

A high-angle, wide shot of a large, diverse crowd of people gathered on a paved plaza. The people are of various ages, ethnicities, and are dressed in casual attire. They are scattered across the frame, some standing in small groups, others walking, and many looking towards the camera. The ground is paved with light-colored stones or bricks.

Leadership NC: NC Government 101

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2022

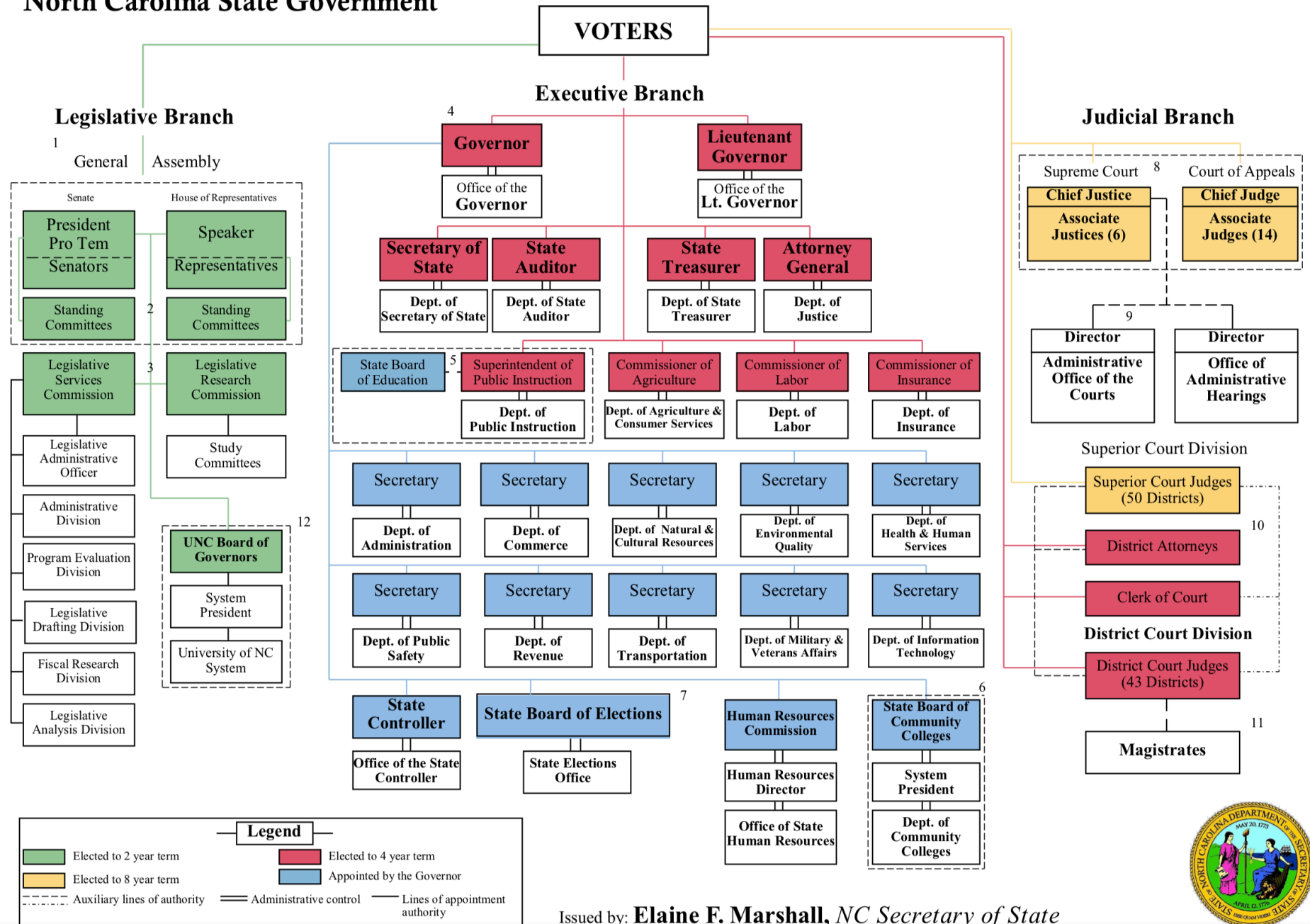


- Most Powerful?
- Most Important?
- The Best?



The Reality

Organizational Chart of North Carolina State Government



Issued by: **Elaine F. Marshall, NC Secretary of State**



State Legislature

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graph TD; A[State Legislature] --> B[Counties<br/>100]; A --> C[Municipalities<br/>552]; A --> D[Special Purpose<br/>Local<br/>Governments];
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Counties

100

The primary function of county government is to administer state programs. But county government also serves as the local government for unincorporated territory.

Municipalities

552

The purpose of municipal government is to provide additional services and regulatory activities in incorporated areas (beyond state- and/or county-wide programs).

Special Purpose Local Governments

Special purpose local governments serve one or a few purposes and often operate on a regional basis.

State Legislature

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graph TD; SL[State Legislature] --> C[Counties]; SL --> M[Municipalities]; SL --> SPLG[Special Purpose Local Governments]; C --> C1[Water and sewer authorities]; C --> C2[Soil and water conservation districts]; C --> C3[Housing authorities]; C --> C4[Sanitary districts]; C --> C5[Redevelopment commissions]; C --> C6[Councils of governments]; M --> M1[Area mental health, developmental disabilities, and substance abuse authorities]; M --> M2[Regional libraries]; M --> M3[Planning and economic development commissions]; M --> M4[Transportation authorities]; M --> M5[Recreation districts]; M --> M6[Local school administrative units (LEAs)]; SPLG --> SPLG1[Tourism development authorities (TDAs)]; SPLG --> SPLG2[ABC boards]; SPLG --> SPLG3[Metropolitan water and/or sewerage districts]; SPLG --> SPLG4[County water and sewer districts]; SPLG --> SPLG5[Parking authorities]; SPLG --> SPLG6[Public health authorities];
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Counties

Municipalities

Special Purpose Local Governments

Water and sewer authorities

Soil and water conservation districts

Housing authorities

Sanitary districts

Redevelopment commissions

Councils of governments

Area mental health, developmental disabilities, and substance abuse authorities

Regional libraries

Planning and economic development commissions

Transportation authorities

Recreation districts

Local school administrative units (LEAs)

Tourism development authorities (TDAs)

ABC boards

Metropolitan water and/or sewerage districts

County water and sewer districts

Parking authorities

Public health authorities

What does
local
government
mean to you?



