



Record Breaker

The fish held by biologist Brent Winner is small compared to the 9.23-pounder that won the Shallotte Point VFD Flounder Tournament. Story and photos, page 12-C.



Hello, World!

Other graduates last week shared the elation of North Brunswick's Travis Williams. Coverage of West and South Brunswick high school graduations is on pages 8-A and 8-B.

Beck's Last Game

South Brunswick senior catcher Wynn Beck signs a pro contract after Cougars win 2-A state championships Saturday, page 11-B.



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Bittersweet Moment

Diploma in hand, West Brunswick High School graduate Paula Miller pauses to accept delivery of a bouquet of long-stemmed red roses during last Thursday's commencement program. She was among 174 members of the Class of '88. The story and more photos are inside this issue.

Commissioners Send County Manager Back To Drawing Board On Budget

BY RAHN ADAMS

In the words of Commissioner Benny Ludlum, County Manager John T. Smith "has his work cut out for him," to come up with a 1988-89 budget that reflects no increase in Brunswick County's current 50½-cent property tax rate.

But that was the task presented to Smith last Thursday in Bolivia, following the commissioners' third work session in two weeks to address Smith's proposed \$31.8 million budget with its 16½-cent tax rate hike. The meeting also followed a June 7 budget hearing, during which citizens spoke out against the proposed tax increase.

All five commissioners were on hand for last Thursday's three-hour work session, which was a continuation of the board's regular June 6 meeting. During the work session, the board took no action after going behind closed doors for an hour to discuss a personnel matter. The executive session was requested by Smith.

Holding The Line

After struggling for at least 1½ hours with different ways of cutting the budget, Ludlum suggested that commissioners instruct Smith and Finance Director Lethia to simply "fix us a 50½-cent (tax rate) budget."

Commissioners Grace Beasley, Jim Poole and Chris Chappell concurred with Ludlum's proposal. Commissioner Frankie Rabon, who left the meeting early, was not present when that decision was made.

Earlier in the meeting, Smith asked the board for "unbendable direction" on how to cut the budget and

"We'll bite the bullet . . . if you agree that everyone is going to share part of the bullet."

—County Manager John Smith

keep the tax rate in check. He said the county could "bite the bullet . . . if you (commissioners) agree that everyone is going to share part of the bullet."

"Almost all departments are going to feel at least some of the cuts," Smith added. "If that's your feelings, we'll hold the line."

Smith told commissioners he would start with a model budget that reflects the "bare minimum," then add to it where he can without causing a tax increase. The revised proposed budget will be presented to the board at its June 20 meeting.

Biting The Bullet

After the work session, Smith told the Beacon that he didn't know how the budget cuts would effect a proposed anti-litter department and implementation of a 911 emergency telephone system. His original proposed budget included almost \$37,000 for a new Clean County Department and \$250,000 for 911.

He added that all of the 40 new positions requested by county department heads may not be granted. However, the new positions and services may be added in October when additional funds are available, after the county's annual audit is completed, he noted.

The county manager said he definitely plans to use \$3.1 million from the county's capital reserve

contingency fund for operational services.

The county's insurance package, which is being reviewed by Brunswick Insurance Services, is one likely source for budget cuts. According to Ms. Hahn, the county could save 20 percent of next year's group insurance premium by raising the deductible from \$100 to \$200 and requiring pre-admission certifications.

Also, Commissioner Poole estimated that a \$608,000 savings would result from the county contributing to only individual employees' insurance premiums, instead of parent-child and family premiums for county employees. Commissioners also discussed eliminating disability insurance, which would cut another \$60,000.

In revising his proposed budget, Smith also is looking at five-percent cuts made by department heads, as requested two weeks ago by Chairman Beasley. But with those reductions and the \$3.1 million transfer from the capital reserve fund, the county would still face a 4½-cent tax rate increase, Smith said.

Commissioners have until the end of the month to adopt the 1988-89 budget. Ms. Beasley said last Thursday that commissioners may not be able to approve the budget at their June 20 meeting as she indicated at last week's budget hearing.

