



Welcome

Essentials of Municipal Government

presented in partnership by:



SCHOOL OF GOVERNMENT
Center for Public Leadership and Governance



Essentials of Municipal Government

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November 6, 2019

Congratulations on winning your election and being officially sworn in as one of North Carolina's public officials. As you make the transition from campaigning to governing in your municipality, we want to introduce you to two key partners in bolstering your public service career: the North Carolina League of Municipalities and the UNC School of Government.

Though our duties may differ, both the League and the School share a common goal to create a better North Carolina through strong leadership. A forward-thinking member association of 540 cities and towns, the League is a one-stop shop for all municipal needs, including advocacy, education, insurance and other practical and responsive member services, that provides one voice working to improve North Carolina residents' quality of life. As the largest university-based local government training organization in the country, the School has an 80-year legacy of educating North Carolina's public officials with courses, publications, research, and initiatives powered by award-winning faculty dedicated to building trust with the leaders of our state.

Our organizations are proud to serve as steadfast resources for you. We know that the demands and complexities of public service are greater than ever, and navigating the duties of public office can be overwhelming. We are here to support and collaborate with you as you take on this admirable role in our state's civic landscape. We will work diligently to meet your leadership needs to ensure North Carolina's municipalities receive the good governance they deserve.

We are happy to host you at *Essentials of Municipal Government* to help you navigate the transition from campaigning to governing in your new role. With a multitude of instructors, topics, and interactive sessions, today's program will leave you with the necessary tools and guidelines for effective leadership. Your attendance is a sign of the commitment to service your constituents can expect of you. We hope that this program will be just the beginning of your partnership with the School and League. You can rely upon our organizations' trusted expertise, and we pledge to match your commitment to service to help you lead lasting, positive change in municipalities across North Carolina.

Sincerely,



Paul Meyer

Executive Director, NC League of Municipalities



Michael Smith

Dean, UNC School of Government

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Essentials of Municipal Government AGENDA

- 7:30 – 8:30** **Registration & Breakfast**
- 8:30 – 8:45** **Welcome to Essentials**
- 8:45 – 9:00** **Greetings from UNC School of Government**
- 9:00 – 11:00** **Mock Board Meeting**
- 11:00 – 11:15** **Break**
- 11:15 – 11:45** **Welcome to the Dynamic World of Municipal Government**
Jennifer Schneier, NCLM
- 11:45 – 12:15** **Board Decision-Making and Community Values – Part 1**
Jennifer Cohen, NCLM
Carl Stenberg, UNC School of Government
- 12:15 – 1:00** **Lunch & Greetings from North Carolina League of Municipalities**
- 1:00 – 1:30** **Board Decision-Making and Community Values – Part 2**
Jennifer Cohen, NCLM
Carl Stenberg, UNC School of Government
- 1:30 – 2:30** **Financial and Fiduciary Responsibilities**
Greg Allison, UNC School of Government
Chris Nida, NCLM
Bill Rivenbark, UNC School of Government
- 2:30 – 2:45** **Break**
- 2:45 – 3:45** **Working Together in Municipalities**
Kimberly Nelson, UNC School of Government
Roger Stancil, Retired manager
Carl Stenberg, UNC School of Government
- 3:45 – 4:15** **Transparency: Welcome to Open Government**
Frayda Bluestein, UNC School of Government
- 4:15 – 4:30** **Question & Answers**
- 4:30 – 5:30** **Refreshments and Networking**

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Welcome to the Dynamic World of Municipal Government



Municipal Authority

Organization and Administration

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City - Town - Village

Perpetual Existence

Led by a Governing Board

- Council
- Commission
- Alderman



The Major Players

- The Mayor
- The Council Members
- The Clerk
- The Attorney
- The Manager
- The Administrator (sometimes)
- Other Employees

Forms of Government

Mayor-Council

Council-Manager

Mayor-Council

- Administration is handled by **Mayor**
- Policy-making and governance is handled by the council
- Mayor and councilmen ineligible to serve or act as manager (160A-151)



Mayor-Council

Administrator

- Hired by council
- Oversight of town administration
- Town retains mayor-council form of government
- Council retains authority for hiring and firing staff



Council-Manager

Manager

- Professional manager
- Oversight of city administration
- Hiring-firing authority over all employees not otherwise hired by council (city attorney) (160A-148)
- Larger staff
- More complex services



MUNICIPAL AUTHORITY

■ ■ ■ ■ ■ ■ ■ ■ ■ ■

**YOUR
RELATIONSHIP WITH
THE STATE AND THE
IMPORTANCE OF
YOUR CHARTER**



How was I Created?

What powers do I have?

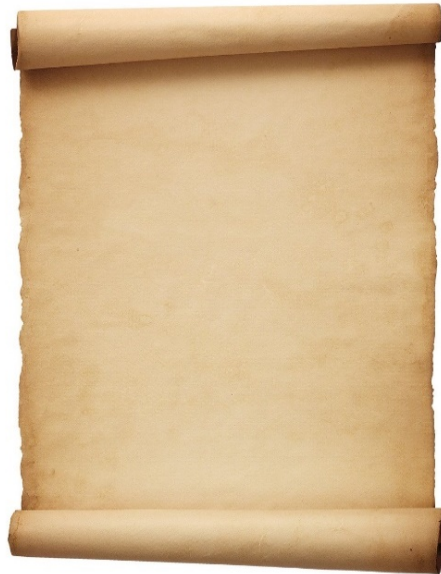


The General Assembly of NC



What is a Charter?

Legal document establishing a city
and setting forth its governing
system





Birth Certificate and Instruction Manual

STATISTICAL RECORD

Full Name JOHN DENISON HANSEN Age 25 Father VIRGINIA MATHILDA BAKER
Residence HQ & HQ CO USAGAPAC APO 343 Residence P-42 Fuchino, Japan
Occupation or Industry SP-4 Occupation Housewife
Birthplace Kansas City, Missouri Date of Birth 5 Aug 35 Birthplace Lakewood, Ohio Date of Birth 16 Feb 35
Race Can Citizenship U.S.A. Race Can Citizenship U.S.A.
Place of Marriage Lakewood, Ohio Date of Marriage 30 May 59
Number of Previous Children by This Marriage 0 (None) Number of Children Living, including Present 1 (One)

Birthweight 9 lbs. 08 ozs.
Length 1 ft. 10 ins.
Sex Male
Stillborn ☐ Yes ☒ No
Remarks American Consulate Date _____
Location of Consulate _____

Left Foot Print Right Foot Print



Municipal Authority

All municipal authority comes from the legislature. Actions must be authorized by state statute.



Legislature Creates Local Governments

... And Delegates Authority



Cities



160A

Counties



153A

Schools



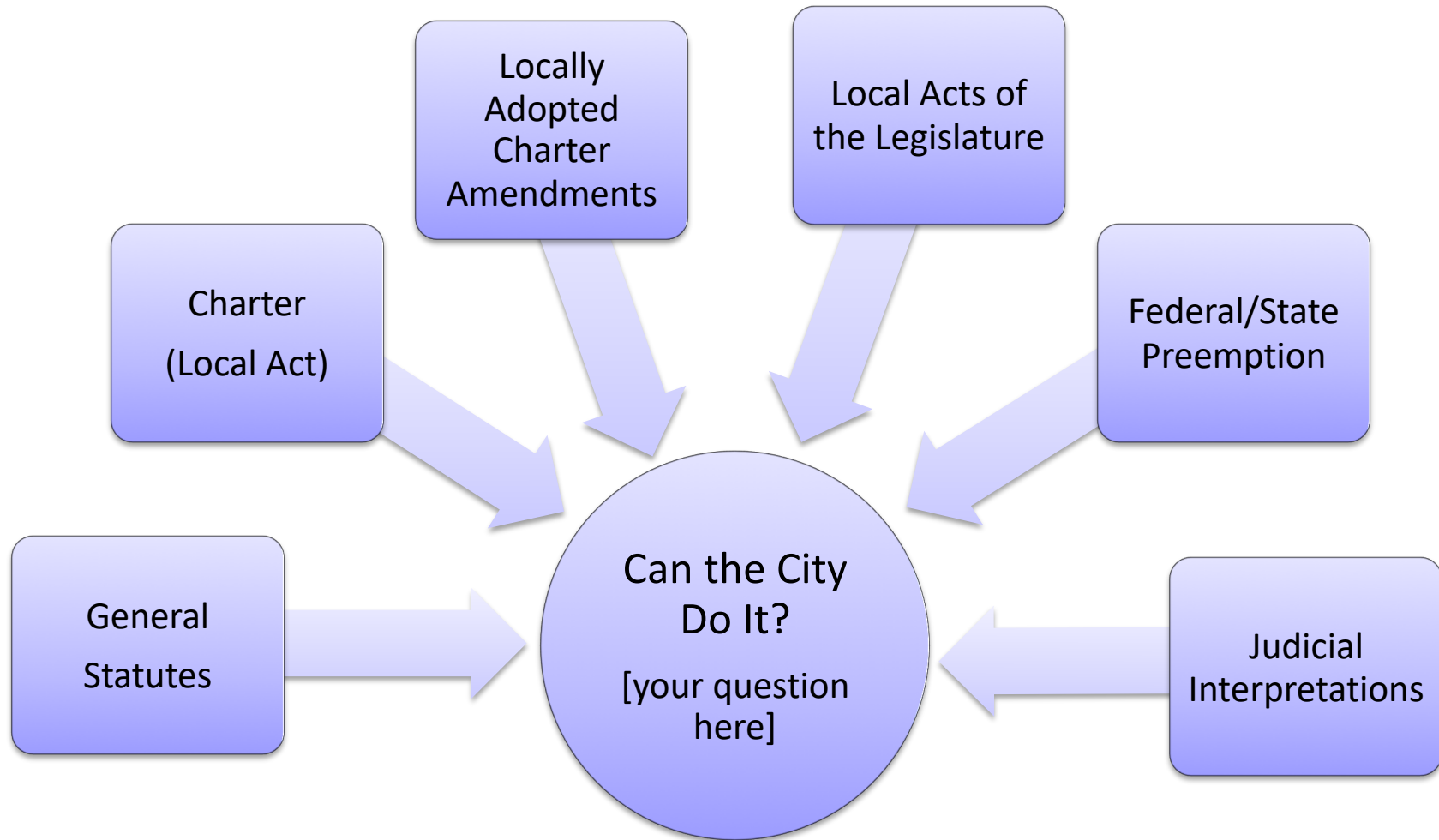
115C

Other



Enabling Statutes

Local Government Authority Big Picture



Some Statutorily Authorized City Functions

- Police
- Fire
- Streets
- Water
- Sewer
- Zoning
- Solid waste collection
- Regulation to protect general health, safety, and welfare



What Must Cities Do?

Building Code Enforcement



“Meaningful services” required to annex.
Some major services required to incorporate and to receive
state shared funds.

