

## Failure To Abide By State Law Cited For Possible Cut-Off

# Buying Practices Threaten Revenue Sharing

By HOWARD JONES

Failure of at least three town officials to comply with a seldom-enforced state law which prohibits elected officials from making transactions with the town for their own profit could result in a complete cut-off of federal revenue sharing funds for the Town of Warrenton.

A spokesman in the office of William H. Sager, chief counsel of the Office of Revenue Sharing in Washington, D. C., confirmed this week that the U. S. Secretary of the Treasury may withhold future revenue sharing checks because of repeated violations of state law by local officials.

Apparent disregard of N. C. General Statute 14-234 (which states that any elected commissioner making transactions to his profit is guilty of a misdemeanor) could result in the loss of almost \$40,000 in revenue sharing funds expected by Warrenton this year. Its impact could have far ranging implications for small municipalities across the state in which the applicable state law traditionally goes unenforced.

Warrenton has budgeted \$39,826 in revenue sharing funds for use during the 1977-78 fiscal year. Without these funds, services would have to be drastically cut. Had the federal funds been stopped before adoption of the current fiscal year's budget, taxes would have had to be increased by one-third to meet anticipated expenditures.

The U. S. Code provides that any unit of state or local government qualifying for revenue sharing funds "will provide for the expenditure of amounts received... only in accordance with the laws and procedures applicable to the expenditure of its own revenue."

A commitment to upholding state and local law—as well as federal regulations—by withholding federal funds in instances of misuse appears obvious among top-echelon Revenue Sharing officials. Writing in the Federal Register of July 5, 1977, Bernadine Denning, director of the Office of Revenue Sharing, contends that "the applicability of state or local law is one of the most important principles of the General Revenue Sharing Program."

At present, the conflict of interest question raised by town officials dealing with themselves has generated a storm of controversy in the Johnston County community of Clayton. An SBI probe was recently concluded in Hillsborough after charges were raised that a former member of the Orange County Board of Education, now a teacher in the county system, had profited from transactions contrary to a companion North Carolina statute.

Since 1972, when Congress passed the Local Fiscal Assistance Act which provided the landmark legislation in the field of revenue sharing, there has been no public charge that revenue funds were being used here in violation of state law, but a search through receipts of the

Town of Warrenton's paid bills has revealed gross violations of the state law upon which future revenue funding could hinge.

During the past fiscal year, businesses operated by three elected officials—received Town of Warrenton checks totalling more than \$3,000. Payments came from three bank accounts maintained by the town, including one reserved expressly for revenue sharing funds.

During the 1976-77 fiscal year which ended June 30, a total of 53 town checks were written to firms fully or partially owned by three Warrenton officials. The 53 checks came from all three bank accounts. Receiving town checks for goods or services provided the town during the past fiscal year were W. A. Miles Hardware Co., of which Mayor W. A. Miles is a part owner; Norfleet's Saws and Mowers, owned by Commissioner Norfleet Cliborne; and M. Gordon Halthcock, painting contractor.

Commissioner Halthcock received checks totalling \$1,095, all from the revenue sharing account, for his part in renovating the Town Hall.

Mayor Miles' firm received \$1,422.64. Commissioner Cliborne's business was paid \$530.44.

A check of audit reports submitted by the Henderson firm of W. H. Phillips for each year since 1972 revealed that Warrenton has received \$130,264 in federal revenue sharing funds since the program to return tax money to local communities has been in effect. There was no warning in the audit report that a considerable number of purchases appeared to be in violation of the General Statute. Neither is there any record that town officials have been specifically told that the apparent conflict of interest could have far-reaching effects on future receipts of federal funds.

Federal law governing the use of revenue sharing funds makes it clear that the Secretary of the Treasury can give "reasonable notice for a hearing to the chief executive officer of the unit of local government" and that the Secretary may further notify the unit of local government "that if it fails to take corrective action within 60 days from the date of receipt of such notification, further payments to it will be withheld for the remainder of the entitlement period and for any subsequent entitlement period until such time as the Secretary is satisfied that appropriate corrective action has been taken and that there will no longer be any failure to comply."

The U. S. Code provides that until the Secretary of the Treasury is satisfied of compliance, he "shall make no further payments of such amounts."

# Developers Plan Use For \$388,000 Grant

Soul City developers, boosted by a \$388,000 federal grant for water and sewer line construction, cleared their last hurdle Thursday night before beginning construction of a new 91-lot subdivision, the second planned in the new Warren County community.

Members of the Warren County Planning Board, meeting in regular monthly session here Thursday night, gave their approval to a final plat of the proposed Pleasant Hills Subdivision. The subdivision will be located across State Road

110 from the existing Green-Duke Subdivision, where 17 houses have been completed or are under construction.

Lew Myers of the Soul City Sanitary District said Wednesday that work on the new project may begin in October. The new subdivision is "about a five-minute walk" from the Magnolia-Ernest Recreation Complex.

Myers said the grant which will allow water and sewer line implementation came from the Department of Housing and Urban

Development under its Title I program. Notification of the grant award was received last month.