Purpose of Local Government



Community Vision

Regulation

Services

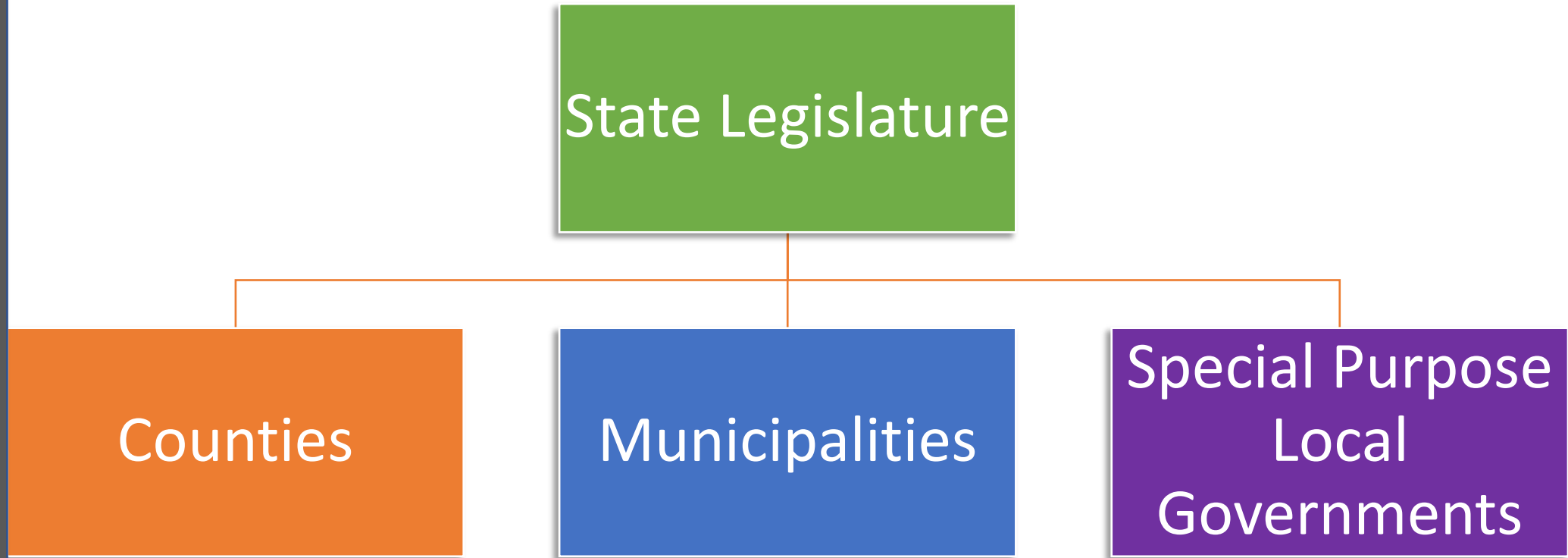
Community Assistance

Economic Development

Law Enforcement

Education

Local Government Power Structure



Non-Home Rule State

(aka Dillon's Rule State, but that is wrong)

Which of the following actions can the General Assembly legally take?

- a. Enact a law removing from office all of the current members of a board of county commissioners and replacing them with other specified individuals
- b. Enact a law to un-incorporate an existing municipality
- c. Enact a law to eliminate the bidding requirements for a particular project to be undertaken by a particular county
- d. Enact a law creating an exception to the conflict of interest statutes applicable only in a specified county
- e. Enact a law eliminating a local government's privilege license tax authority.
- f. All of the above
- g. None of the above



The Great and (almost) All Powerful General Assembly

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Which of the following actions can a county, city, or public authority legally take?

- a. A county board may exempt certain properties from paying property taxes
- b. A county board may abolish all municipalities within its territorial boundaries
- c. A city board in a city under 250K population may fund road improvements in the extraterritorial jurisdiction
- d. A city board may levy a new half-cent sales tax
- e. A water and sewer authority may provide law enforcement services within its territorial jurisdiction.
- f. All of the above
- g. None of the above