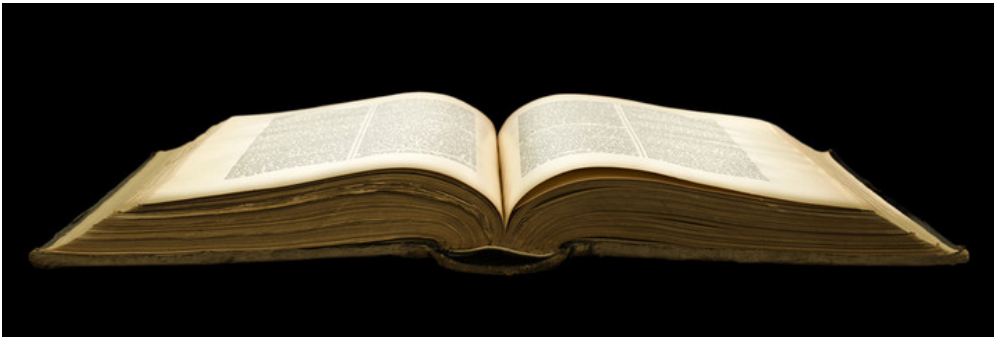
Compare County Functions

- Law enforcement
- Jail
- Medical examiner
- Court facilities
- Building code enforcement
- Public school support
- Social Services
- Public health
- Mental health
- Deed registration
- Election administration
- Tax assessment

Delegated Powers May Be Limited- “Preempted” by Federal and State Law



Local Laws v. State Laws



Code of Ordinances



NC General Statutes

Local Acts

Local Acts (Charter Amendments)

- Apply to one or a few units of government
- Modify or clarify local authority
- Examples in 2019 Session:
 - An act to impose a 25 mph speed restriction on public vehicular areas in the Town of Bermuda Run (S.L. 2019-100)
 - An act amending the Charter of the City of Bessemer City to authorize the City Manager to appoint a Police Chief (previously city council made the appointment) (S.L. 2019-24)



Lawful Exercise of Authority Checklist

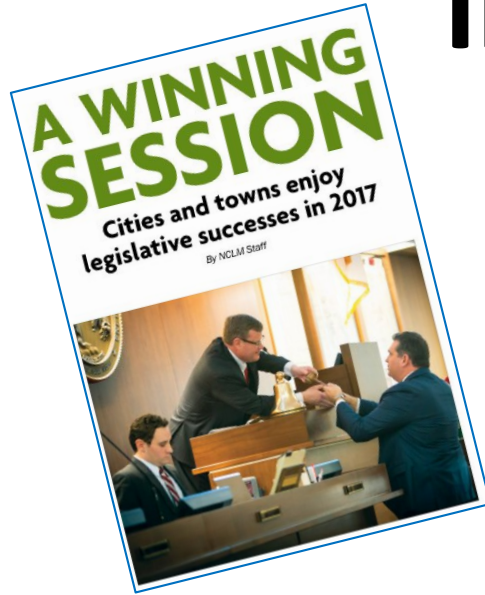
- Is there authority for the action?
 - Is the specific action within the scope of authority?
 - Is it preempted?
- Who has authority to take the action?
 - Does the law (including the charter) require board action, or can the board delegate?

Lawful Exercise of Authority

Checklist (con't)

- Must comply with statutory procedures
 - Notice, bidding, public hearing
 - Agency regulations
- Must comply with common law (judicial interpretations of statutes)
- Must be constitutional

Relationship With Legislature Is Important



Municipal Organization and Administration

Key Statutes

- G.S. 160A-67 – General powers of mayor and council
- G.S. 160A-69 – Mayor to preside over council
- G.S. 160A-146 – Council to organize city government
- G.S. 160A-155 – Council to provide for administration in mayor-council cities

The Mayor

- Recognized as official head of the town
- Holds powers and duties as conferred by law
- Holds powers and duties conferred by council
- Presides at council meetings
- Generally votes only in the event of a tie
- Exercises influence based on tradition and office

The Council Members

- Vested with the government and general management of the town
- May confer powers and duties upon the mayor
- Organizes the town government
- In mayor-council towns, provides for the administration of town employees
- Works with others in community and in town government to define community goals and to pursue the public good

The Clerk

- Appointment (G.S. 160A-171 and -172)
- Runs the administrative office
- Professionally trained and certified
- Citizen relations; communications with other groups (“hub of the wheel”)
- Official records/documents
- Minutes and minutes books
- Ordinance books and codes (G.S. 160A-77, 79)
- Meeting notices

The City Attorney

- Appointment (G.S. 160A-173)
- Runs the administrative office
- Professionally trained and certified
- Citizen relations; communications with other groups (“hub of the wheel”)
- Official records/documents
- Minutes and minutes books
- Ordinance books and codes (G.S. 160A-77, 79)
- Meeting notices



Board Decision-Making and Community Values



Board Decision-Making & Community Values

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Navigating the Transition



1. Governing is Hard Work



- Differs from “politics”
- Positions vs. interests
- Conflicts are built in
- Mixed messages
- High visibility
- Requires group work
- Majority rules

2. Governing is About Public Values

- The task of government is to solve problems and secure the “good society” for its citizens
- Governing for a good society starts with understanding public values



Public Values Compass



Liberty

- Freedom
- Choice
- Opportunity
- Personal responsibility

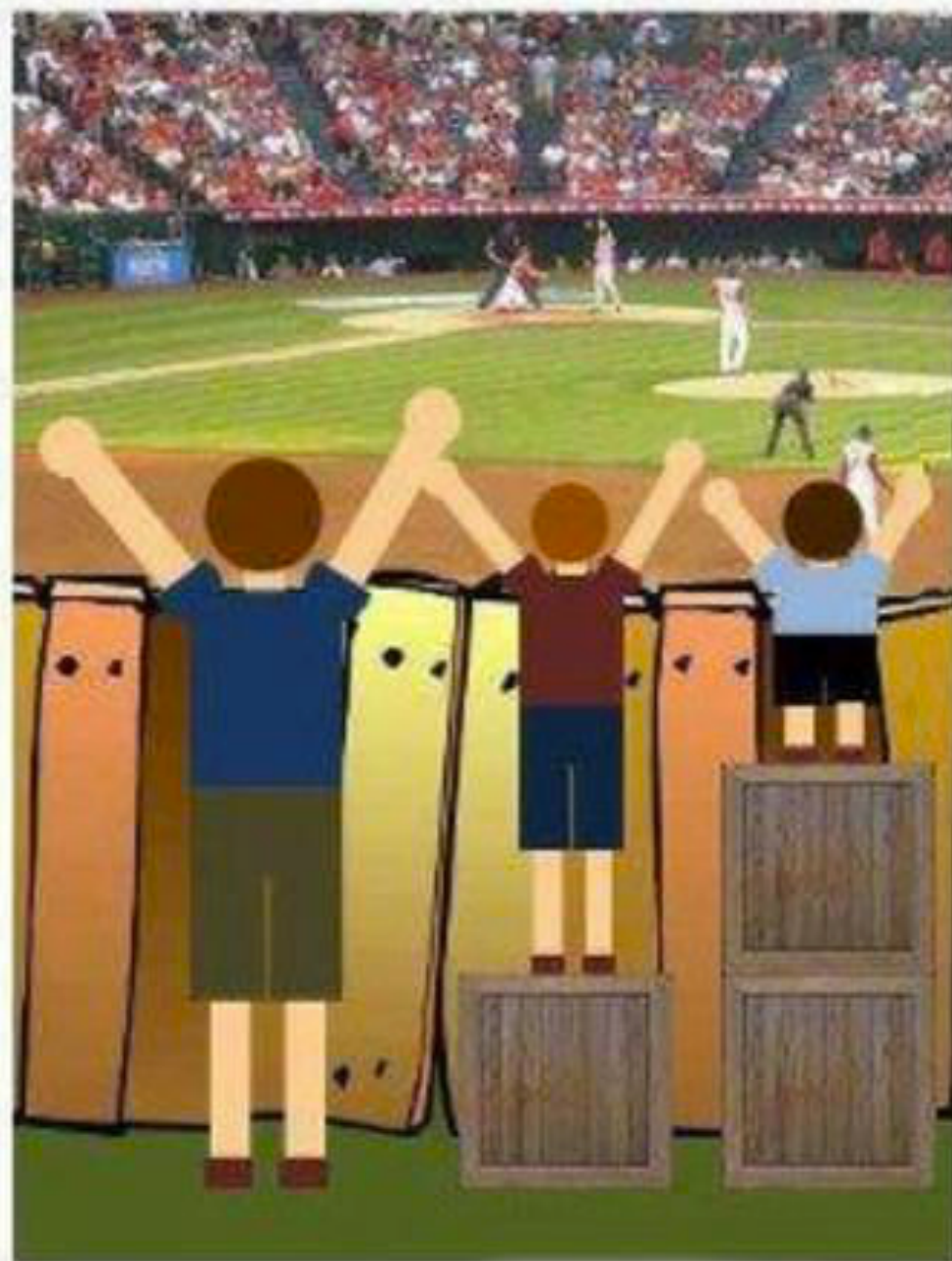


Equality

Equality



- Fairness/Equity
- Justice
- Tolerance
- Level playing field



Community

- Safety
- Tradition
- Quality of life
- Belonging



Prosperity




- Growth
- Productivity
- Jobs
- Quality of life
- Profit

Public Issues are Value Conflicts



- Public issues cannot be resolved with just one value
- Conflicts arise when we want more of one value than another
- All values are important



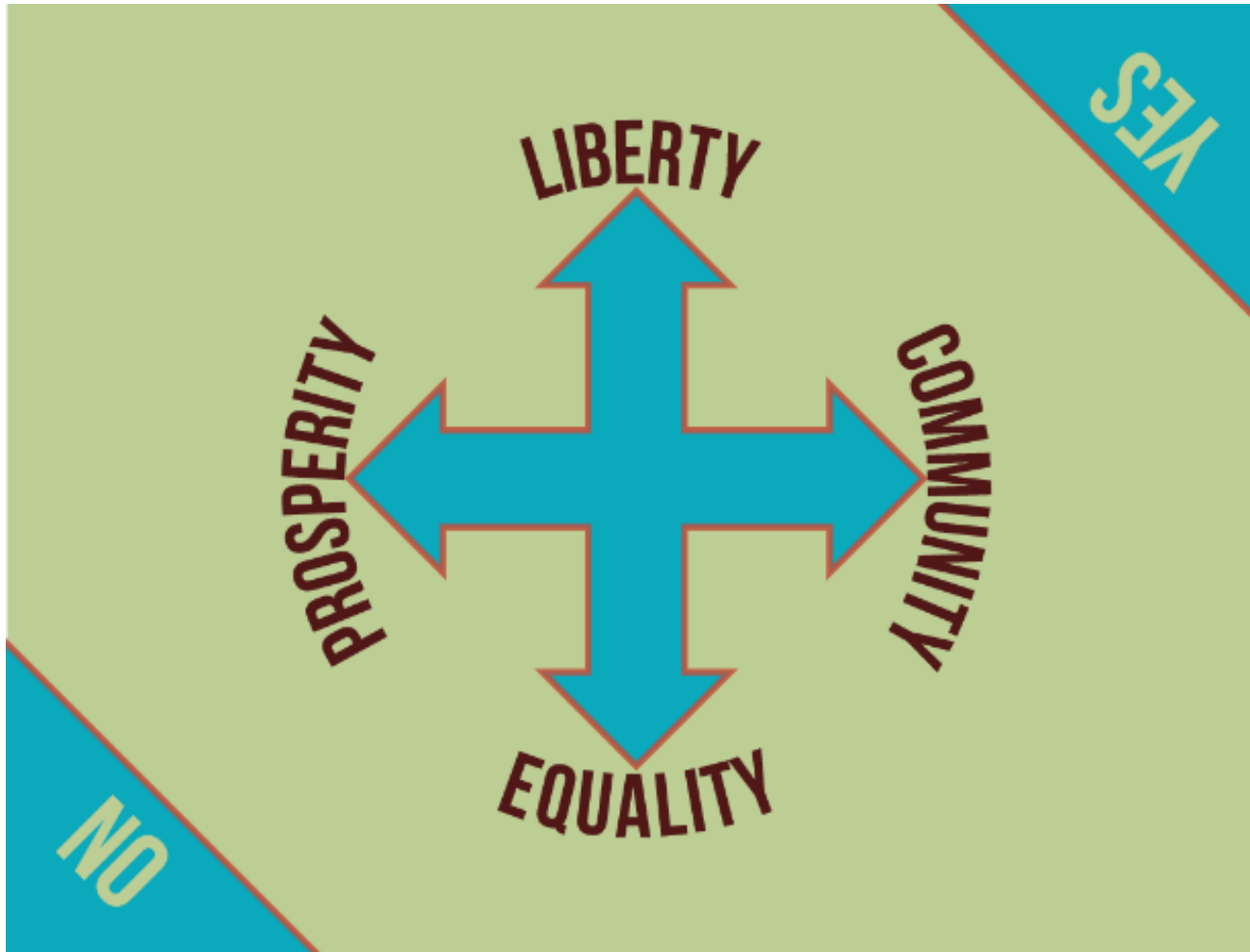
Our new development is bringing hundreds of jobs to this city!

