

THE SEANC CONNECTION



District 19

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Chair's Column

SEANC Gives You Special Benefits

By Martha Fowler



Spring is just around the corner. By the time you read this, it will have begun. Flowers and trees will be in full bloom. We will have warm days and cool evenings. We will get out of the house and enjoy the great outdoors. Well, think of what SEANC has to offer.

The SEANC Group Buying Program offers members discounts on purchases from many merchants and vendors. If you want to travel, discounts are offered on car rentals, entertainment, restaurants and hotels. Additionally, discounts of \$5 to \$10 or more off the gate price of admission to many of the major theme parks, including Busch Gardens and Water Country in Williamsburg, Kings Dominion, Carowinds, Dollywood, Emerald Pointe Water Park, and Tweetsie Railroad, are available through SEANC.

The SEANC Scholarship Program provides SEANC members, their spouses and children with the opportunity to apply for scholarships to attend four-year colleges, universities, technical schools or community colleges. In 2001, SEANC issued over \$50,000 in scholarships. Local districts contribute thousands more to individuals. District 19 awards at least three scholarships each year to our local membership. The application process has already begun. The deadline for submission is April 15.

A second open enrollment for SEANC Group Term Life Insurance will begin April 1, for any active State employee who is a SEANC member. Life insurance can be purchased with guaranteed issue up to \$100,000 with NO health questions. The open enrollment period ends June 30, 2002.

State employees are concerned over inadequate pay raises and the rising cost of health care. Read *The Reporter*, published nine times a year by SEANC, to stay informed. Take a few hours of vacation leave to attend the 2002 SEANC Legislative Rally, along with thousands of other State employees, on June 12. The Rally will begin at 11:30 a.m. at the Halifax Mall in downtown Raleigh. Lunch tickets are available from the District Chair.

For more information, visit www.seanc.org or call SEANC toll-free at 1-800-222-2758. SEANC staff will assist you.

Now that you have made your plans for the spring, I have just one more thing to say. TAKE ME WITH YOU!

Mission Statement

SEANC District 19 is a professional organization committed to representing employees of all State agencies, dedicated to protecting and improving our rights and benefits, increasing visibility and public awareness of the services provided by State employees, and encouraging high work standards and safe working conditions.

Guide to North Carolina State Government 2002

The budget deficit in North Carolina is now approaching one billion dollars and is expected to be larger in the next fiscal year. The last General Assembly came to a close on December 6, 2001 and the next session begins May 28. In March, SEANC will issue report cards on the legislators. We urge all State employees to stay informed. Contact your legislators with your concerns. See the list of legislators below.

Governor (4-year term)

Mike Easley (Democrat, 2004)

Office of the Governor, 20301 Mail Service Center, Raleigh 27699-0301

Telephone 733-5811, Fax 733-2120

Governor's Hotline: 1-800-662-7952

Lt. Governor (4-year term)

Beverly Perdue (Democrat, 2004)

Office of the Lt. Governor, 20401 Mail Service Center, Raleigh 27699-0401

Telephone 733-7350, Fax 733-6595

Council of State (4-year term, 2004)

Elected officials enumerated in Article III of the North Carolina Constitution

Secretary of State: Elaine Marshall 807-2005

State Auditor: Ralph Campbell, Jr. 807-7500

State Treasurer: Richard Moore 508-5176

Superintendent of Public Instruction: Mike Ward 807-3430

Attorney General: Roy Cooper 716-6400

Commissioner of Agriculture: Meg Scott Phipps 733-7125

Commissioner of Labor: Cherie K. Berry 733-0359

Commissioner of Insurance: James E. Long 733-7349

North Carolina Senate (2-year term)

16th District (Orange and Chatham Counties)

Eleanor (Ellie) Kinnaird (Democrat, 2002)

207 West Poplar Avenue, Carrboro, NC 27510

Telephone 929-1607 (home), 733-5804 (office), Fax 733-2599

Email elliek@ncleg.net

Howard Lee (Democrat, 2002)

109 Glenview Place, Chapel Hill, NC 27514

Telephone 942-6528 (home), 715-3030 (office), Fax 715-9606

Email howardl@ncleg.net

North Carolina House (2-year term)