The Not So Powerful Local Government

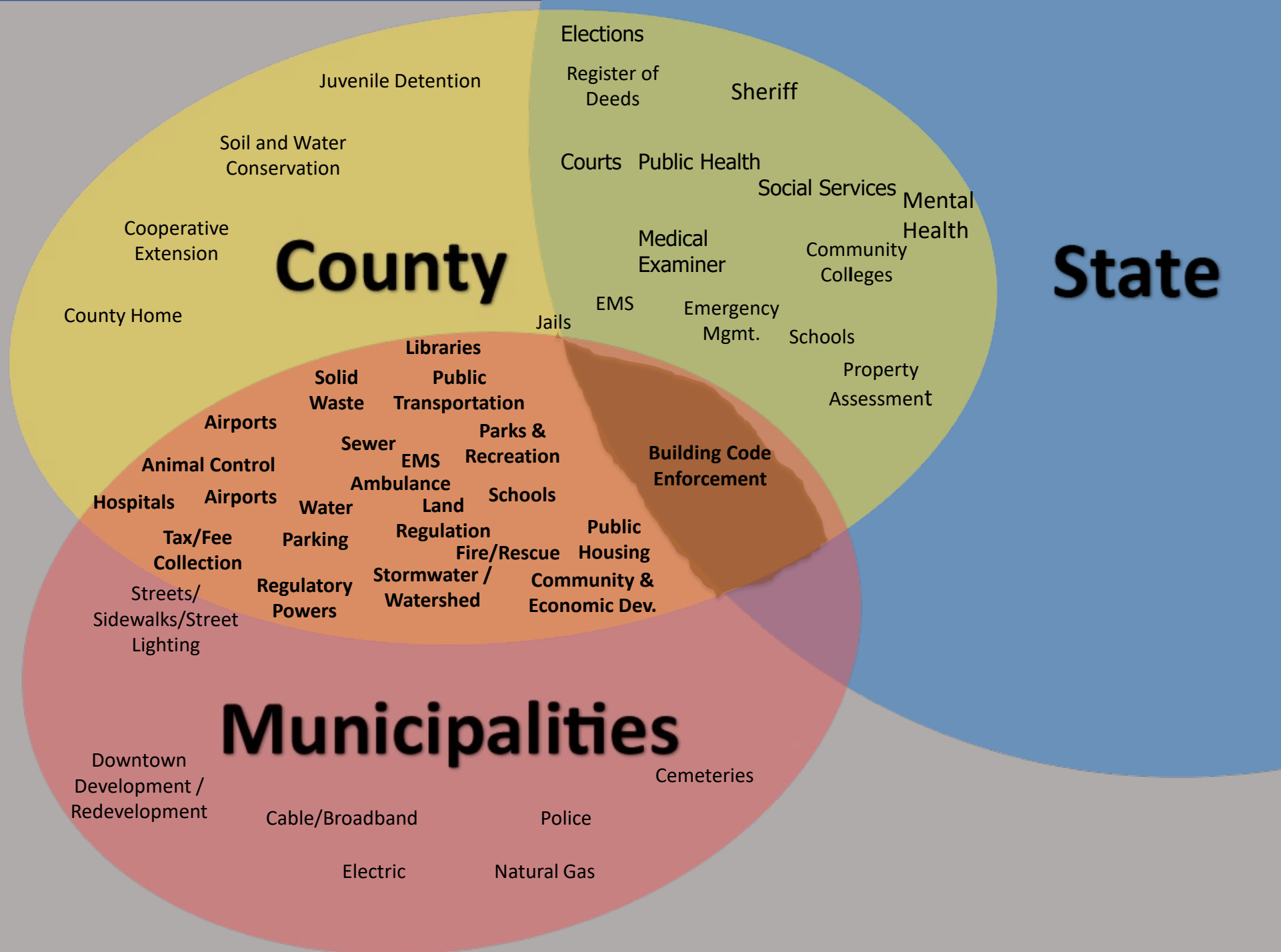
“No money shall be drawn from the treasury of any county, city or town, or other unit of local government except by authority of law.”

NC Constitution Art. V, Sect. 7

A local government
MUST have statutory
authority to
undertake any
activity.



What Statute Says We Can Do It!



General purpose functions are the main activities of the local government. They are budgeted for and accounted for in the general fund.

General Government

- Law enforcement
- Land use planning
- Local regulation
- Parks & recreation
- Fire
- Community & economic development
- Human services
- Elections
- Register of deeds
- Education
- Libraries
- Parking
- Public Housing

Public Enterprises

Counties

- Water
- Sewer
- Solid Waste
- Stormwater
- Public Transportation
- Airports

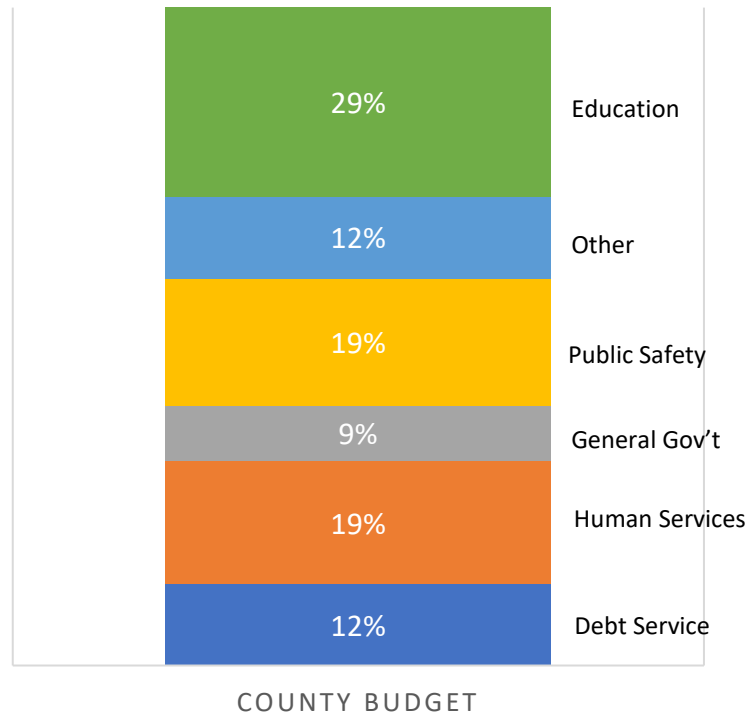
Public Enterprises Municipalities

- Water
- Sewer
- Solid Waste
- Stormwater
- Public Transportation
- Airports
- Electric
- Natural Gas
- Cable Television / Broadband*