This building is going to be torn down. We're planning a high-rise, with high-rent apartments

My landlord is raising the rent. I'll have to move out!

Another "For Sale" sign? Our historic buildings are disappearing!

The Balancing Act: An Example



Asphalt Company Asks For Zoning Rule Change

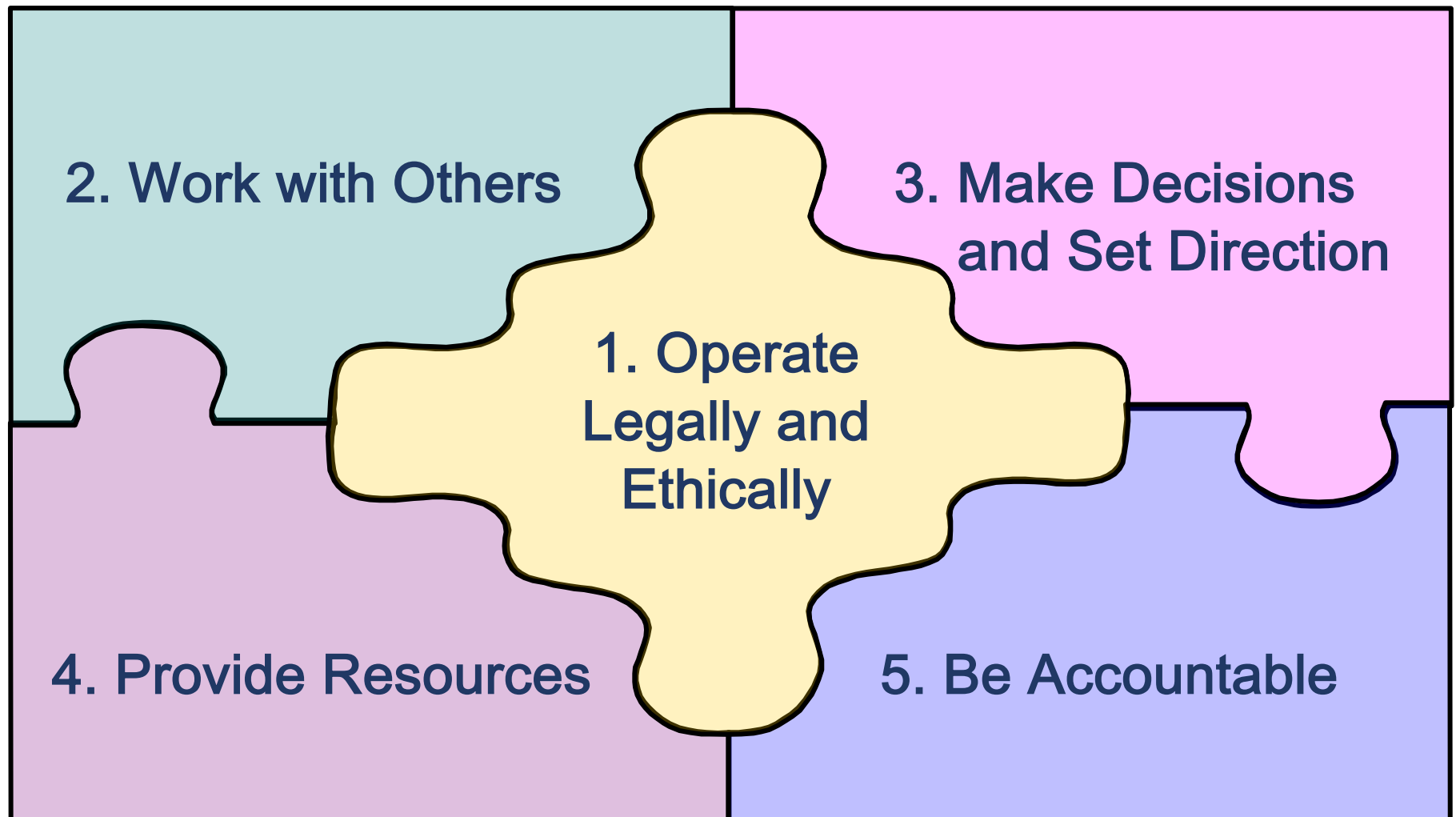


3. What Is Your Job?

- Decide what is the “common good”
- Respect the democratic process
- Judge each issue on its own merit
- Contribute to the governing board’s effectiveness



4. How Can We Work Together Most Effectively?

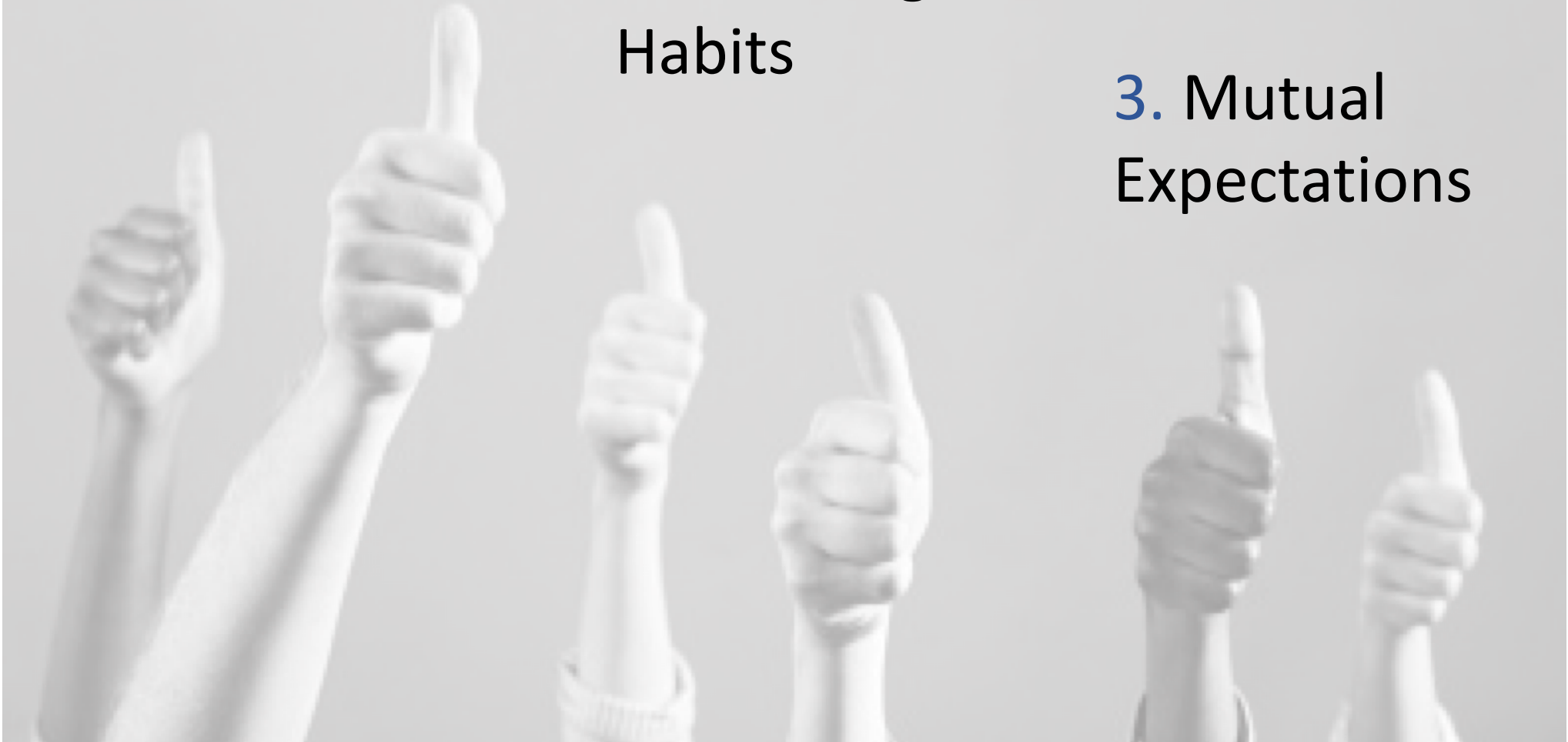


Upshaw, V. 2006

1. Rules of
Procedure

2. High-
Performing
Habits

3. Mutual
Expectations



Why do we need procedures?

- Conduct business orderly and efficiently
- Give every member equal opportunity to participate
- Ensure consistency & fairness
- Facilitate decision-making



High-Performing Board Habits: Best Practices

- Think & act strategically with a vision for community's future
- Demonstrate teamwork
- Honor council-staff partnership
- Act transparently
- Have clear rules and procedures
- Assess policy & implementation performance

Group Expectations Examples

- Do your homework
- Stay on subject
- Don't take criticism personally
- Listen carefully
- Test your inferences/assumptions
- Don't be distracted by technology
- Praise in public/criticize in private

5. Incumbents Speak

1. What should new board members do in the first 60 days to gain the respect of the others and to contribute to the new board's effectiveness?
2. What are some examples of behaviors that undercut high-performing board habits?
3. Which of the Group Expectations were most important to you and your board during the first 60 days?
4. How do you deal with partisanship and maintain civil discourse?
5. What one thing would you have done differently during your first 60 days on the board?



Questions & Comments

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Frequently Asked Questions

Board Decision-Making and Community Values

How do I balance my elective life and my personal life?

Get accustomed to being in the local government “fishbowl” in which you are a public official, not just a citizen, on call 24/7. Set ground rules for you and your family such as a 24-hour response time for emails, not taking official phone calls or text messages after a designated time, not discussing municipal business during meals, and protecting personal time and space.

To be an effective elected leader, what is most important to keep in mind?

Focus on your interests as an elected official (“why” behind the “what” to do), not on the positions of your candidacy (“what” to do). The former approach gives you flexibility to negotiate with colleagues in order to achieve a consensus. Understand the authority the municipality has and focus on those things within the municipality’s authority to take action on. As a member of the board, you represent all citizens.

What is the best way to handle a difficult situation or decision on the council?

Support the mayor, who as presiding officer maintains decorum and is responsible for efficient meeting management. If the mayor is unable or unwilling to handle the situation, turn to the mayor pro tem or other senior incumbents. Suggest that the motion or issue be tabled and ask the manager to conduct additional staff work for consideration at the next council meeting, or request a 10-minute recess to allow things to settle down.

Who should handle a fellow council member who is consistently difficult or negative in their dealings with me?

The mayor, or the council as a whole if needed, drawing on the council’s adopted Rules of Procedure or Group Expectations.

Frequently Asked Questions

Board Decision-Making and Community Values

What is the best way to handle conflict among council members if the mayor won't intervene?

The mayor pro tem or most senior incumbents should be engaged. The manager, administrator, or clerk should not be asked to be the referee.

How do I get the mayor's attention so I can be recognized to speak? What if the mayor won't recognize me?

Raise your hand. If this doesn't work, ask to be recognized or raise a point of order.

What is the value of the council establishing and adopting Group Expectations about how to treat one another, the staff, and the citizens?

The ground rules of the governing board are articulated, agreed upon, and serve as a base for presiding officer enforcement.

What are some common problems and best practices with respect to managing the public comment period during council meetings?

Common problems include personal attacks on council members, council members responding to citizen statements, and the mayor's failure to enforce the 3-minute rule, or other time limit. Best practices include council members refraining from responding to points made during public comment, the mayor referring problems and requests to staff for follow-up action, and adhering to time limits.