24th District (most of Orange and Chatham Counties)

Joe Hackney (Democrat, 2002)

Post Office Box 1329, Chapel Hill, NC 27514

Telephone 967-3822 (home), 929-0323 (office), Fax 929-3960

Email hieg@ncleg.net

Verla Insko (Democrat, 2002)

610 Surry Road, Chapel Hill, NC 27514

Telephone 929-6115 (home), Fax 929-6119

Email verlai@ncleg.net

North Carolina Government Website: www.ncgov.com

North Carolina General Assembly Website: www.ncga.state.nc.us

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966-1289

IMMEDIATE PAST CHAIR
Gerry Lawrence
968-4120

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Anthony Weaver
962-6270

2ND VICE CHAIR
Marie Tate
732-8126

SECRETARY
Kay Daniels
732-8126

TREASURER
Pamela Siler
843-8094

Red Cross Disaster Relief Worker Tells Us What It Was Like at Ground Zero



Red Cross volunteer Susan Kessler (R) at the Pentagon

State employees are well known for their caring and their volunteer work. At the January 15 monthly meeting of District 19, we were given the opportunity to learn more about the Red Cross. Susan Kessler attended our meeting and she related her experiences as a Red Cross disaster relief worker. What took place on September 11 was extraordinary. We asked her many questions.

"I'd never seen a flattened fire truck," she told us when she spoke about Ground Zero. "I found the Staten Island landfill where all the World Trade Center debris is taken to be one of the most emotionally moving places

I've ever seen. That's not to take anything away from Ground Zero, but for me the landfill was incredibly overwhelming."

Susan Kessler is a member of the Orange County American Red Cross Chapter. As a disaster relief worker she was assigned first to the Pentagon and after that to the World Trade Center.

"Right after the September 11th attack I was assigned to the Pentagon, but I couldn't get there because the Raleigh-Durham airport was closed," she recounted. "Finally, they just told me to drive. When I saw the gaping hole in the Pentagon, my mind couldn't make sense of what I was seeing. I guess I expected to see parts of an airplane sticking out of a building, but what I saw was an ugly gash completely filled with bits and pieces. I remember thinking what a huge mass of broken pieces there was."

She went on to describe how the Red Cross worked in unity with the other helping agencies that were gathered at the foot of the Pentagon. To feed the hundreds of rescue and relief workers each day, the Red Cross supplied the food, the Southern Baptists cooked it, and the Salvation Army served it. The Red Cross also stocked a tent full of supplies like work gloves, boots, sunscreen, and anything else rescue workers needed. When the military people saw how strong the cooperative effort was, they began calling it Camp Unity, a name that stuck throughout the relief operation.



After the members of the national disaster relief team handed the operation back to the local Washington, DC area Red Cross chapters, Susan Kessler was sent to the World Trade Center relief operation. She was in New York from October 14 to December 22.

"I hadn't meant to stay so long," she said, "but the need was so great and the number of people who were suffering was so great, I just didn't feel I could leave."

As a member of the Public Affairs team, Susan made the rounds of all the Red Cross sites: two Service Centers in lower Manhattan, two Respite Centers at Ground Zero, the Family Assistance Center at Pier 94 in mid-Manhattan, the Staten Island landfill, and the Headquarters at the foot of the Brooklyn Bridge.

During most of the assignment she was based at Pier 94, the huge Family Assistance Center established by Mayor Giuliani as a place where all the agencies assembled to make it easier for people affected by the tragedy to come for help. There she and other Red Cross workers met with family members who lost loved ones, as well as people who lost their jobs or their homes to the twin towers tragedy.

The Teddy Bear Wall, where people posted pictures of the missing, had been moved to Pier 94 from the Armory at Lexington Avenue. On September 19, the people of Oklahoma City sent 600 teddy bears to the people of New York, and these bears lined the wall. This wall was the focal point of the Family Assistance Center.

"I was assigned, along with the mental health professionals and the other members of the Public Affairs team, to attend the Memorial Service at Ground Zero on October 28. Over 10,000 family members were there and for some it was the first time they had seen Ground Zero. For many people the opportunity to sit and meditate during the solemn service at Ground Zero confirmed the reality of 9/11. Just looking out onto that enormous pile of smoking rubble enabled some of them to finally face the fact that their loved ones were not coming home. Even though they were going through extreme anguish, it did provide the first step on their long path to recovery.