The new subdivision covers 71.52 acres, with the average lot size being 14,255 square feet. More than 33 acres are incorporated in the planning design as open space.

Thursday night's meeting was the third time that developers had met with planning board officials in the steps needed to secure final approval of the subdivision, Planning Board Secretary Butch Meek said. The developers were represented at the final meeting by Floyd McKissick, Jr., son of the founder of the new town which has received strong financial backing from HUD officials.

In other action Thursday night, members of the planning board approved of property partitioning along Lake Gaston requested by Attorney Jules Banzet on behalf of unnamed county property owners.

The board also refused to grant a variance in regulation which would have allowed Luther F. King of Petersburg, Va., to continue using a common septic tank for a mobile home and cottage on his Lake Gaston property.

## Leaf Mart Opens On Poor Note

Light sales, poor quality leaf and low prices marked the opening of the Warrenton Tobacco Market with first sale at Centre Warehouse at 9 o'clock Wednesday morning.

Sales were estimated for the market to be from 150,000 to 170,000 pounds, which is slightly more than half of the daily pounds allotted to the market. Prices were estimated at between 75c and 80c.

Both quality and quantity on all five warehouse floors reflected the result of extremely hot and dry weather. Much of the tobacco was also lower leaves. Prices ranged from 40c to \$1.25, with most of the grades bringing only the support prices. The exception was some early tobacco that had been irrigated. This type tobacco brought from 95c up with a number of piles reaching from \$1.18 to \$1.23-24.

Sales at Centre, Thompson, Farmers, Currins and High Dollar followed the pattern of low quality leaf, reflected in low prices, and light sales. The Warrenton and Louisville Tobacco Markets will share buyers this year with sales being held on alternate days. There will be no further sales here this week, but on Monday and Wednesday of next week the Warrenton Market will be open.

## Warren Will Get Another Trooper, Patrol Reveals

Warren County will get a new highway patrolman by August 17, it was reported this week by patrol headquarters in Raleigh. The new man will give Warren County five resident highway patrolmen.

Cecil Eugene Lockley will graduate from the basic training school of the Highway Patrol on August 12 and report for duty in the county on August 17, according to headquarters.

A native of Fuquay-

Varina, Lockley is a graduate of Fuquay-Varina Consolidated High School and attended North Carolina Central University in Durham for two years.

He is married to the former Carolyn Denise Richardson. They have a 16-month old daughter.

Lockley will spend a minimum of six weeks with a Warren County trooper for on-the-road training following his assignment to the county.

# Registrars, Judges Selected By County Board Of Elections

The Warren County Board of Elections announced this week the names of newly appointed registrars and judges for upcoming elections. They include:

River—Doris N. Dillard, registrar; Donna Bradley and Venetta Grant, judges. Sixpound—Carolyn Adcock, registrar; Ruth Warwick and Nina Goode, judges. Hawthorne—Albert Perkinson, registrar; Vernell Seward and Brenda Keeter, judges. Smith Creek—Wilhemina Smithwick, registrar; Edith Rooker and Doris Mulchi, judges. Nut-bush—Lillie Fleming, registrar; Leonard Bender and Charmain McKissick, judges. Sandy Creek—Linwood Ayscue, registrar; Mary E. Aycoc and Alma Short, judges. Shocco—Anna Fuller, registrar; Sandra Wilson and Florence Somerville, judges. Fishing Creek—

Hazel Harris, registrar; Kathy Wilson and Frank Alston, judges.

Also, Judkins—J. M. Overby, registrar; Elinora L. Somerville and Julia Fitz, judges. West Warrenton—Ernest Brauer, registrar; Mattie E. Boyd and Oleathia D. Hayes, judges. Fork—A. D. Pridgen, registrar; Irene T. Alston and Emily Williams, judges. Roanoke—Elizabeth Jones, registrar; B. D. Paulin and Catherine Davis, judges. Norlina—K. C. Severance, registrar; Magnolia Alston and Deloris Fleming, judges; East Warrenton—Niles Serls, registrar; Dorothy Fowler and Edith Brown, judges.

Appointed as assistants were Bertha Walker and Joe Brown for River; Charles Swenson and Michelle Towns for Sixpound; Wanda

S. Alston and Gillis Hicks, Hawthorne; Joyce Burton and Doris Russell, Smith Creek; Geraldine T. Curtis and Geraldine Thompson, Nut-bush; Linda D. Williams and Joyce Shearin for Sandy Creek; Dorothy Campbell and David W. Wilson for Shocco; Blanche Pullen and Bruce Richardson, Fishing Creek.

Also, James T. Clark and Rhoda Russell, Judkins; Michael Roope and Carl Bullock, West Warrenton; Margaret Rooker and Lucy W. Perry, Fork; Ulysses S. Ross and Irene Stark, Roanoke; Martha B. Overby and Eva B. Ayscue, Norlina; and Margaret Cheek and Mary Guy Harris, East Warrenton.

