

County Commissioners

Borrowing Ceases

Record high interest rates on

business loans and conventional home mortgages are putting a tight

squeeze on borrowers in Hoke County, as elsewhere in the

country. "Our loan business has pretty

much dried up," said Gene Carter, Bank of Raeford president, Friday. "Businesses have cut back, the

farmers, it has really slowed

banks charge their most credit -worthy corporate borrowers, hit a whopping 20 percent last week at one New York bank.

Businesses, who routinely borrow

Businesses, who routinely borrow short - term money in order to maintain a "cash flow", generally pay 2 percentage points above the prevailing prime rate. Most consumer installment loans, with a much smaller maximum interest ceiling set by

state usary laws, are also on the

decline, as they are now becoming

unprofitable for a bank. For example, Carter pointed out that the "overdraft" checking

option, in which a customer may write himself an instant loan

according to a pre - arranged credit

line, is subject to a maximum 15

"If a good customer asks for it, we'll try and take care of him. But we are not pushing it," he said. Until last week, when the

Federal Reserve Board lifted

certain banking controls, a state -chartered bank, such as The Bank

of Raeford, was restricted to charging 12 percent on certain

percent interest rate.

The prime rate, the interest large

down.

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S8 PER YEAR

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25°

Around Town BY SAM C. MORRIS

The weather was a little windy over the weekend but it was dry and everyone could get outside that wanted to do so. Saturday the wind ************ was cold for the first part of the day, but was pleasant in the afternoon.

It was raining when I came to work Tuesday morning and the forecast is for rain through Thurs-day. The temperature will be in the 60s and 70s and this should not be too bad.

The weekend forecast is for great weather.

. . .

Easter was a lovely day and most Churches had the usual Easter congregations, but it didn't seem to me that the crowds were as large as in previous years. I didn't notice as many corsages and Easter bonnets

as in past years. Maybe the price of gasoline kept many people from visiting this Easter season. I was told that the beaches had people down but "no vacancy" signs were not displayed as in previous years.

So maybe the gasoline prices will make us again a stay-at-home family group.

. . . Bill Lindau called Tuesday and stated that he would be back to work Wednesday, April 9, but would have to take it easy for a few

We appreciate the help of Joe Holt and Marty Morrison during his illness. I know, that the readers will miss them, but will also be glad to welcome Bill back.

. . . The Easter promotion put on by the Raeford Merchants Association was a success from all reports. It was good to hear one of them say that full cooperation was given by all merchants. This is what it takes

for a strong merchants association. Maybe this promotion will lead to others that will bring more and more people into the shopping areas.

The gas situation will give the local merchants a good chance to keep the customers at home and the way to do it is to let them know what you have to sell and give them service along with it.

. . .

Times have certainly changed in the past 50 years. I am not just talking about scientific and other technical things but also the thinking of most people. The thing that brings this to my mind is the baseball strike.

When I was a youngster most people would have played for nothing just to put on a big league uniform. Many folks here in Raeford played minor league ball all summer just for the fun of it.

It is hard for me to get through my head that the "boss isn't the boss." In these days and times management doesn't have much so in how their business or ball club will be run. Maybe Gene Autry, former cowboy star and now major league team owner, is right when he said "let's not open the play this year." Now some of the million dollar boys might not miss the money, but the little boys would and so would some of the big money agents. I will be glad to see sports get

installment loans. Its competitor, The Southern National Bank, was allowed to charge 15 percent, Carter said.

Still, as long as the yield on "money market" certificates of deposit is hovering at 14 or 15 percent, bankers feel they are in a bind.

Carter predicted that the General Assembly will consider amend-ing the state usary law this year to make consumer loans more costly.

"How much, I just don't know. I see a lot of confusion ahead and nobody really knows what will happen before things get better." he said.

Carter had just returned from Raleigh where he met with several hundred bankers at a N.C. Bankers Association seminar.

At Raeford's SNB, a lending official said bank spokesman Gene Miller was out of town Friday and unavailable for comment. At Raeford Savings and Loan

Association, the focus of attention Friday was on the announcement by the Federal Home Loan Bank that the nation's S&L lenders can begin offering Renegotiable Rate Mortgage

Franklin Teal, general manager of the Raeford S&L, predicted that the RRM concept will revolutionize the home mortgage industry.

"I feel certain we'll get into it as quickly as we can. Probably 100 percent of our business will be the renegotiable rate," he said. The RRM, or "rollover" as it is

also called, is opposite the con-ventional type mortgage offered

today which has a "locked in" interest rate for the entire 25 or 30 vear term. The RRM would be like a

County Interest Rates Still Rising

HUD Rejects Housing Grant

contract to be reviewed, every three years or five years, and the interest rate would be adjusted according to the costs of borrowed money.