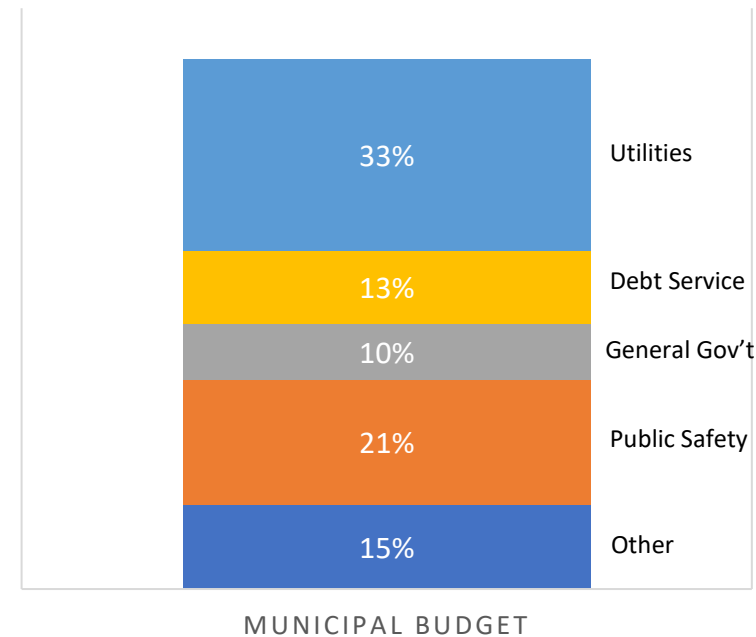
Public enterprise functions involve the local government acting more like a private service provider. They are budgeted for and accounted for in an enterprise fund and, in most cases, should be self-supporting.

Local Government Budgets FY 2018-19

AGGREGATE COUNTY APPROPRIATIONS



AGGREGATE MUNICIPAL APPROPRIATIONS



SOURCE: <https://www.nctreasurer.com/slglfm/financial-analysis/Pages/Analysis-by-Population.aspx>



What Makes NC Gov't Unique?

- State has primary responsibility for funding education and highways
- Counties have primary responsibility for human services at the local level
- Counties have authority to provide most urban-type services
- Counties and cities have extensive authority to regulate and direct urban development
- Counties and cities have broad authority to enter interlocal agreements and form regional partnerships
- Heavy reliance on general-purpose local governments (counties and cities) to perform most local functions (e.g. schools do not have taxing authority)