Two taxpayers who attended last Thursday's work session—W.A. Boyd of Caswell Beach and Eileen Kellagher of Long Beach—requested that the board hold another public hearing before the budget is adopted. However, commissioners made no commitment to schedule the hearing.

Request Heard

The board took no action on a request for a \$2,500 budget allocation for the Southeastern Sickle Cell Association of Wilmington, an organization which serves Brunswick, New Hanover, Pender and Columbus counties.

Association Director Harvey Jennings told commissioners that his agency provides support services for sickle cell anemia patients, as well as screening and educational programs involving the disease.

Sickle cell anemia is an inherited blood disorder which mainly affects blacks. While there are eight confirmed sickle cell cases in Brunswick County, estimates indicate that there are 11 other potential cases here and 1,665 individuals who carry traits of the disease, Jennings said.

The director noted that the association has requested \$2,500 allocations from each of the four counties it serves. New Hanover, the only county to grant the request so far, has allotted \$5,000.

On Smith's recommendation, the board asked Jennings to provide a breakdown on how the \$2,500 would be used. Smith said he felt the contribution would not be legal unless the agency can show how the money

(See BUDGET, Page 2-A)

Sanitarians To Issue 'Conditional' Septic Tank Permits For Some Lots

In the future, property owners whose lots are deemed provisionally suitable for installation of septic tanks will be issued 36-month conditional permits, Brunswick County Board of Health members decided Monday night.

The unanimous vote to tie the site evaluation forms used by the county to the 36-month period of validity was taken on the recommendation of the board's environmental health committee, of which Pearly Vereen, a county employee and former county commissioner, is chairman. Members are Ricky Parker, Jerry Lewis, George Clemmons and Frankie Rabon.

In past several years "blanket"

coverage of all site evaluations was for 36 months. However, sanitarians generally issued a site evaluation only for a lot that was provisionally suitable for a septic tank, that is, where a septic tank could be installed if certain modifications were made, while an actual permit was issued on a lot that was suitable without modifications.

However, explained Health Director Michael Rhodes, "a permit is the key for having something legally binding. Technically, a site evaluation is not legally binding."

Under the new system, permits will be issued in both instances. Then, when it is time for final inspection (See SANITARIANS, Page 2-A)

Sentencing Set Aug. 22 For Convicted Physician

A sentencing hearing is scheduled Aug. 22 in federal district court in Wilmington for Dr. Karen N. Paine, a former Shallotte physician convicted last week of 78 counts charging her with defrauding Medicare, Medicaid and private insurance programs, and mail fraud.

Pending sentencing, Paine is free on a \$25,000 appearance bond she had earlier posted.

U.S. District Judge W. Earl Britt handed down the verdict on each count last Thursday. Each count has a maximum sentence of five years in prison. Fines could total almost \$2 million.

Paine, 41, was originally indicted on 89 counts of fraud last Oct. 13 by a federal grand jury in Fayetteville. Eleven of those counts were dismissed before the case went to the jury last week.

After hearing 2½ weeks of testimony, a majority of it for the state, the jury reached its decision in a little more than five hours.

The case was prosecuted by J. Michael Carpenter, special deputy attorney general for the N.C. Medicaid Investigations Unit. He said he was granted special cross-designation as a federal prosecutor so that he could handle the case in the federal, rather than state courts.

The charges against Dr. Paine stemmed from a joint investigation begun in July 1986 by Carpenter's unit and the Office of Investigations of the U.S. Department of Health and Human Services in Greensboro.

During the trial, Carpenter called as witnesses approximately two dozen former patients of Dr. Paine, as well as several former employees. One former employee, Sharon

Hewett, had pleaded guilty to mail fraud in February 1987, in a plea bargain agreement in which she agreed to testify against Dr. Paine. She has not been sentenced and faces up to five years in prison.

He said testimony was intended to show a pattern of fraudulent action over a period from 1982 to January 1986. Paine was accused of fraudulently billing for services never provided, or double billing, various insurance programs for more than \$24,000 in reimbursements. According to the indictment, she received about \$10,000. Those insurance programs included Medicare, Medicaid, an employee group insurance policy of the International Longshoremen's Union and the N.C. Crippled Children's Fund.