How can incumbent council members be helpful with on-boarding newly elected members?

Offering advice and support, explaining how the governing board conducts its business, and articulating the council's "culture."

Frequently Asked Questions

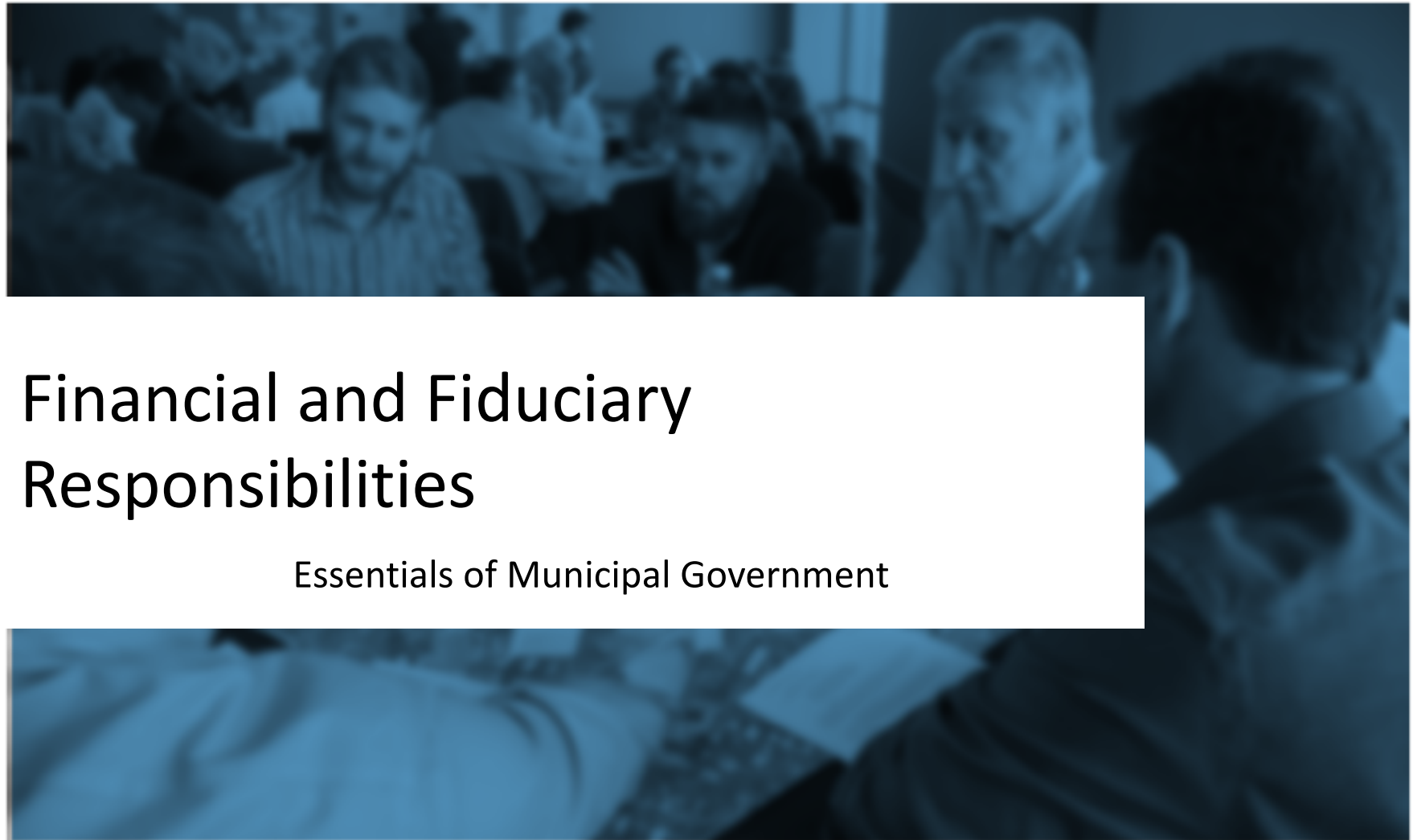
Board Decision-Making and Community Values

What are some practices and tools to best keep constituents informed?

The keys to good constituent communications are consistency and a commitment to listening. In designing your channels of communication, whether it be weekly email, newsletter, daily or weekly social media posts etc., pick only what you know you can commit to doing regularly. And then be consistent. Also, ensure your constituents know how best to communicate with you about a need and be sure you respond promptly. Consistent flow with just a few established tools will serve you well.



Financial and Fiduciary Responsibilities



Financial and Fiduciary Responsibilities

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Purpose of Presentation



- Role of elected officials in the budget process
- Overview of the Local Government Commission
- Requirements for the annual audit

What is the Local Government Budget and Fiscal Control Act?

- State legislation that contains the fiscal requirements in which local officials must follow regarding the multiple aspects of public budgeting and financial management (Chapter 159).



Fiscal Requirements from LGBFCA



For municipalities with the manager form of government, the city manager shall be the budget officer. Those without manager form may name any officer or employee, including the mayor.



The budget officer shall submit a proposed balanced budget to the governing board.



In each year of a revaluation, the budget officer shall include a revenue-neutral tax rate in the budget for comparison purposes.

Budget Calendar

- The statutory budget calendar is budget requests to budget officer by April 30;
- Proposed budget to governing board no later than June 1;
and
- Adopted budget ordinance on or before July 1.



Budget Adoption



Presentation to the Board and notice of availability for public inspection

10 days must pass before budget may be adopted

Public hearing must be held before budget may be adopted

Balanced Budget Formula

Estimated Revenues

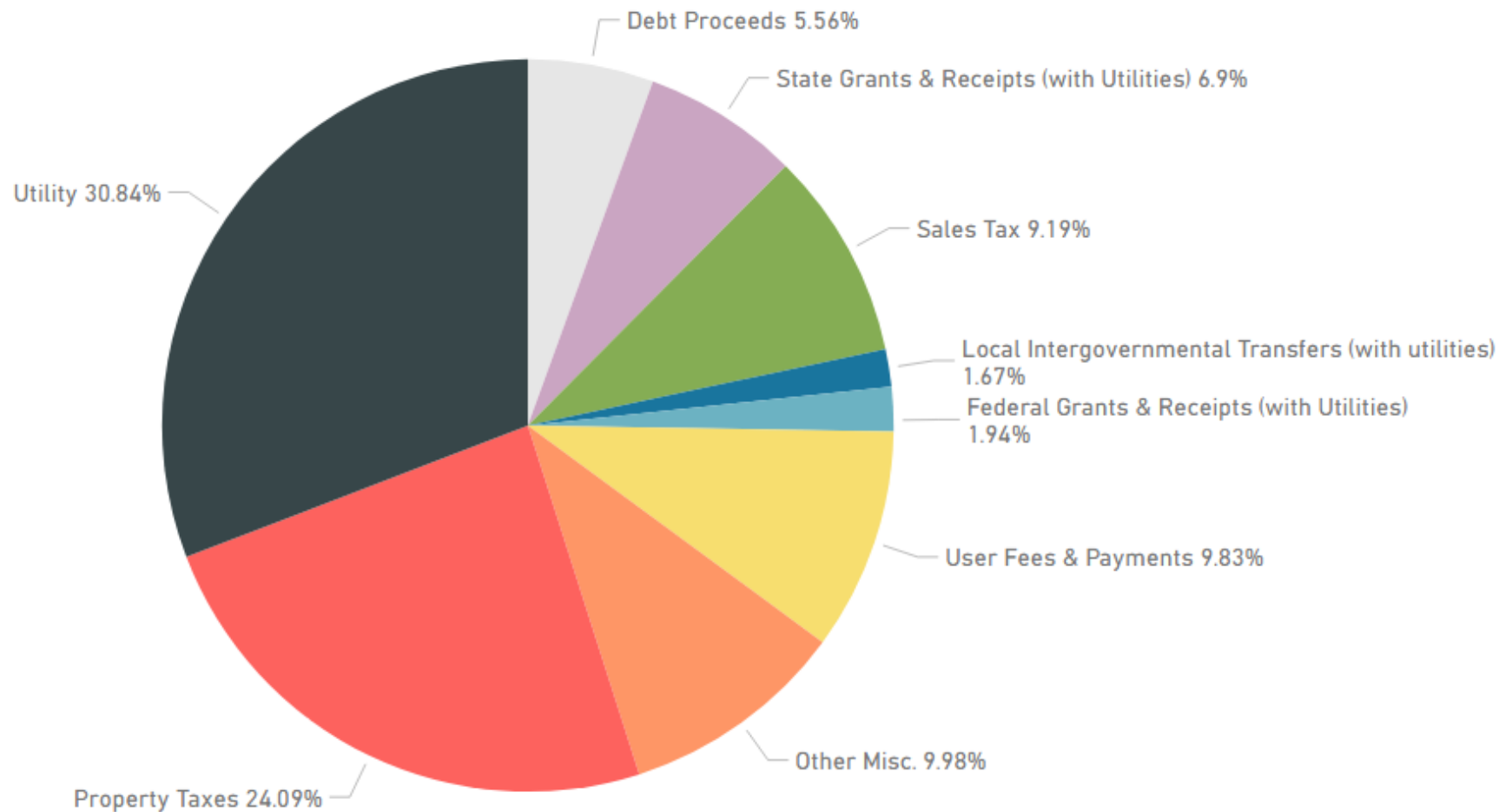


Appropriated Fund Balance



Appropriations

2018 Total Municipal Revenue by Source (Includes Utilities)



Data from Annual Financial Information Report compiled by N.C. Department of State Treasurer



What is Fund
Balance?

- Fund balance is the *financial equity* of a fund
- $\text{Assets} - \text{Liabilities} = \text{Fund Balance}$
- Fund balance represents *potential* spendable equity

Why Do We Care About Fund Balance Levels?

- Working capital
- Emergencies
- Source of capital financing
- Bond rating
- Balancing the budget



What are Fund Balance Policies?



Local governments should adopt by resolution a fund balance policy that clearly states its percentage threshold.



Local Government Commission (LGC) recommends that available fund balance should be at least 8 percent of general fund expenditures.

Fund Balance Available – All Units June 30, 2018

Population by Grouping	Average 2017-2018 Fund Balance Available	Average FBA As a Percentage of Average Expenditures	Median 2017-2018 Fund Balance Available	Median FBA As a Percentage of Average Expenditures
Statewide – All Municipalities	\$4,935,376	45.81%	\$1,360,420	91.68%
Units With Electrical Systems				
All	8,945,882	41.07	4,604,251	47.35
50,000 and above	29,472,634	33.51	25,885,307	32.59
10,000 to 49,999	10,667,852	45.70	8,837,016	44.34
2,500 to 9,999	4,003,824	60.04	2,221,067	45.63
1,000 to 2,499	1,220,525	91.53	1,628,096	93.43
500 to 999	2,244,290	62.40	2,244,290	71.99
499 and below	284,912	111.79	285,775	184.68
Units Without Electrical Systems				
All	4,412,680	46.56	1,138,495	96.42
50,000 and above	67,901,669	31.74	41,483,976	39.29
10,000 to 49,999	10,877,192	55.47	9,259,325	54.92
2,500 to 9,999	3,646,498	81.60	2,827,718	90.06
1,000 to 2,499	1,424,126	82.75	1,176,869	75.27
500 to 999	908,769	139.53	589,095	116.16
499 and below	488,492	127.01	251,900	195.26

Data from N.C. Department of State Treasurer: <https://www.nctreasurer.com/slg/Memos/2019-12.pdf>

Who is the Local Government Commission (LGC)?

- The LGC, which is a division of the Department of State Treasurer, provides state oversight of North Carolina local finance.