Municipal Government

Council /
Manager Form of
Government

Council
delegates more
administration /
operations to
staff

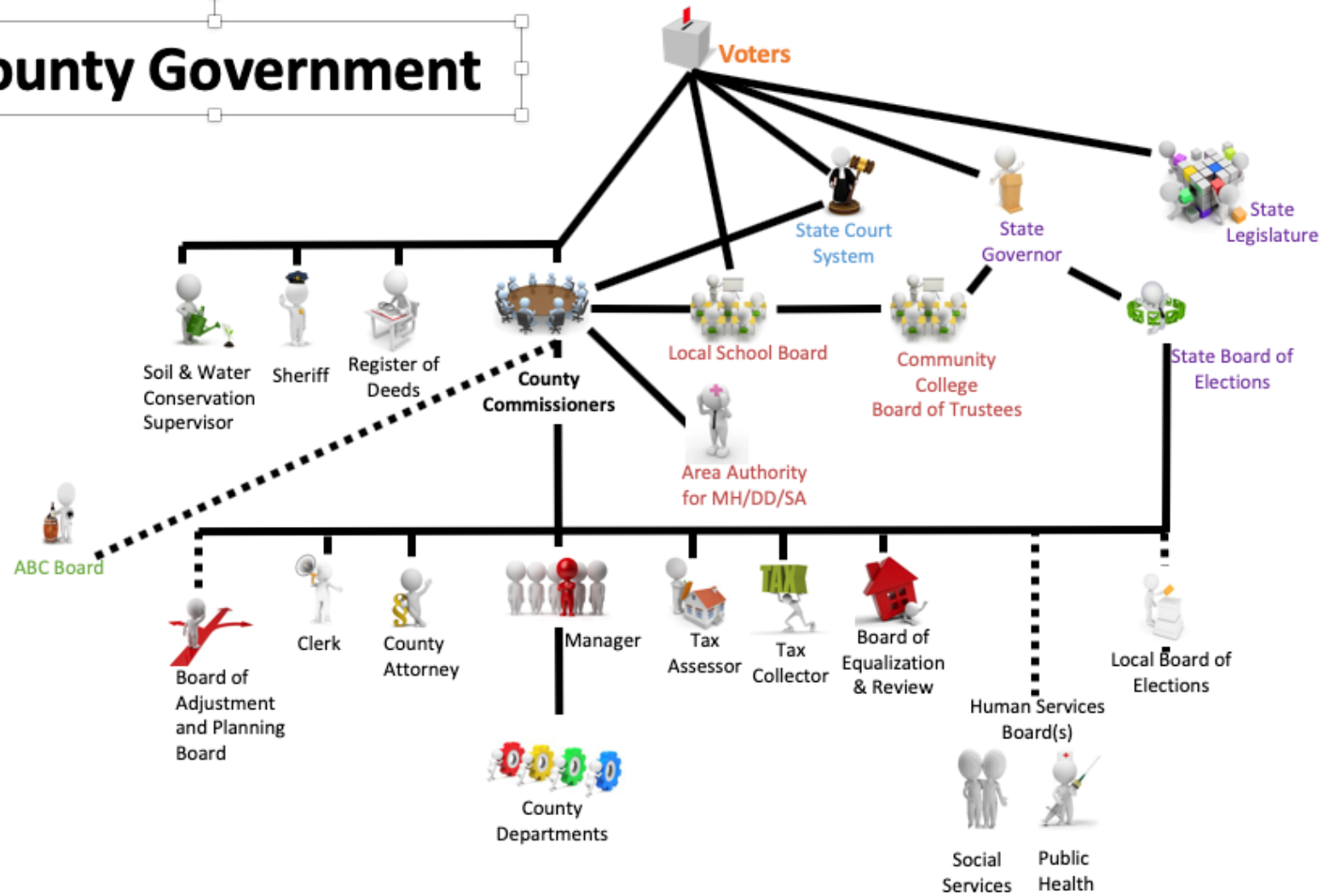


(Weak) Mayor /
Council Form of
Government

Council more
involved in
administration /
operations



County Government



A woman with long brown hair, wearing a black top and dark shorts, is lying on her back on a green lawn, being pulled forward by a large, muscular, tan-colored dog. She is holding a blue retractable leash attached to the dog's harness. The dog is running towards the left, and the woman is being dragged along. The background shows a line of trees and a clear sky. The text "But Who's In Charge?" is overlaid in white, sans-serif font across the middle of the image.

But Who's In Charge?

“All powers, functions, rights, privileges, and immunities of the corporation shall be exercised by the city council and carried into execution as provided by the charter or the general law. A power, function, right, privilege, or immunity that is conferred or imposed by charter or general law without directions or restrictions as to how it is to be exercised or performed shall be carried into execution as provided by ordinance or resolution of the city council.” 160A-12

The Governing Board



Local Government Action



City councilperson Meyers decides that the board should put out a statement strongly supporting the 1st Amendment right to free exercise of religion. She directs the city manager to do so.



A single board member does not have any powers or authorities. A board must act based on majority vote in an open meeting.



RESOLUTION

A formal expression of the opinion or will of governing board

ORDINANCE

An official rule adopted by the board that is legally enforceable

DIRECTIVE

Direct board member or staff member to take a certain action on behalf of the board

In a properly convened board meeting, a majority of the city council votes to hold summer school for at-risk students in light of the loss of academic instruction time the past few years due to COVID-19.

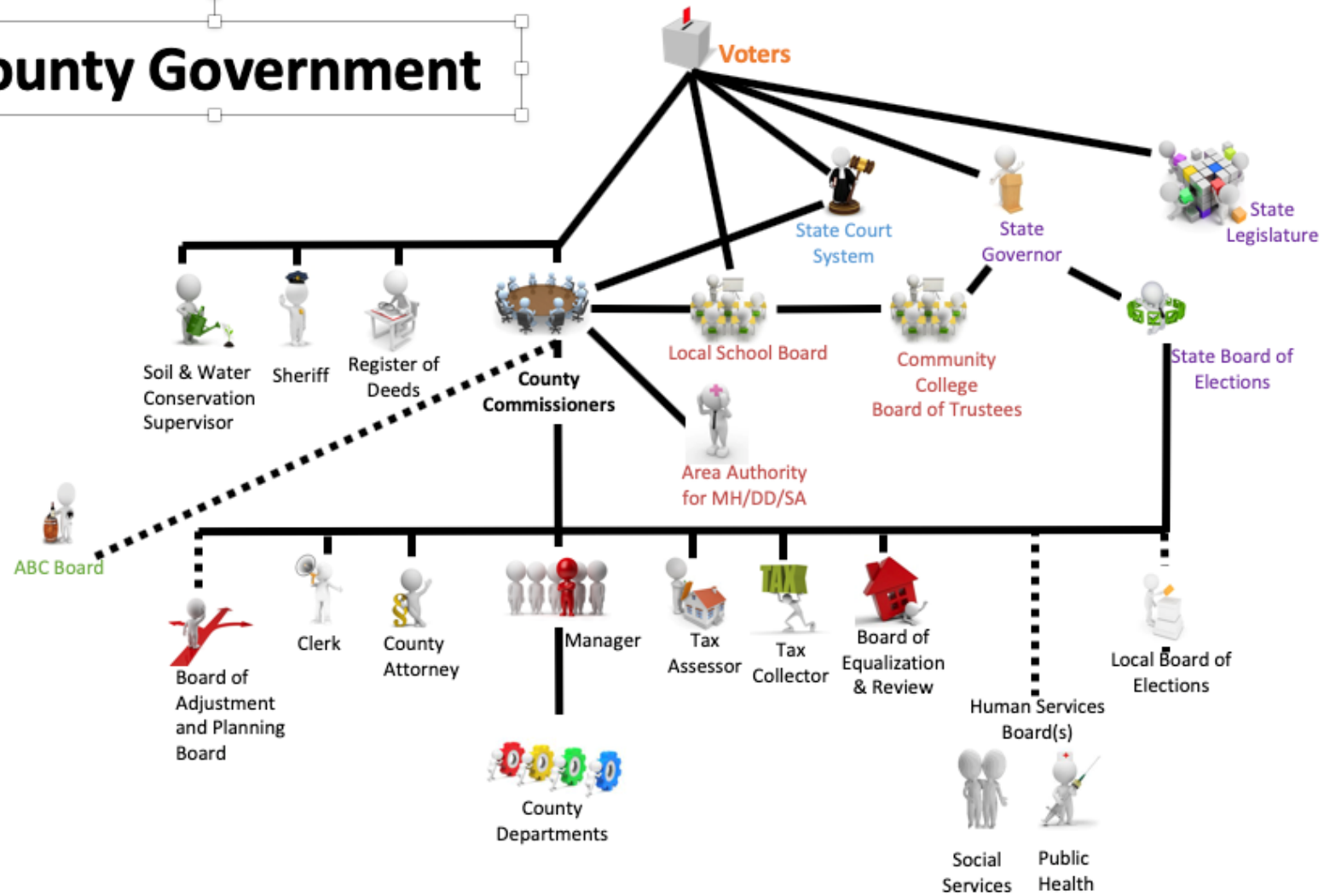


A local government **MUST** have statutory authority to undertake any activity.