Teddy Bear Wall

That day we helped a lot of people who were emotionally overcome. Sometimes we held them while they cried and sometimes we just handed out tissues. And we did a lot of hugging, too."

Susan was also assigned to help at the Prayer Service for the families of victims of the American Airlines Flight 587 plane crash in Queens, November 2001.

At the conclusion of her talk, Susan suggested that anyone who has an interest in helping in disasters should call the Orange

County chapter and volunteer. She explained that Orange County has teams of Red Cross volunteers on duty all the time who respond when they are called by the 911 dispatcher, most often for house or apartment fires. The chapter offers free training for these volunteers, just as it does for anyone who wants to be on the national disaster team.

"After the September attack, while everyone all over the nation was wondering how to help, I felt really honored to be in a position to go straight there and get to work," Susan concluded. "We Red Cross disaster workers have two favorite slogans. One is 'Help Can't Wait' and the other is 'We'll Be There.' I invite anyone who would like to live by those slogans to join our disaster team!"

Well done, Susan. Her presentation was fascinating. More detailed information about the Red Cross follows.

The Executive Director of the Orange County Red Cross is Diane Ellis. Her phone number is 942-4862 (press 0 for immediate assistance). Workers are needed to help with disaster services, blood drives, military emergency leave services, and many other jobs that the Red Cross depends upon volunteers to do. Their website is www.informatics.org/redcross.



Ground Zero



State employees can be granted leave of up to 15 days in a 12-month period to work with the Red Cross in responding to a disaster in North Carolina if they have already received Red Cross training. During Hurricane Floyd, State employees played an especially crucial role in helping victims.

How the General Assembly Hoped to Overcome the Budget Deficit

North Carolina's Constitution prohibits deficit spending and requires that the budget be balanced by June 30, when the fiscal year ends.

Last September the General Assembly passed a \$14.5 billion budget, accompanied by a tax increase projected to raise \$1.2 billion over two years.

The tax increases included:

Raising the sales tax from 6 to 6.5 percent.

Increasing taxes for families with a household income of more than \$200,000.

Removing the \$1,500 tax cap on luxury cars costing \$50,000 or more.

Taxing Blue Cross/Blue Shield and health management organizations (HMOs) at 1 percent.

However, that was not enough to offset this year's budget shortfall, now running close to one billion dollars.

Governor Mike Easley used his emergency financial powers to seize up to \$1.3 billion from various funds on February 5. He required all State agencies to cut up to 7 percent from their budgets. He withheld \$209 million from local governments for taxes and fee reimbursements. He took all but \$10 million reserved to help people receiving North Carolina health services transition from public to private programs.

Medicaid Costs Escalate

Medicaid is a joint federal-state-local program that pays for health care for the poor, the disabled and the elderly. Over the past two decades, Medicaid has grown at a phenomenal rate. Medicaid spending is over budget in 23 states. In 1979, the program spent a total of \$380 million in North Carolina. This year, total spending is over \$6 billion.

The federal government pays a little more than 60 percent of the Medicaid cost. North Carolina's share is the rest except for the 15 percent that local governments pay. North Carolina's share now accounts for 13 percent of the General Fund budget. Ten years ago it was 6 percent.

Why did the Medicaid budget grow so rapidly? The reasons are:

1. Rising health care costs, resulting from inflation and the general increase in the amount of health care each of us requires.
2. Enrollment increases in Medicaid, mainly due to the expansion of Medicaid eligibility by the legislature, but also due to layoffs that make more people eligible for Medicaid.
3. Generous fees to health care providers, principally physicians and pharmacists.
4. Rising North Carolina wages, which increase the share that North Carolina must pay.

North Carolina's Health and Human Services Department faces a shortfall of \$255 million and Medicaid costs account for at least \$108 million of that department's deficit.

According to Carmen Hooker Odom, Health and Human Services Secretary, "We have a long-term (Medicaid) problem that is enormous. We're experiencing a growth in enrollment of families and children that is income sensitive. We had over 70,000 new people on Medicaid (since last fall) that we didn't build into our budget and you (the legislature) didn't pass in your budget."

