolution reads.

The 14-county Division 1 stands to lose 51 percent of its intrastate road funds over the next seven years if the formula is changed,

said Jerry Jennings, division engineer for the N.C. Department of Transportation.

In contrast, funds for the five-county Division 10, which includes Mecklenburg, would increase 31 percent over the next seven years.

See **ROAD, 2A**



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For more information, contact CAC at 252.482.8005 or a Board Member. Cash, Check or Credit Card accepted at CAC.