Shared Governance

County Government



Shared Governance within County Government

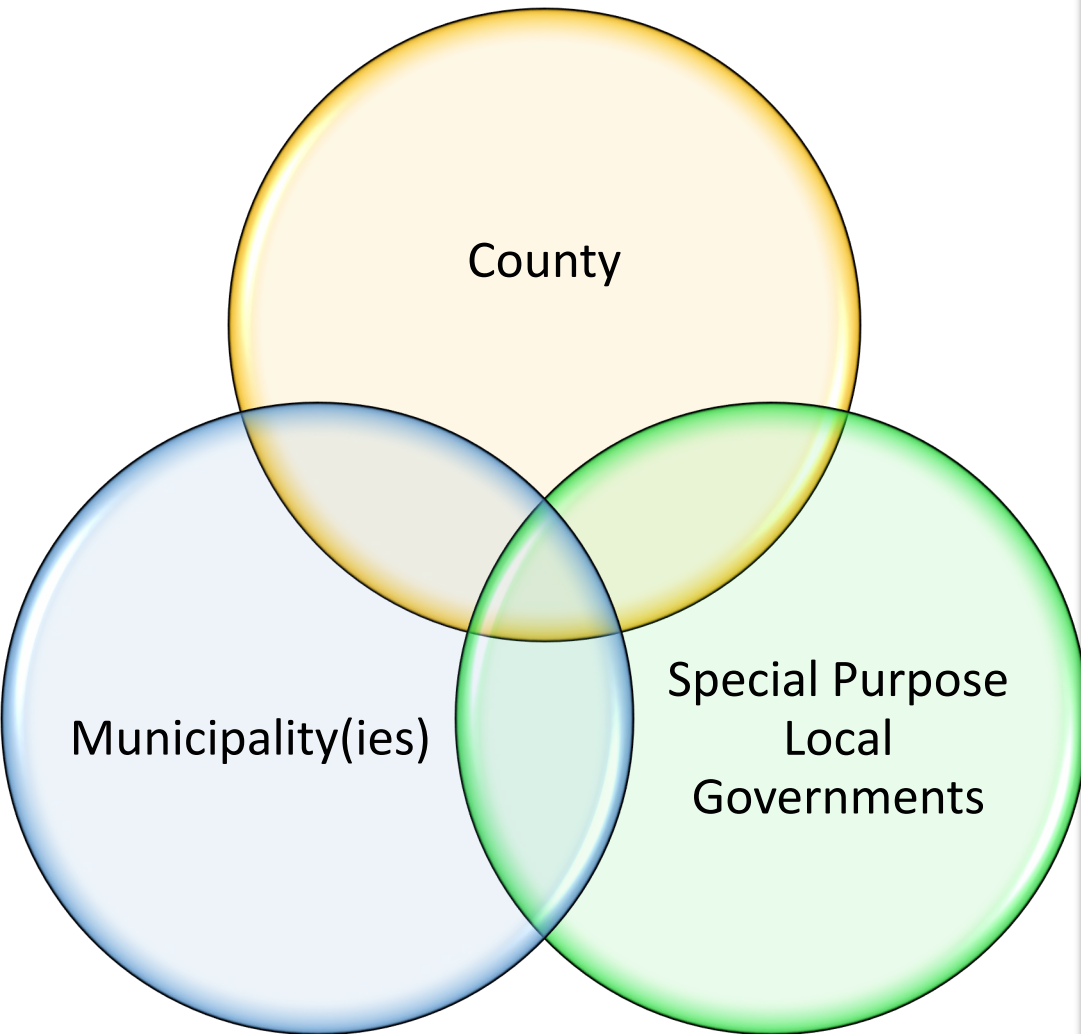
Major State-Mandated Functions	Policy-Setting Authority	Funding Authority / Responsibility	Control Over Personnel
Law Enforcement	State, Sheriff, County Board	County Board	Sheriff (but County Board sets number of personnel and compensation)
Register of Deeds	State, County Board	County Board	Register of Deeds (but County Board sets number of personnel and compensation)
Public Schools	State, Local Board of Education	State, County Board	Local Board of Education
Public Health	State, Local Public Health Board/County Board	State, County Board	Local Public Health Board/County Board
Mental Health	State, Regional Mental Health Board	State, County Board	Area Mental Health Authority Board
Social Services	State, Local Social Services Board/County Board	State, County Board	Local Social Services Board/County Board
Elections	State, Local Board of Elections	State, County Board	Local Board of Elections (but county board sets total salary amount)
Community Colleges	State, Community College Board	State, County Board	Community College Board



The Legislature has vested powers and authorities in various boards and officials of county government

Concerned about a delay in vote counting in the recent election, a majority of the board of county commissioners voted, at a properly convened board meeting, to hire 5 additional board of election staff members. The board amended the county budget ordinance to also fully fund the additional positions.