The Local Government Commission



Nine members



Chaired by State Treasurer



Staff to the Commission are employees of the Department of State Treasurer



Other members:

State Auditor
Secretary of State
Secretary of Revenue
5 appointed positions

Local Government Commission Staff

- Debt Management Section reviews and monitors the sale and repayment of debt:
 - Provides technical assistance to units in capital planning and debt management
 - Recommends approval of debt issuance based upon fiscal practices, compliance with General Statutes and feasibility studies or projections of operations
 - Sells debt for the state and local governments
 - Informs units of annual debt service requirements
 - Monitors the repayment of the debt

Local Government Commission Staff (continued)

- **Fiscal Management Section-monitors the financial condition of local governments and public authorities**
 - Monitors cash management and investments
 - Assists units with financial difficulties
 - Reviews audit reports of units



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA

DALE R. FOLWELL, CPA

**STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION**

GREGORY C. GASKINS
DEPUTY TREASURER

August 16, 2019

Honorable Mayor

Dear Mayor:

The State and Local Government Finance Division in its role as staff to the Local Government Commission has analyzed the audited financial statements of the [REDACTED] for the fiscal year ended June 30, 2018. The results of the analysis revealed areas of concern regarding your financial position and financial operations; the purpose of this letter is to convey those concerns to you and the Board. Our concerns and any action required are explained in the attachment to this letter.

Each item that requires a response from you is marked in the attachment. If a response is required, please respond in writing within the next 45 days to those concerns. Responses should be on the unit's letterhead, signed by all board members, and emailed to unitletter@NCTreasurer.com; if, however, email is not a feasible option for you, you may mail your response. **If you are planning to issue debt that requires the approval of the Local Government Commission, we must have a complete and thorough response to this letter on file prior to the Commission's consideration of your debt application.**

Unit Fiscal Summary:

Issue #	Unit Response	Concerns	Statistic	2018	2017	2016
1	Written response required.*	The budgetary report(s) for the General Fund and Water and Sewer Fund on pages 20, 65, and 66 of the financial statements show expenditures that exceeded the amounts authorized by the budget. This indicates that the preaudit process required by G.S. 159-28 is not functioning properly. Your finance officer should review your processes and develop a plan to ensure compliance with the statute.	Not Applicable			
2	Written response required.*	We are concerned that the fund balance available for appropriation relative to expenditures in the General Fund is substantially less than comparable units and may be too low to provide the necessary resources you need. Please respond, explaining how you plan to increase the fund balance available for appropriation and provide the projected increase over the next three years.	General Fund - Fund Balance Available as % of Expenditures	57.36%	71.07%	84.65%
			General Fund - Average Fund Balance Available % for your population group	139.07%	132.55%	107.75%

*If you are planning to issue debt that requires the approval of the Local Government Commission, we must have a complete and thorough response to this letter on file prior to the Commission's consideration of your debt application. Responses should be on the unit's letterhead, signed, and email to unitletter@NCTreasurer.com.

Financial Reporting and the Annual Audit



Local Government Financial Reporting in NC

- NC state law requires adherence to generally accepted accounting principles (GAAP) for annual external financial reporting
 - GAAP represents national standardized reporting
 - Necessary for participation in debt market and grant environment
 - All local governments and public authorities, regardless of size, must adhere to requirement



Financial Reporting (cont.)



- Other quick facts
 - Financial statements present *both* an economic picture of the organization, as well as a financial picture
 - Audits must be conducted by an independent certified public accountant, chosen by the entity's governing board
 - Reports are due to the Local Government Commission no later than October 31st

What is an audit? (cont.)



Unmodified (“clean”) audit opinion required

If such opinion cannot be reached, entity required to correct issue(s)

- Can impact debt issuances, etc.



Auditors cannot “audit their own work”



Presumption is that if financial statements follow GAAP, then financial condition will be evident

Products of an Audit

- Ask for a review a management letter!
 - Auditing standards require one must be provided
 - Identifies areas where weaknesses may be detected, procedures could be improved for efficiencies, concerns regarding management cooperation could be communicated
 - All items are expected to be addressed by management prior to the next audit cycle

Additional Resources

- *Introduction to Local Government Finance, Fourth Edition* by Kara Millonzi
- *Budgeting in North Carolina Local Governments* by Whitney Afonso

Frequently Asked Questions

Financial and Fiduciary Responsibilities

What is the Local Government Budget and Fiscal Control Act (LGBFCA)?

The LGBFCA is state legislation that contains the fiscal requirements appointed and elected local officials must follow regarding the multiple aspects of public budgeting and financial management. Specifically, it is Chapter 159 of North Carolina's General Statutes.

How many days must a proposed budget be available for public inspection before adoption?

At least 10 calendar days must pass between the time the board receives the proposed budget and when the board may adopt the budget ordinance.

When is the public hearing required to be held on the proposed budget?

The public hearing may be held anytime during the public inspection period.

What is the definition of a balanced budget ordinance?

A balanced budget ordinance is when estimated revenues plus appropriated fund balance equals appropriations.

What are the primary reasons for maintaining an adequate level of fund balance?

The most common reasons for maintaining adequate cash reserves are working capital (cash flow), emergencies, source of capital financing, bond ratings, and resources available to balance proposed budgets.

What are the two primary responsibilities of the Local Government Commission (LGC)?

The LGC provides oversight for fiscal management and debt management for all local governments in North Carolina.

Frequently Asked Questions

Financial and Fiduciary Responsibilities

What is the primary purpose of an external independent audit?

The purpose of an external independent audit is to ensure that the fiscal year-end financial statements were prepared in conformance with generally accepted accounting principles (commonly referred to as GAAP) and that the statements are materially accurate.

Who contracts with the external independent auditor and who does the auditor report to?

The governing board contracts with the external independent auditor; therefore, the auditor reports directly to the governing board.

Is the external independent auditor required to provide a public presentation to the governing board on the audit results?

While a public presentation to the governing board on the audit results is not required, it is considered a best practice in local government.

What is the management letter?

The management letter is required communication from the external independent auditor to the governing board that identifies possible internal control and fiscal management weaknesses, areas of specific concern, and recommendations for improvement. The governing board is expected to address the recommendations and concerns cited in the management letter.

**Sample Illustration - Communication of Internal Control Related Matters (AU-C §265):
Significant Deficiencies and Material Weaknesses¹**

LETTERHEAD OF INDEPENDENT AUDITOR

To the Governing Board
City of Dogwood, North Carolina

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, the aggregate discretely component units, each major fund, and the aggregate remaining fund² information of City of Dogwood as of and for the year ended June 30, 20XX, in accordance with auditing standards generally accepted in the United States of America, we considered City of Dogwood's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Dogwood's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Dogwood's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as we discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiencies in City of Dogwood's internal control to be material weaknesses:³

We noted that the finance officer also has been appointed as the tax collector. Per North Carolina General Statute 105-349(e), a person cannot act as the finance officer and tax collector of a unit unless permission is granted from the Staff of the Local Government Commission. The City of Dogwood's governing board did not seek permission from the Staff of the Local Government Commission before making this appointment. The Board will submit this for approval immediately and make other arrangements if approval is not granted.⁴

A significant audit adjustment is a proposed correction to the financial statements that, in our judgment, may not have been detected except through our auditing procedures. Several leases had been classified as operating leases, however based on FASB Statement No. 13 these leases are determined to be capital leases and therefore assets. Beginning assets have been adjusted by \$220,500 to reflect the capital leases. The existence of such material adjustments indicates that the City of Dogwood's system of controls did not detect and prevent such errors. Management should examine the adjustments required as a result of our audit and assess the cost-benefit of improving the internal control system to prevent the adjustments in the future. Management

should address inherent limitations in the internal control system and modify their oversight function accordingly. Management will review the adjustments provided by the auditors to prevent adjustments in the future.⁴

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in City of Dogwood's internal control to be significant deficiency:^{3,5}

Due to the limited number of personnel in the City of Dogwood's office, there are inherent limitations to segregation of duties among City of Dogwood's personnel. Presently, a single individual prepares checks, reconciles bank accounts, performs all payroll duties and maintains the general ledger. Alternative controls should be used to compensate for any lack of segregation of duties. The City of Dogwood's governing board should provide some of these controls. Management is aware of the deficiency, but cost-benefit analysis indicates that hiring more personnel to mitigate this issue is not feasible. Management will request specific board members become more involved by providing additional oversight.⁴

City of Dogwood's written response to the significant deficiencies identified in our audit was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion on it.⁶

This communication is intended solely for the information and use of management, the governing board, federal and State awarding agencies, and pass-through agencies, and is not intended to be and should not be used by anyone other than these specified parties.⁷

[Signature]

[Date]

¹ This letter may be used to communicate significant deficiencies and material weaknesses identified during the audit.

² This sentence should be modified to include only those items which relate to the governmental unit. Refer to reports in the audit opinions section for explanation of opinion units.

³ Material weaknesses and significant deficiencies that previously were communicated and have not yet been remediated should be repeated in the current year's communication.

⁴ This finding is only for illustrative purposes. Auditors should use their professional judgment to determine whether similar deficiencies discovered in their audit engagement are at a level of significant deficiencies or material weaknesses. If the auditor determines that the deficiency is at a level of significant or material weakness, the auditor should word the finding to describe their specific deficiency.

⁵ The communication may *not* state that the auditor's noted no significant deficiencies.

⁶ Management may prepare a written response to the auditor's communication, for example, describing the corrective action taken, plans to implement new controls, or a statement that management does not believe the cost of correcting a significant deficiency or material weakness would exceed the benefits of doing so. If management's response is included in the same document containing the auditor's communication, the auditor should disclaim an opinion on the information by adding this paragraph.

⁷ This sentence restricts the use of the letter. It should be modified to include those in charged of governance and organizations that applicable. Though restricted in use, letters issued in connection with an audit of a governmental unit may be a matter of public record.



Working Together in Municipalities



Working Together in Municipalities

Essentials of Municipal Government

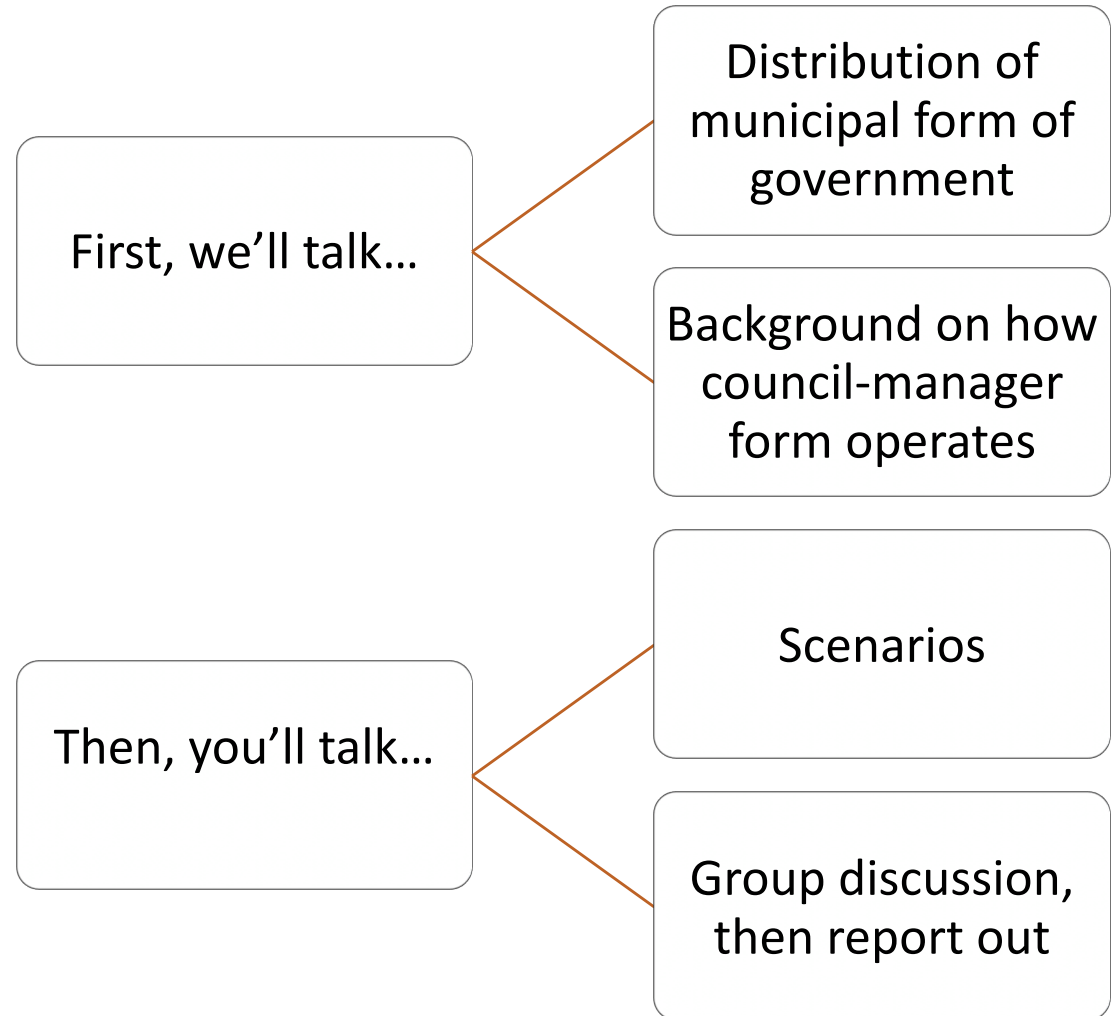
presented in partnership by:



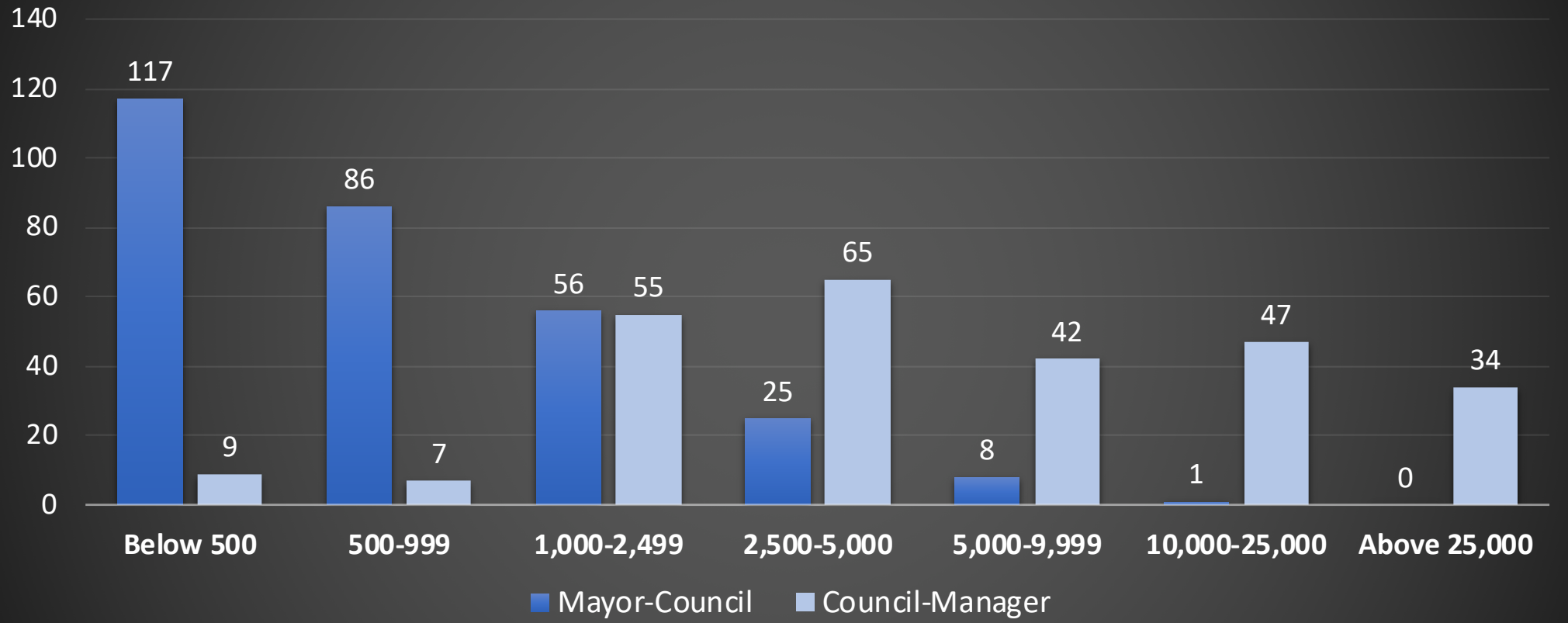
SCHOOL OF GOVERNMENT

Center for Public Leadership and Governance

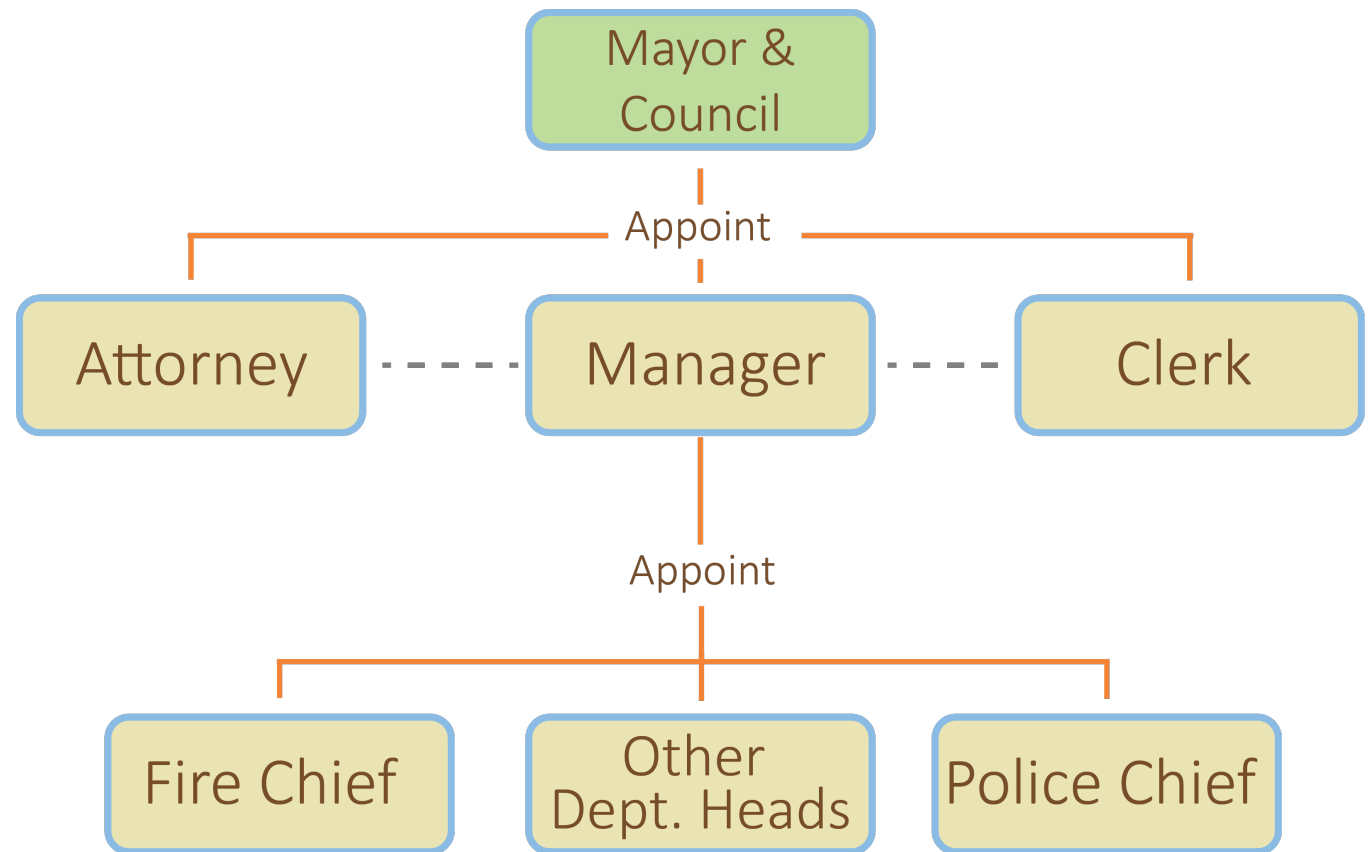
What to expect out of this session...



Forms of Municipal Government in NC



Council- Manager Form



Council-Manager Roles & Responsibilities Compared

Mayor

- Presides at council meetings
- Calls special meetings
- Votes to break a tie (usually)
- Other powers conferred by the council