However, since the federal approval was made only last week. final regulations on how the pro-gram is to be implemented, and the maximum "up" and "down" range, have not been written. Teal caid Racherd Ski has an

Teal said Raeford S&L has got available funds for mortgages but not many "takers" because of the

high interest rate. On a \$40,000 mortgage for 25 years, an interest rate of 17 and ½ percent means a monthly payment of \$591, not including tax and insurance. To qualify for that, a borrower has got to have an annual income in the range of \$34,000, Teal pointed out.

For Hoke County **Food Stamp Cutback** Would Be 'Disastrous'

The threatened cutbacks in the food stamp program would have a "disastrous" effect on Hoke County households, officials here said Friday.

"It would be a nightmare in a small county like Hoke." said Ken The RRM should be attractive for both the lender and borrower. Lenders will have more incentive to make loans, knowing they will have some insurance to keep from losing money over the long run. Theoret-ically, borrowers will be en-couraged, too, as they will not be locked into a high repayment

should interest rates decline. Also on the horizon, although more distantly, are checking accounts and other services such as car loans at the savings and loan. Congressional action has mandated a six - year schedule of decontrols to put savings and loan associations on equal footing with full - service banks.

Teal said that as of Jan. 1, 1981. savings and loan associations may offer interest - bearing checking accounts for customers. He pre-dicted that three - fourths of the S&Ls in North Carolina would participate.

Witherspoon, director of the de-

partment of social services. Witherspoon, along with DSS directors across the state, was

to be prepared to implement immediate cutbacks if Congress does not approve additional fund-

A reduction, or even termina-tion, is possible if a limit on food

stamp spending for 1980 is not lifted and additional appropri-ations provided by the May dead-

officials have said the \$6.1 billion budgeted for the current fiscal year

is expected to be exhausted by June, while the fiscal year does not

Witherspoon said a county like Hoke, with a participation rate of

over 95 percent, would be especially hard hit. Participation rate is determined by the number of

persons who are deemed eligible and the actual number who are

Among the options, should Con-

gress fail to extend the funds, are

an across - the - board reduction in

allotments or a complete shutdown

mean to sound ness

for a period of weeks or months.

end until September.

receiving the aid.

lon't

U.S. Department of Agriculture

ing by May 15.

line.

County commissioners learned Tuesday that the U.S. Department of Housing and Urban Development has turned back the county's bid to continue community development. In a letter to John Balfour.

chairman of the board of commissioners, HUD officials in Greensboro said the county's application for federal funds in excess of \$400,000 did not rank highly enough among all projects considered.

officials here said they had not been optimistic, as HUD has rejected applications from the county for the past two years. Hoke County received funds totaling nearly \$700,000 for fiscal years 1976 and 1977 from the program, used mainly for rehabili-tation of substandard dwellings tation of substandard dwellings and sewer improvements.

James Martin, county manager, said the latest HUD denial will mean the "end" of the county's community development projects as funds are now nearly exhausted.

Martin said project coordinator William Altman's salary has been paid from the federal grants so that ob will have to be eliminated.

The community development block grants, established by Con-gress in 1972, are intended to assist minorities and low-income families

minorities and low-income families by channeling funds into dis-advantaged neighborhoods. The South Hoke Community Center was built with such funds. The county also used the funds extensively in poorer neighbor-hoods north of the city.

Secondary Roads On a brighter note, residents of the Davis Bridge area who came to a public hearing on the Departa public hearing on the Depart-ment of Transportation's plan for secondary roads improvement learned that paving of Myra Road is the first priority for funding. DOT planners told commis-sioners that approximately \$153, 000 will be available this year for improvement of county roads

improvement of county roads. Following the Myra Road pro-ject, widening of Turnpike Road from N.C. 211 to SR 1202 (distance 4.7 miles) is next on the list.

The rest of the funds are to go for non-road projects such as stabiliza-tion, school bus safety, erosion and

The actual allocation problems. The actual allocation to the county for fiscal 1980-81 is only \$42,980. However, \$102,000 in unallocated funds from last year and about \$18,000 in separate state bond money has swelled the amount available for work. amount available for work.

Commissioners unanimously approved adopting the DOT priority list.

Athletic Director

The board unanimously approved naming James A. Gay as athletic director for the Hoke County Parks and Recreation Department.

Salary was set at \$10,723 with the stipulation

In Merchants Association Drawing **Doug Monroe Wins Easter Basket**

The winner of the Giant Easter Basket drawing held here Sat-urday, April 5, was Douglas Monroe of Rt. 2, Raeford. Monroe's name was drawn from

container holding an estimated 3,500 to 4,000 names of registrants for the big giveaway. Items and opportunities valued at more than \$450 constituted the kittie, as pledged by the 29 members of the Raeford Merchants Association.

Mike Smith, association presi-dent and proprietor of Michael's Men's Shop, congratulated Monroe on his win and thanked the Association's members and the public for their cooperation and patronage.