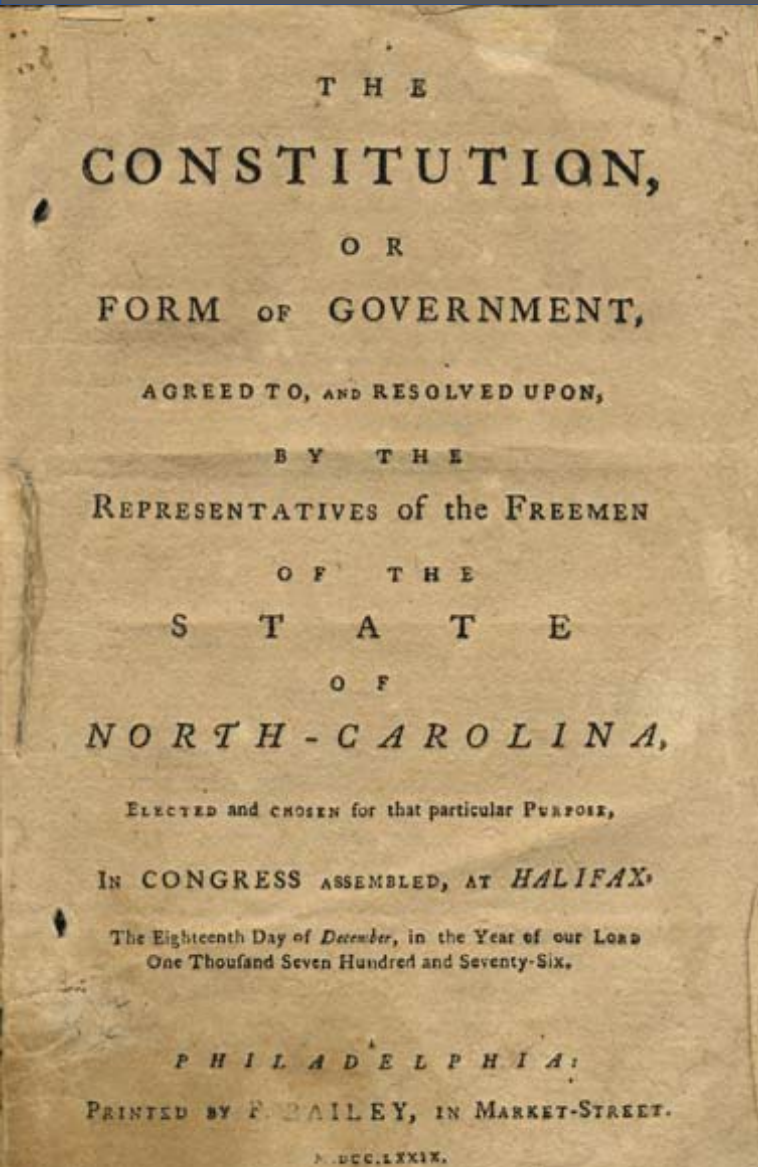
Shared Governance with Other Local Governments



§ 160A-461. Interlocal cooperation authorized.

Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes.

Constitutional Limitations on Local Government



Public Purpose

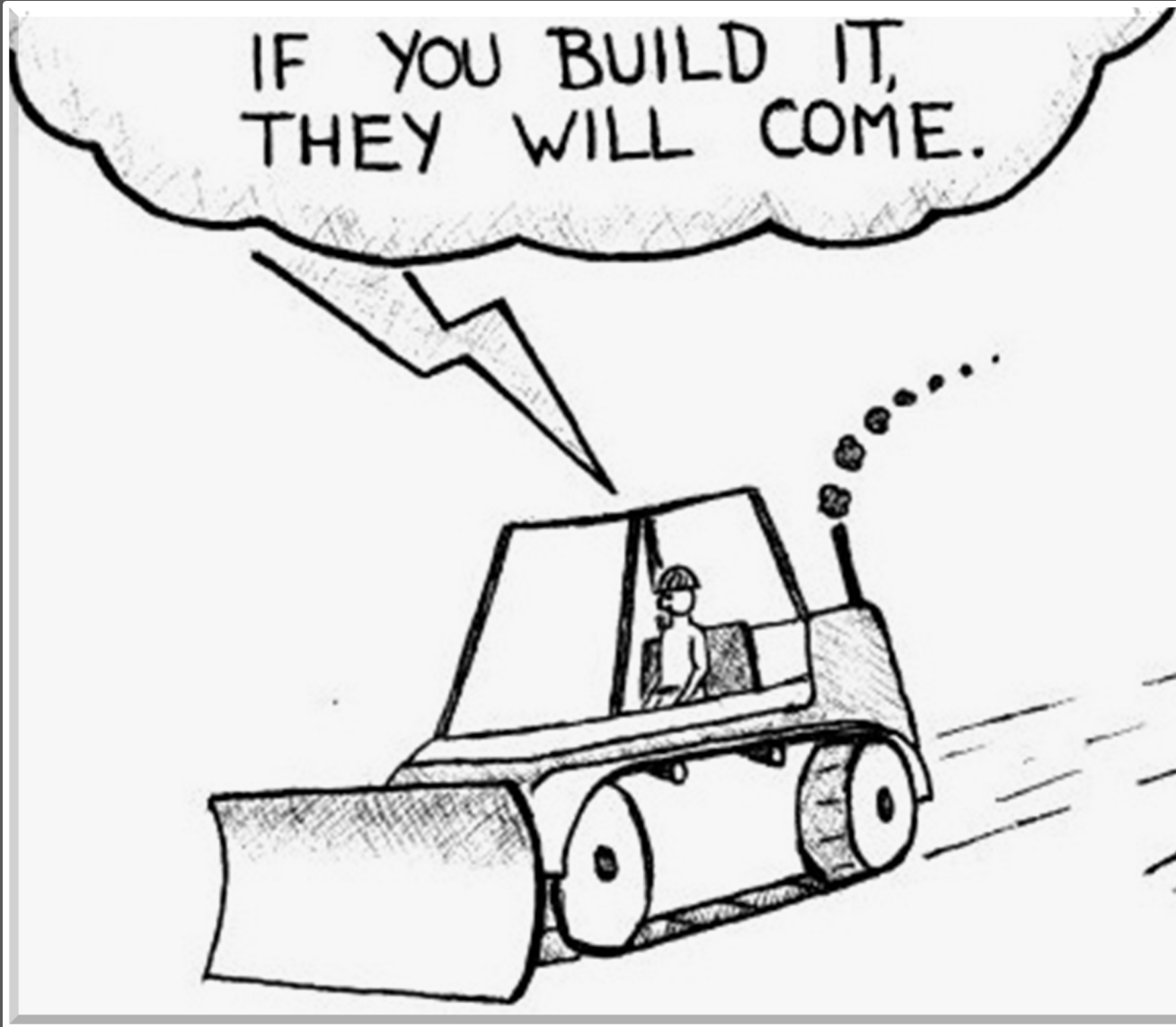
“The power of taxation shall be exercised . . . for public purposes only . . .”
N.C. Const. Art. V, Sect. 2(1)