Paine's attorney, David Long of Raleigh, waived an opening state-

ment. Later, he mounted as his defense the argument that Dr. Paine had no knowledge of the billing mistakes, that they occurred without any intent by her to defraud.

He indicated that the billing errors resulted from carelessness and mismanagement among Dr. Paine's three-person office staff.

Dr. Paine was the key defense witness, testifying that only she was authorized to sign applications for reimbursement. However, a former employee, Rosa Bland, who had signed many of the forms submitted as evidence, testified that she also had been authorized to sign the forms.

Still under investigation for arson is a fire of suspicious origin that destroyed Dr. Paine's office on Forest Drive in Shallotte last September. Her case was before the grand jury at that time.

Redwine Foresees No Roadblocks In Private Roads Bill Adoption

BY RAHN ADAMS

Brunswick County residents who live on narrow, unmaintained, private roads may soon have the chance to improve those streets with a helping hand from the county.

At the request of Brunswick County Commissioners, State Rep. David Redwine last week introduced local legislation in the General Assembly that would let the county act as an agent to assist in bringing private roads up to state standards.

"Generally, local bills don't have any problems if it only affects Brunswick County," Redwine said Friday. "This is something new and different. Here again, Brunswick County is breaking new ground."

The proposed process for road improvements would be similar to the one currently used by the county to extend water service to specific areas through special assessment districts. The water bill was ratified

by the General Assembly in 1985.

Under the current proposal, property owners would pay the local share of the road improvement project, which is generally about 40 percent of the total cost, according to County Attorney David Clegg.

Redwine said Friday that the bill was referred to the House Finance Committee for consideration this week. But as of Tuesday, it had not been discussed by the panel, due to a question about which private roads the bill should address, Redwine said.

An original draft of the proposal stated that it dealt only with roads created prior to October 1, 1975. However, according to discussions last fall by commissioners and the Brunswick County Planning Board, the roads that need county help are those built before that date.

In order to be included in the state road system for improvement and

"This is something new and different. Once again, Brunswick County is breaking new ground."

—Rep. E. David Redwine on private roads bill

maintenance, private roads built since 1975 must be brought up to state specifications. By law, roads built before 1975 do not have to meet the same strict standards to be added to the state system.

Last May, commissioners sent Redwine a similar private roads bill which was not introduced because it was received late in the General Assembly session, Redwine said.

But the issue remained a concern of county officials—so much so that commissioners held a public hearing last October to gather input on ways

of handling the private road dilemma.

Speakers at the hearing said they favored being assessed by the county for road improvements, because they could not afford to bring their roads up to state specifications without full cooperation from other property owners in their subdivisions.

The planning board also supported that proposal last year, with members agreeing that special assessments were the most viable way to upgrade private roads in subdivisions that were built before 1975 where no property owners' associa-

tion exists.

A subcommittee composed of Commissioners Benny Ludlum and Jim Poole, and the entire planning board is currently reviewing the county's subdivision ordinance. One change that has been discussed is to require developers to build new roads to state standards.

Redwine said Tuesday that last year's proposed bill referred to roads built "subsequent to" Oct. 1, 1975. "I don't know where we lost it in the translation," he commented.

He added that he was waiting to hear from the county as to whether or not he should amend the bill to delete the date reference. Clegg said Tuesday he expected that the bill would be amended to include all private roads.

If the act is ratified without further change, owners who represent at least 65 percent of the road frontage of the project and at least 65 percent of the property owners along the road

would have to petition the county for the improvements. The project also would have to be approved by the N.C. Department of Transportation.

After DOT provides a cost analysis of the project, commissioners would hold a public hearing before certifying that the project is eligible for local share reimbursement. With the board's approval, the property owners would pay the local share to the county, who would in turn forward the funds to DOT.

The project would then be undertaken "according to the timetable established by the Department of Transportation," according to the proposed bill.

In the meantime, property owners who did not pay their proportionate share of the project would be assessed for that amount, plus 10 percent to cover the county's administrative expenses. Payment would be due within 60 days of assessment.