"This is a fine community," Smith said, "the kind of place

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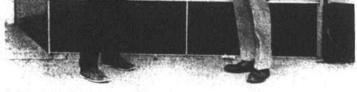


back to where someone who participates thinks it is fun.

dividuals meet and work well together, all as mutual participants in the total community

The Raeford Merchants Association is grateful to all its many customers and friends, and values their continuing friendship very highly.

About his win, Monroe said it (Saturday) "was just a fine day for



Michael Smith. left. president of the Raeford Merchants Association congratulates Douglas Monroe on winning the Easter Basket given away during their recent promotion.

mistic but I'm afraid it's leaning toward a complete cut - off," said Witherspoon. "If it was going to be a reduction, they would have had to start phasing down way before

"When you try and put "caps" on entitlement programs, you get in trouble. You can't figure an exact budget for a program when you

(See FOOD STAMPS, Page 11)

receive a cost-of-living increase with other county employees in July, Martin said.

Gay, 36. is currently employed at Sandhills Youth Center. He will assume the new post April 14.

Other Action

In other matters Tuesday, the board voted to increase the county's contribution for employee's Blue

(See HUD REJECTS, page 11)

The publisher said that the price of gas in Mexico was 47 cents per gallon and not 43 cents as stated in this column last week. He also stated that I didn't mention the \$1.80 per gallon gas that he bought in other places.

Anyway it is good to have the Dicksons back in town and after the beach trip last weekend he looks rested. Now if he will just ick around, he won't get tired as quickly.

. . .

Frank Teal, manager of the Raeford Savings and Loan, was upset last Saturday when I went by his office to see if he wanted to play golf

It seems that the annual association's Easter egg hunt was running behind schedule because the pair See AROUND TOWN, Page 11)

School Board Ups Budget For 1980-81

The Hoke County Board of Education last week approved the budget for the 1980 - 81 school year as proposed and presented by Superintendent G. Raz Autry.

The budget totals \$885,521, but since Autry estimates he will have a cash balance of \$35,000 at the end of the current term, and that fines and forfeitures will be around \$95,000, the amount to be requested of the county commis-sioners is \$755,521.

This figure represents an in-crease of \$91,000 over the 1979 - 80 budget.

Autry emphasized to the board that in the past there has normally been \$45,000 to \$50,000 in federal "impact" money available to the Hoke system, but that since the Carter Administration has "cut Carter Administration has "cut that out," the board must now look to the county to make up the difference.

Approves Teachers, Employees, Schedule

(The impact money has been being used to pay annual teacher supplements, for one thing.) The budget will be presented to

the county commissioners at their next meeting, Tuesday, April 8.

In personnel actions, the board approved tenure status for the following persons for the new term: Linwood Huffman, Faye Davis, Phyllis Fahrenbruck, Naomi John-

son, Helen E. Smith, Kimberly Williamson, Beverly Bowden, Susan Blackman, Nancy Martin, Jane H. Johnson, Malinda Leggett. Patricia Livingston, Faye Best, Pamela P. Wright, Pam Ward, Diane Monroe, Mary A. Teal, Gwendolyn Reeves, Judy Taylor, Gail Conoly, Leo Salzer, Stephen Chason, Cynthia McNeill, Joyce Edwards, and Brenda Edwards.

Employees added and/or ap-proved were Willie Ray as janitor at J.W. Turlington: Gwendolyn Mc-Intyre and Ardella Smith as aides in the exceptional children program at Upchurch; Brenda A. McPhatter as an aide in the

vocationally disadvantaged pro-gram at Hoke High; and Rebecca Tillman as secretary - bookkeeper at Hoke High.

Also discussed and approved at the board meeting was the following school schedule for the 1980-81 year:

Aug. 20 - First (county-wide) teachers' meeting, Aug. 21, 22, 25 -Staff development, Aug. 26, 27, 28, School, Sept. 1 - Labor Day - No school, Sept. 1 - Labor Day - No school, Sept. 2 - First day of school, Sept. 30 - NCAE meeting - No school, Nov. 11 - Parent - teacher conferences (10 a.m. - 5 p.m.), Nov. 27 - 28 - Thanksgiving, Dec. 22 - Jan. 2 - Christmas holdaw and 22 - Jan. 2 - Christmas holidays and

winter vacation, Feb. 2 - Parent -teacher conferences (10 a.m. - 5 m.), April 20 - 24 - Vacation and Holiday, June 10 - Last day of school (for students), June 11 - 12 -Extra days of employment, June 15, 16, 17 (1/2) - Vacation, June 18 -Holiday in lieu of Veterans Day, June 19 - Holiday in lieu of Memorial day.

In a final action, the board ruled into effect Autry's recommendation that make - up days in 1980 - 81 will be on Saturdays immediately following any days missed because of inclement weather, and that if days cannot be made up in that manner then days will be taken off the Easter vacation.