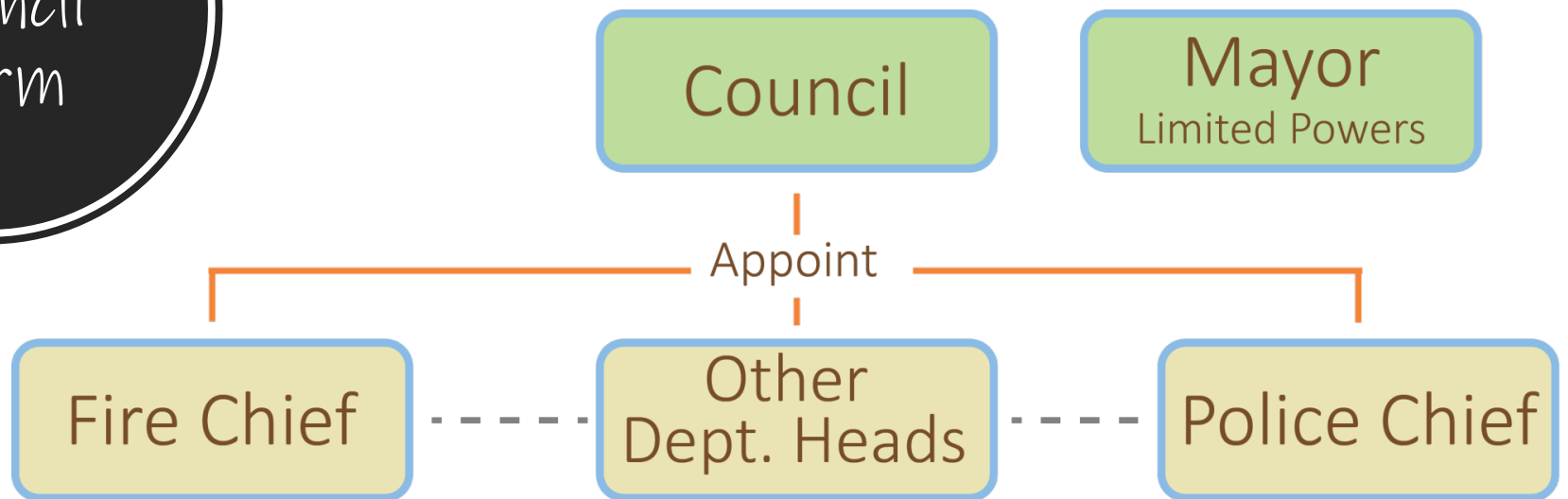
Council

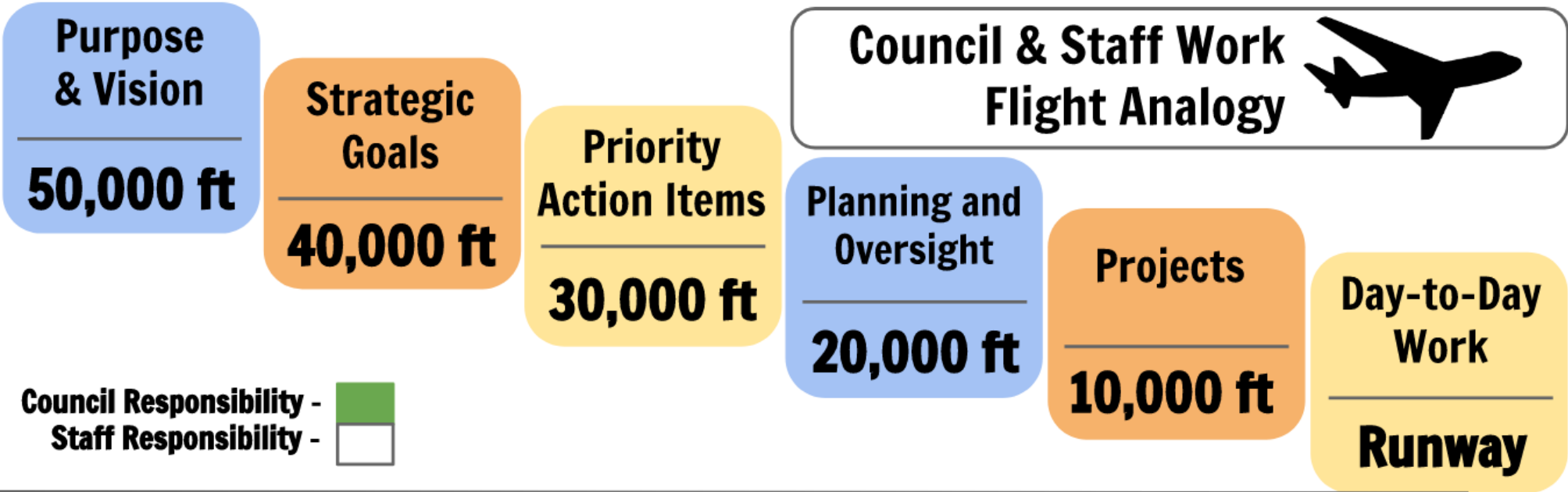
- Governs and oversees management of the municipality
- Confers power to the mayor and employees
- Appoints and dismisses manager







Manager

- Hires & fires all employees; supervises departments
- Upholds municipal and state laws & regulations
- Prepares & submits annual budget
- Reports on finances & administrative activities
- Performs other duties as required or authorized by council

Mayor-Council Form





Long-Range Planning			Budget / Contract Approval		
					
Council Role: Affirm Vision/Purpose	Establish Goals	Establish/Prioritize Action Items	Review/Adopt Budget Conduct Meetings	Authorize Contracts (of \$15K or more)	Engage w/ Community And Staff
Staff Role: Support Vision/Purpose	Align Goals with Resources	Implement Priority Action Items	Prepare Plans and Oversee Functions	Plan & Complete Projects	Carry Out Day-to-Day Responsibilities

Working as a
board, with
the manager,
and with staff

*Your Turn:
Hypothetical Cases*





Councilman Smith wants some one-on-one time with the manager in order to discuss a longstanding issue.

At the meeting they brainstorm some options and the manager agrees to have a staff member do some research.

The staff member prepares a report with answers to the council member's questions and delivers it to Councilman Smith.

Can you suggest some other ways to handle this situation?



*Why is the council member's routine problematic?
Is there a better way to handle a visit to Town Hall?*

A council member who is retired visits Town Hall most days. She wanders into various departments, asking the employees how their day is going and whether they have any complaints. Occasionally, she goes into the employee lounge and just sits. Some of the employees have mentioned this behavior to their supervisors and two Department Heads have mentioned it to the Town Manager. "She scares me," one employee noted. "I don't know whether she's trying to catch me doing something wrong, or if she really is just being polite. I never know what to say!"

Councilman Michaels was driving to Town Hall one morning when he passed a vacant house with a fire hydrant pouring water out into the street. No fire or police officers were around. He pulls over and calls his friend from church, Fireman Jones. “There’s a busted fire hydrant over here and you need to get a crew out here to fix it!” Fireman Jones, says “Sure thing, I’m on my way!” Fireman Jones left the station and met the council member at the vacant house.



Why was this not the ideal way to handle this situation?

The Planning Director is presenting a report from the Planning Board to the Town Council requesting a parcel be rezoned from residential to commercial. Council member Jones asks in a strident tone “Just how many residences are affected by this rezoning request?” The Planning Director, caught off-guard by the question and the member’s apparent anger, fumbles through papers on the podium, and turns away to consult with another staff person.

“It’s a simple enough question,” the board member interjects impatiently. “You’re the Planning Director, don’t you know this? Why is it you never seem to know the answers to my questions?” Other board members start looking down in discomfort.




What is a better way to handle a situation in which a staff member can't answer a question during a meeting?



What is the appropriate action for council to take? Is the council within its rights to order the firing?

Citizens have complained to council members that the utility billing department provides poor customer service. Reports of incorrect billing and rude customer service when paying bills in person make up most of the complaints.

Council directs the manager to fire the Director of Utilities.



Councilmember Jones gets a call from a citizen complaining about the noise coming from the neighbor's chickens. She tells the citizen not to worry because the town has a noise ordinance that applies to these kinds of complaints.

As soon as the call ends, Councilmember Jones calls the police chief and tells her to issue a citation for a noise violation to the owner of the chickens.

What is wrong with this response?



Councilmember Chatterly dominates council meetings. Two other members, frustrated, approach the mayor for help. “I’ve talked to him but it hasn’t made a difference. I don’t know what else to do!” Mayor Shrugs admits.

“Why don’t you just gavel him down?” Councilmember Pushing suggests. “Yeah, good idea!” Councilmember Goody replies.

What is a better way to handle this situation?

In the Council's monthly meeting, the Mayor proposes instituting a formal evaluation process for the town manager. The issue wasn't listed on the agenda. From the startled looks on everyone's faces, nobody expected the issue to come up, including the manager.

What is the correct way to handle manager performance evaluations?



Your town is ripe for spill-over development from a neighboring county. Your unit wants to prepare for this growth, but there are budget constraints and a key point of disagreement is whether to issue bonds for expansion of water and sewer capacity. The board schedules a work session with the Planning Director to discuss options. A fellow board member says: “This is a no-brainer. The growth will generate more revenues. We’ll be able to keep our taxes low and more people will want to live here.” Another board member says: “I don’t believe in taking on debt. If we can’t pay for it, we don’t need it.”

What process can you use as a group to try to develop consensus?






There are two finalists for police chief. An internal candidate with more than 25 years experience, and a highly rated deputy chief from the neighboring town. Manager Simmons decides to go with the external candidate and calls the Mayor to share the decision.

“Too bad. I liked the internal candidate,” the Mayor says after Simmons explains the choice. “I need to take this up with the council, and discuss your leadership style,” says the Mayor.

What is the appropriate role of elected officials in the department head hiring process?





Only the board
can govern the
board

Lesson One

The background of the slide features a 3D illustration of three white, stylized human figures interacting with four large, interlocking gears. The gears are colored blue, yellow, red, and green. One figure is positioned behind the blue gear, another to the right of the yellow gear, and a third in the foreground holding the green gear. The red gear is partially visible behind the blue one. The entire scene is set against a light gray background.

Lesson Two

The manager reports
to the governing
board, not to
individual elected
officials

Lesson Three

Council members' behaviors
have consequences





Lesson Four

Responsiveness and respect: a
two-way street

Frequently Asked Questions

Working Together in Municipalities

When should you evaluate your manager or chief administrative officer?

Ideally, a council will evaluate the manager or CAO annually.

Should the manager or CAO be held accountable for policies established under a previous council?

Generally, the answer is no. The manager is required, as a professional standard, to take direction from the board unless that direction is illegal or unethical.

When asked to moderate a dispute between two neighbors, what considerations are most important?

Remember that both neighbors are your constituents. So, it is usually better to direct them to the appropriate city department or staff member to help them rather than to intervene yourself.

As a council member, what is your role related to personnel decisions?

Elected officials in the council-manager form have no role in personnel decisions. They cannot direct the manager or staff to hire, fire, demote, or promote staff members. However, a manager cannot create a new position without council approval. In the mayor-council form, the council often appoints the CAO and usually delegates hiring and firing authority to the CAO. When there is no CAO, the council has the power to appoint department heads. (In both forms, there may be specific provisions related to department head appointments in the charter that depart from standard practice).

Frequently Asked Questions

Working Together in Municipalities

As a council member, what is your role regarding day-to-day operations?

In the highest-performing council-manager governments, elected officials focus on developing the vision for the community and creating policy that promotes that vision. The council directs the manager to fulfill that vision through policy recommendations and day-to-day operations. In the mayor-council form without CAO, elected officials serve dual roles, setting the vision for the organization and having a significant role in operations.

Why is it inadvisable for an elected official to ask staff to devote time to their pet projects or interests?

Requests such as these can lead to organization resources (staff time and other) being directed to the needs of an individual member as opposed to the council as a whole. If the elected official believes the information would be beneficial for the council as a whole, ideally, he/she would seek consensus of other members before making the request. In the least, all information obtained should be shared with other members.

Why is important to always show respect towards each other and staff?

Showing respect has many benefits. It builds mutual respect throughout the organization, it can improve employee morale, and it provides the citizens with confidence that their government is working well together.

Why should the council hold a retreat? What take-aways should be expected?

A retreat is useful in identifying expectations and reaching agreement among council members on priorities and action plans for the year, which can be used for setting priorities for staff and also be used during the manager's evaluation. A retreat also helps elected officials and staff get to know one another and develop a rapport that can facilitate interactions in council meetings. Ideally, retreats should be held annually at a location away from town hall, and use a neutral outside facilitator.



Transparency: Welcome to Open Government



Transparency

Essentials of Municipal Government



presented in partnership by:



SCHOOL OF GOVERNMENT
Center for Public Leadership and Governance

Welcome to Open Government



Overview: Transparency

- North Carolina [public records](#) and [open meetings](#) laws provide broad public access to your meetings and records.
- These laws create obligations for the [unit](#) and for you as an [individual](#).



Public Records: Five Things You Should know

1. Any record made or received in the transaction of public business is subject to public access unless an exception applies.



2. The Law Applies to every type of medium, device, or format, regardless of physical form or characteristics.



3. The Content Determines Whether a Record is Public: Not Who Owns the Device or the Account.



Is This a Public Record?

- ? Mayor sends an email to the clerk regarding the agenda for the next council meeting using her personal email account and her personal computer.
- ? Clerk sends an email to her daughter using her work email on her town-issued computer to remind her to practice the piano.

Rule to Remember

It's the **CONTENT** of the record, not its location, that determines whether it is a public record.



You are responsible for providing access to records that you have on your personal devices and accounts.

4. The Right of Access is Very Broad

Provide records:

- to anyone who requests them
- to inspect or receive a copy
- regardless of why they want them
- in the medium requested if possible
- “as promptly as possible”



5. Only Actual Costs (Narrowly Defined) May Be Charged.

✓ Actual, direct costs only

✗ Not personnel time





Open meetings

Open Meetings

Five Things You Should Know



1. The law applies to *official meetings* of *public bodies*

Public Body

- 2 or more members
- Intentionally created or appointed
- Governmental (not private)
- Exercising any one of 5 functions

Functions

- Legislative
- Policy-making
- Quasi-judicial
- Administrative
- Advisory

Does **not apply** to meetings **solely** among staff.

2. What's an Official Meeting?

- A majority of the members
- Gathering simultaneously in person or electronically
- To conduct a hearing, deliberate, vote, or otherwise conduct public business.