The registrars and judges are appointed for two years. They will be sworn in on August 22.

# Norlina Favored As Site Of Public Housing Complex

A proponent of public housing, who has been in the county for several days, favors Norlina as the site of a 30-apartment complex, Mayor Bill Perry told the Norlina Board of Commissioners on Monday night.

Mayor Perry said that James Dempsey of Wilson had been in the county for several days, accompanied by Industrial Director Charles Hayes, looking for a site for a public housing structure, and had decided on a site of nearly four acres on the edge of Norlina. He said that Mr. Dempsey, who told him that he wanted to build 30 two room apartments, wants to appear before the

board to discuss the location and other matters with the board.

But first, Mayor Perry said, Dempsey wants a letter from the Norlina commissioners stating that Norlina has a housing shortage. The commissioners agreed that there is a shortage, and instructed the Mayor to write to Mr. Dempsey, Bernstein-Dempsey Company, 2103 North Nash Road, Wilson, N. C., informing him of the housing need at Norlina and inviting him to appear before the Norlina board to pursue the matter further.

Another sign of Norlina growth was in evidence

Monday night as the Town Clerk informed the commissioners that John and James Pace, father and son, who were planning to open a pizza parlor in the old Hunt Restaurant building, wanted to obtain a beer license. She said that she informed the proprietors that they would first have to obtain a state and county license before they could obtain a town license.

Mayor Perry said that it was his understanding that the new beer parlor would only serve beer with meals, and that part of the building be used for a repair shop.

Gene Swearingen of Raleigh, whose company is headquartered in Durham, appeared before the commissioners at the outset of the meeting with projector to explain his project to the commissioners. It would appear that Swearingen's company, Management Improvement Corp. of America, (MICA) had assembled a number of experts in a number of fields, which enabled MICA to solve many of the problems of small towns who do not have expertise in so many fields.

Swearingen submitted to the Norlina board two plans, both on a money back guarantee. Plan A would be that Norlina would pay MICA \$13,000, which would be placed under bond; if MICA's services at the end of the year had not been worth \$13,000 to the town, the money would be returned. Plan B was for the signing of a contract for the payment of \$15,000 at the end of the year, with the same guarantee as under Plan A. Further earnings or savings would accrue to the town. (Continued on page 6)



HALLELUJAH—Umbrellas and raincoats were brought out of mothballs this week as Mother Nature cooperated to break a long drought which had seriously damaged farm crops and vegetable gardens. Monday's rainfall was followed by showers on Wednesday. Farm agents said the combined precipitation was worth several million dollars to tobacco and soybean growers.

# Rainfall In Warren Said Worth Millions

Rains of Monday and Tuesday were described by L. B. Hardage yesterday as two to three million dollar rains. Already, he said tobacco is showing the effect. Monday's rain was light in some sections of the county, but was heavy in the northern and eastern part of the county, with an inch being reported at

Norlina, and up to an inch and a half near Lake Gaston. The rains of Tuesday night and Wednesday morning were both widespread and heavy.

Hardage said that the rains came too late to save late corn, but would be beneficial to early corn and should result in Warren County making a 50% corn crop. It will be of great help to soybean growers and could mean the difference between success and failure.

Hardage said he was afraid that the pastures are about gone. They were not in too good shape to start with, he said, as low prices for cattle caused farmers to fail to fertilize pastures properly.

Heavy winds associated with Monday's rain storm caused a tree to fall on a house trailer on Route 1, Manson. The trailer was owned by George Burton. Mrs. Burton and the three children were not at home at the time of the storm which hit at about 4 p. m.

Clarence Skillman, weatherman for Warren County, reported on Monday that normal rainfall for the county during July is about six or seven inches. Rainfall measured at 8 a. m. during the entire month of July showed only .88 inches. The largest amount fell on July 2 when .65 was measured. The remaining .23 inch was scattered throughout the month.

Extremely high temperatures and the lack of rain have resulted in crop failure throughout the county, which has been deemed a disaster. Skillman reported that seven days during the month the temperatures were over 100 degrees.

He said the temperatures ranged upward steadily beginning July 6 with 100; 7, 101; 8, 102 and 9, 101. The county had a ten-day break in these high temperatures but the mercury hit the 100 degree mark again on July 19 with 101 reported on the 20th and 21st.

The lowest temperature was 81 degrees on July 24 and 25, Skillman said. He also reported 54 degrees as the coolest morning temperature and that was on July 28.

Luckily, the Warrenton Water Department has not indicated a need for more water as surrounding towns.



FINISHING TOUCHES—Bobby O. Burnette, Henderson sign painter, completes the lettering on a new sign gracing the recently remodelled Warrenton Town Hall. As the sign was completed last week, town employees began painting over an old Boyd-Boyce Motor Co. sign on the wall of a downtown store, and firemen oversaw the burning of the remains of the old Baptist Church on South Main Street Tuesday night in other beautification efforts. The church foundation will be levelled by bulldozer enabling workers to keep the area clear of undergrowth. (Staff Photo)