

Bankruptcy Could Help Service To Pay Bills

By Sherry Matthews

The Hoke County Ambulance Service has filed a "reorganizational" bankruptcy that will apparently help cover some of their long-standing debts.

The bankruptcy was filed with the Eastern District Federal Bankruptcy Court August 3 under a Chapter 11 designation.

"They filed under the chapter 11 designation, which gives them time to re-organize their debts and hopefully get back on their feet," a bankruptcy clerk explained.

According to the clerk, the ambulance service will be able to retain control of their finances once their debts have been paid off or payments have been extended.

"We will help them to initiate a re-payment plan," the clerk said.

County Manager James Martin said that he expected the reorganization to begin within the next three or four months.

"It is possible that a re-payment plan will be filed with the bankruptcy court as soon as September or October," Martin said.

The county manager also indicated that ambulance service owner Jim Henley would continue to operate the business until his contract expires December 31.

Indications have been that Henley will "complete his contract," Martin said.

Martin also said that county residents needing ambulance service would not suffer due to the bankruptcy petition.

If he continues to provide the ambulance service, Henley will receive almost \$44,000 from the county during the next five months, Martin said.

"I don't think the service will suffer because of the bankruptcy," Martin added.

County Commission Chairman John Balfour also feels that residents will continue to get good service from Henley.

"I believe that Jim is totally dedicated to providing quality service to the people of this county, and I don't think that will change," Balfour said.

Balfour also indicated that he hoped Henley would be able to get his debts "under control."

"I think he intends to see his contract through, and I certainly hope he will be able to," Balfour added.

Henley, who was contacted by *The News-Journal* Friday, refused to comment.

"I can't say anything about this matter now," Henley said.

In June, Hoke County court records indicated that Henley, doing business for the ambulance service, owed more than \$4,700 to area businesses.

According to the records, these bills have been mounting since mid-March, over a month after the county commissioners approved an increase in the ambulance service subsidy.

"I personally do not feel that the board would have given him an increased subsidy if they had known he would file bankruptcy so soon," Balfour said.

According to Balfour, the board was aware that Henley was considering filing bankruptcy.

"We recently found out that he was considering filing bankruptcy, but we thought it would be

sometime in November before he actually followed through with his plans," Balfour said.

In February, the county commissioners bailed Henley out of his financial woes by approving a new contract that allocated a \$40,883 increase over last year's taxpayer subsidy and gave the ambulance service \$105,436 to cover their mounting expenses.

A month after the increased subsidy was approved, Henley informed the commissioners that he did not intend to renew his contract with the county once it expired December 31.

Since March, the ambulance service has accumulated at least seven judgements against them totaling \$4,751.36.

In an earlier interview Henley admitted that he was in a "financial bind."

"I am hoping that by the time our contract expires we will have paid off everyone we owe," Henley said during that interview.

Although Henley apparently "wants" to pay back his debts, at least one local businessman doesn't hold much faith in his word.

"He owes me \$1,000, and no effort has been made to pay back the debt," J.R. Kennedy, owner of The Decor Center, said.

Kennedy is one of the seven area merchants who have obtained judgements against Henley and the ambulance service.

"He bought floor covering from me in March 1982 and has only paid \$100 of the money he owes me," Kennedy said.

According to Kennedy, the ambulance service owner agreed to pay \$100 a month until the bill was "paid off."

"He made one payment, and that was it," Kennedy said.

Henley had apparently purchased floor covering from the Decor Center for use in the rented building that houses the ambulance service, Kennedy said.

Although Henley ordered the floor covering in March 1982, Kennedy waited nearly a year to take out a judgement against the ambulance service.

"I gave him every chance," Kennedy said.

"Henley told me in February that he was going to ask for an increase, and if he got it, he would be able to pay me," Kennedy said.

"He got his raise but I still got nothing," Kennedy added.

After giving Henley a "last chance" Kennedy filed a judgement against him.

Since that judgement has been filed, there has been no explanation, no contact and no payment," Kennedy said.

Kennedy also said that he and other local businesses had received letters from the bankruptcy court about Henley's petition.

The letter apparently indicated that Henley's debts would be paid.

"These letters always say that we will get our money back, but I will have to wait and see," Kennedy said.

With the petition for reorganizational bankruptcy filed and a plan for re-payment underway, the ambulance service will apparently be able to trim their debts.

"My hope is that he will get his bills paid and continue to run the ambulance service until his contract expires," Balfour said.



Breaking through

With the fire almost extinguished, North Raeford firemen attempt to axe their way inside this Lake Elizabeth trailer to recover any property that might have survived the raging inferno that left the dwelling engulfed with flames Friday morning. The dwelling was termed a total loss.

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... Man Jailed For Assault

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officers and "jerked away" when the two attempted to arrest him.

Raeford police officer Frances Patterson, who assisted in the fracas, was also assaulted by LeGrande, according to District Court records.

The incident was turned over to the State Bureau of Investigation (SBI), and a probe into the matter was conducted.

SBI agent in charge of the probe

Frank Johnson could not be reached for comment, but Raeford Police Chief Leonard Wiggins said he believe the investigation was concluded without any findings of wrong doing.

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