You must have statutory authority to expend funds for any purpose

Exclusive Privileges & Emoluments

“No person or set of persons is entitled to exclusive or separate emoluments* or privileges from the community but in consideration of public services.”
N.C. Const. Art. I, Sect. 32

You may not provide direct benefit to private entities or individuals without receiving benefits in return



Lawful?

City asks county to fund half of a major road project. Although the road project is within the city, it is a necessary part of an economic deal the county is working on to locate a large industrial manufacturing facility to the unincorporated part of the county, located just outside city limits.



Lawful?

A beloved city resident leaves his faucets running all day to accommodate his many cats. He has recently fallen behind on his rather high water bill. The department's normal procedure is to shut off the water and impose a penalty for the delinquency. The city manager feels sorry for the resident and requests that the city's governing board make an exception and waive his outstanding utility fees and late penalties. To a cheering crowd, the board votes unanimously to do so.



Lawful?

At budget time, a local nonprofit asks the city council for a \$1,000 donation.



Grants/Donations **NOT Allowed**

A NC local government may not donate money to a private entity, including a nonprofit or community organization



Partnerships Allowed

“A [city or county] may contract with and appropriate money to any person, association, or corporation, in order to carry out any public purpose **that the [local government] is authorized by law to engage in.**”

The city should work with private entities to determine if there are projects, programs, or other activities that the private entity is better suited to undertake and then contract with the private entity.

Contract must be in writing, must be specific as to what will be performed by private entity, and must require some sort of performance accounting by private entity.

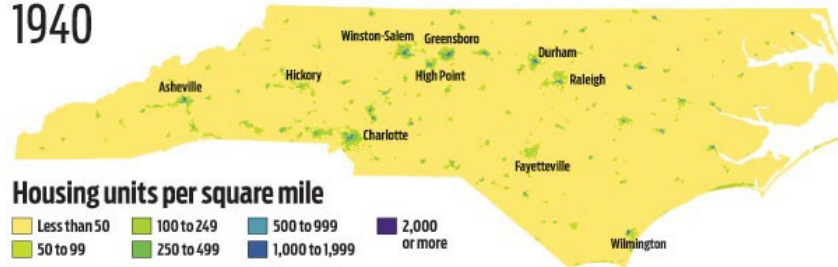
Note that there are no exceptions to individual board member
“discretionary funds.”

Regionalization

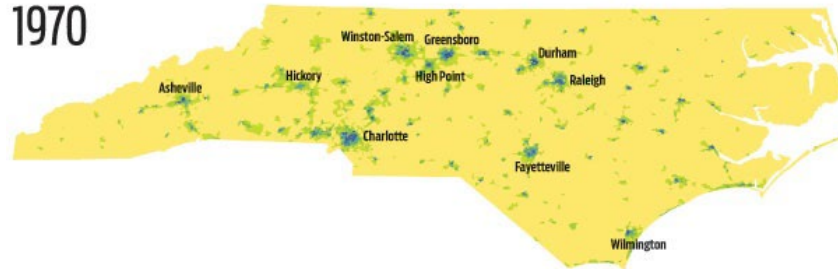
North Carolina's population footprint

A presentation by the Carolina Demography division of the Carolina Population Center at UNC Chapel Hill shows how the growth in state population and housing units since 1940 has been centered around North Carolina's three main urban hubs. By 2050, the projected housing unit growth will further intertwine the Charlotte, Triad and Triangle economies.

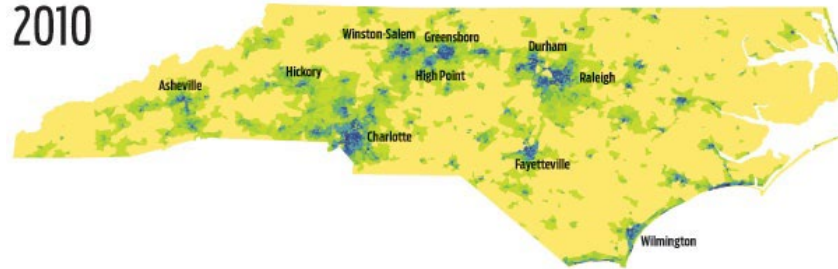
1940



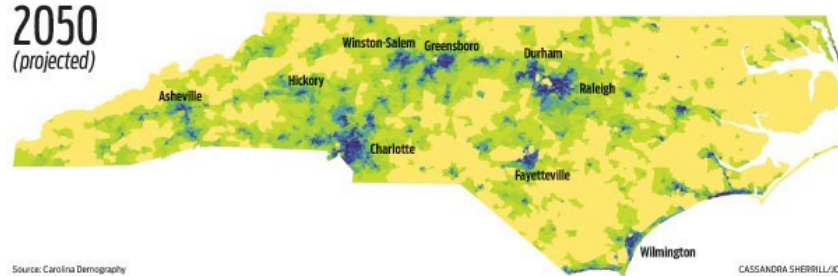
1970



2010



2050
(projected)



Source: Carolina Demography

CASSANDRA SHERRILL/JOURI

How do we adapt our structures and functions to meet the evolving challenges?