There is no easy way to solve this problem.

Other States Have a Budget Crisis Too

Misery loves company, so it is said. A report prepared for the National Governors Association estimates that 40 states are experiencing budget shortfalls and that this year's gap could reach a collective \$40 billion by June. Only five states—Louisiana, North Dakota, Texas, West Virginia and Wyoming—have revenues on or above target this fiscal year, according to the survey released in February by the National Conference of State Legislatures (NCSL).

States are resorting to a variety of measures to meet this financial crisis. South Dakota is taking \$50 million in reserves over the next two years. Arizona, Illinois, Massachusetts, Mississippi and New York have tapped into their rainy day funds. California has a hiring freeze for the year that exempted only public safety and kindergarten through grade 12. Hiring freezes are in place in Maryland, Nevada, North Carolina, Rhode Island and Tennessee. New Jersey has had layoffs of 650 employees so far. South Carolina started a lottery this year. (Governor Easley is very much in favor of a lottery.) Tuition is likely to be increased at colleges and universities. Public works projects will be delayed and employee benefits curtailed.

Winter Holiday Monthly Meeting Was Fun for All



Mariah McPherson leads the group in a game

District 19 members conducted business, ate a delicious catered meal, and exchanged gifts at the December 2001 monthly meeting.



District 19 members celebrate

Retirees' Corner

SEANC Continues Lawsuit Appeal

SEANC filed a brief with the North Carolina Court of Appeals on February 8, 2002 in an ongoing effort to bring what it perceives as justice to members of the Teachers' and State Employees' Retirement System, the Judicial Retirement System and the Legislative Retirement System.

In May of 2001 SEANC filed a lawsuit on behalf of its members, who are vested in one or more of the three retirement systems, in response to Governor Mike Easley's decision to divert State dollars earmarked for pension funds into an escrow account to balance last fiscal year's budget. On May 23 Judge Narley Cashwell dismissed the lawsuit. SEANC vowed to contest the Judge's decision and followed through on its promise with a notice of appeal on June 15 and with the brief in February.

According to SEANC General Counsel Tom Harris, "This lawsuit raises, for the first time in North Carolina, the issue of whether or not the funding provision of the retirement statutes are part of the contract between the State and members of the retirement systems just like the benefits have been found to be." Mr. Harris was referring to the basis for the Bailey lawsuit that was decided in retirees' favor in 1999.

Tell your legislators what you think about this and stay tuned.

District 19 Committee Chairs

Auditing	Patricia Harris	732-8126
Awards	Pamela Siler	843-8094
Bylaws	Hazel Lunsford	732-4410
Communications	Claire Miller	962-3313
EMPAC	Muzetta Pettiford	596-9569
Group Buying	Jim Vaughn	408-0346
Hospitality	Claude Hooker	966-7749
Membership	Wendy Watkins	966-9190
Co-Chairs	Anthony Weaver	962-6270
Nominating	Beverly Leake	942-4967
Policy Platform	Joe Totten	962-2656
Retirees' Chapter Chair	Mariah McPherson	732-2583
Scholarship	Ruth Lewter	966-2736

Please join us. We have a place for you on at least one of these committees.

Mark Your Calendars

District 19 meets the third Tuesday of each month at 5:30 p.m., at the Orange Water and Sewer Authority (OWASA), 400 Jones Ferry Road, Carrboro. There is plenty of free parking and refreshments are served. All State employees are welcome.

March 19, 2002	Monthly Meeting
April 16, 2002	Monthly Meeting
May 21, 2002	Monthly Meeting
May 28, 2002	General Assembly Convenes
June 12, 2002	Legislative Rally, Raleigh
June 18, 2002	Annual Meeting
July 16, 2002	Monthly Meeting
August 20, 2002	Monthly Meeting
September 5-7, 2002	Annual Convention, Greensboro
September 17, 2002	Monthly Meeting

The Retirees' Chapter meets on the fourth Tuesday morning of each month at 8:30 at Bob Evans Restaurant. All retirees are welcome. For information, call Mariah McPherson at 732-2583.



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