3. A Social Meeting is Not an Official Meeting.



Content
Determines
Whether it's
Public



4. Official Meetings Require Notice and an Opportunity to Attend.

- No Open Meetings Law requirement to publish notice in the newspaper
- Right to attend does not include right to be heard. Public comment period required monthly under separate law.
- Public and press can record, video, photograph meetings

Minutes and General Accounts

- Public bodies must create and retain minutes of meetings and general accounts of closed sessions.
- Minutes legal function is to document actions taken; typically provide a summary
- General Accounts: So that a person not in attendance would have a reasonable understanding of what transpired. May be withheld from public as long as necessary to avoid frustrating the purpose of the closed session.

5. Public Bodies Have Limited Authority to Meet in Closed Session as Allowed By Statute

Process: Motion made
in open session,
stating authorized
purpose of the closed
session

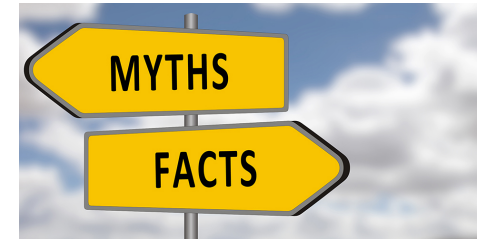


Closed Session Purposes

(Partial List)

- Consider performance, qualifications, appointment, of individual public employees and public officers (not members of the board itself or other boards)
- Preserve attorney client privilege/consider handling of claims
- Discuss economic development
- Discuss bargaining position for property acquisition
- Matters involving alleged criminal misconduct
- Preserve confidentiality of records

Closed Session Myths



Myth: Council cannot vote or take action in closed session.

Truth: Some closed session provisions specifically allow it.

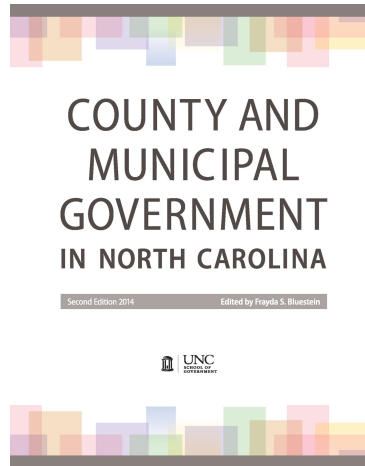
Myth: It's illegal to talk publicly about what happens in closed session.

Truth: Statute doesn't prohibit it, but some topics are confidential under other laws.

Myth: Outsiders are never allowed in a closed session.

Truth: Sometimes they are necessary depending on the purpose of the session

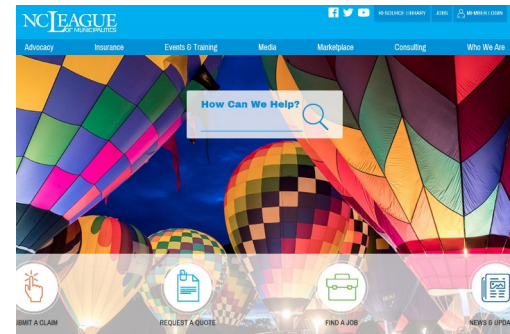
Resources



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Questions & Answers

Essentials of Municipal Government

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Frequently Asked Questions

Transparency: Welcome to Open Government

Is it illegal to use my personal Gmail when communicating with citizens about public business?

It's not illegal, but your correspondence, including your emails and the emails the citizen sends to you are public records. You will be responsible for providing copies of those emails, including the email addresses, if there is a request for your emails.

Do I as a council member have the right to view employee records?

No. Employee records are confidential. The statute (GS 160A-168) allows access to people who are in a supervisory role. This varies depending how the local government is structured. In a **council-manager** form of government, the manager is the supervisor – not the council. Department heads and other supervisory people also have access. The manager has authority to share personnel information with the council if he or she determines that it is necessary. In a **mayor-council** form of government, the council as a body, supervises the employees. The council decides who can have access to employee records.

A citizen has requested a list of all of the closed sessions the council held within the past year, including the purpose for each session. Do we have to compile that information if we don't already have it in a record?

No. The statute specifically says that a public agency does not have to compile or create a new record in response to a public records request. If the information exists in a database that can be queried without reprogramming, it's possible that they agency would have to provide it.

Frequently Asked Questions

Transparency: Welcome to Open Government

I've heard that any time we have two or more members gathered together talking about public business outside of a noticed meeting, we're violating the open meetings law. Is that true?

No. The requirement for open meetings applies to "official meetings" of "public bodies." In order to be a public body under the law a group has to have at least two members. But that's just the first step. In order to trigger the notice and access requirements there must be a "majority" of the public body. So, consider that the council has appointed an economic development committee with six members. This committee meets the definition of a public body. If four members meet to discuss the business of the committee, that's a majority and notice would be required.

We have appointed a three-member committee of the council to study an issue and bring back a proposal for consideration by the full council. Is this committee subject to the open meetings law?

Yes. Committees of public bodies are themselves public bodies and are subject to the open meeting laws. In addition, even if the committee is only advisory, the definition on a public body includes group that only recommends and does not take final action. Small committees must make efforts to avoid violating the open meetings law. If one member of the three-member committee calls another member, that's a majority, so they should refrain from discussing committee business.

Coates' Canons Blog: Quick-Reference Guide for Closed Sessions

By Frayda Bluestein

Article: <http://canons.sog.unc.edu/?p=7580>

This entry was posted on March 13, 2014 and is filed under Board Structure & Procedures, Open Government, Open Meetings

The [North Carolina open meetings law](#) requires most official meetings of public bodies to be open to the public. The law also lists [nine permitted purposes](#) for meeting in closed session. It sets rules for announcing and conducting closed sessions, and cases have interpreted these provisions, providing additional guidance. This blog post outlines the general requirements for closed sessions, as well as special rules that apply to particular types of closed sessions. It also debunks three common misperceptions about closed sessions.

General Requirements:

- Comply with notice requirements for the meeting, even if the entire meeting will consist of a closed session.
- Begin the meeting in open session.
- Adopt a motion to go into closed session.
- State in the motion the authorized purpose(s) for the closed session. There is no legal requirement to include the statutory citation.
- In two special cases, include additional information in the motion. (See bolded information in the list below.)
- Return to open session after completing the closed session.
- Create minutes and general accounts of closed session. See blog post [here](#).
- Determine whether minutes and general accounts may be withheld to avoid frustrating the purpose of the closed session. See blog post [here](#).

Requirements for Specific Types of Closed Sessions as Listed in G.S. 143-318.11(a):

- To protect confidential or privileged information – (a)(1)
 - **Motion must state the name or citation of the law that renders the information confidential or privileged.**
 - Attendance is limited to people who legally have access to the confidential or privileged information.
- To consult with an attorney to protect the attorney-client privilege – (a)(3)
 - **For discussion of existing litigation, motion must identify the parties in the lawsuit.**
 - The attorney must participate in the meeting for the purpose of providing legal consultation with the public body.
 - Allows the public body to instruct the attorney about pending matters, including approving a settlement.
 - Settlements approved in closed session must be reported to the public body in open session within a reasonable time after the settlement is concluded.
 - Attendance is limited to people who are within the attorney-client privilege. See bulletin [here](#).
- Discussing the location or expansion of industries or other businesses in the area served by the public body – (a)(4)
 - Approval of specific economic development incentives, contracts, or expenditures must be taken in open session.
 - There are no legal limitations on who may attend.
- Establishing or instructing staff or agents on the public body's negotiating position for acquisition of real property or employment contracts – (a)(5).
 - Does not apply to the *sale* of property by the public body.
 - Does not allow discussion of *which* property to acquire.
 - Requires the public body, upon request, to disclose before it enters the closed session (1) the property's current owner, (2) the property's location, and (3) the purposes for which the public body intends use the property. See *Boney Publishers, Inc. v. Burlington City Council*, 151 N.C. App. 651 (2002).



-
- Allows members of the public body to agree on a final position as an instruction to the staff member or agent.
 - There are no legal limitations on who may attend.
 - The personnel exception – (a)(6)
 - Does not apply to general policy issues. Discussion must be about one or more individual employees.
 - Does not apply to independent contractors, except possibly the unit's contracted attorney. See blog post [here](#).
 - Does not apply to discussions about members of the public body itself, including applicants for appointment to the public body.
 - Does not apply to discussions about members of any other public bodies, including applicants for appointment to those public bodies.
 - Final action to appoint or discharge an employee must be made in open session.
 - If the discussion involves confidential information or records (which it often does), attendance is limited to those who have legal access the confidential information. Otherwise, there is no legal limitation on who may attend.

Common misperceptions about closed sessions.

- Misperception: It is illegal for anyone to disclose information from any closed session. Correction: There is no statutory prohibition on disclosing information, but some information is confidential under other laws. See blog post [here](#).
- Misperception: It is illegal for a public body to vote or take final action in closed session. Correction: Some types of votes and final action are allowed based on the language of particular closed session purposes. See blog post [here](#).
- Misperception: Only the public body and select employees members may attend closed sessions. Correction: The board is generally free to invite anyone it deems appropriate to participate in a closed session except in those cases noted above, when the legal purpose for the closed session restricts who may attend.

Want to learn more about open meetings? Register for all or part of our upcoming three-part open meetings webinar series. [Go here](#) for more information and to register.

Links

- www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-318.9.html
- www.ncga.state.nc.us/EnactedLegislation/Statutes/HTML/BySection/Chapter_143/GS_143-318.11.html
- www.sogpubs.unc.edu/electronicversions/pdfs/lglb103.pdf
- www.sog.unc.edu/node/30586



North Carolina League of Municipalities

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SCHOOL OF GOVERNMENT

Center for Public Leadership and Governance

What is the League?

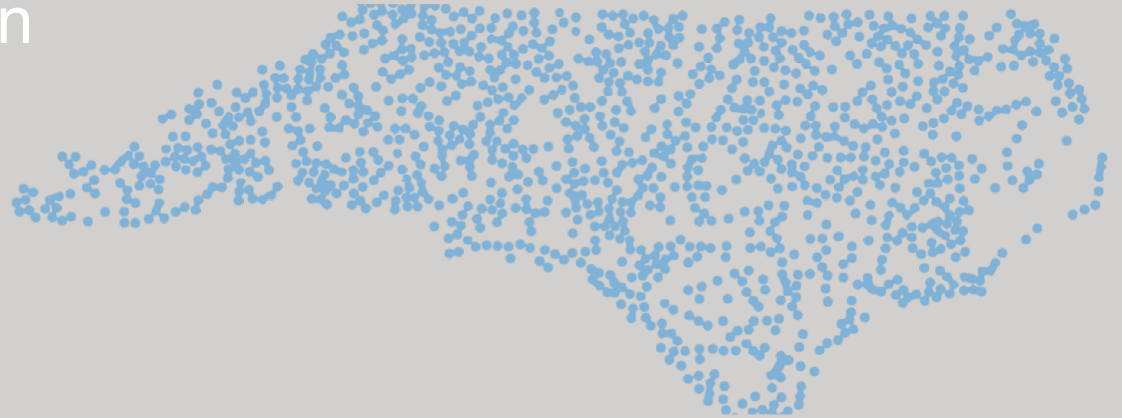
- An association of 540 of North Carolina's cities and towns
- The one-stop municipal shop, for cities and towns, led by cities and towns
- The unified voice of the state's municipalities



We are 540 Cities and Towns

Working together as one, the cities and towns of the North Carolina League of Municipalities will be guided by our commitment to:

- Service
- Self-Determination
- Inclusiveness
- Collaboration
- Responsiveness



NCLM Board of Directors

- 35-member Board of Directors
- 12 Districts statewide
- Municipal staff representatives (Clerk, Managers, Attorney, etc.)
- Affiliate organizations



What does the League do?

- ▣ Serves as the full-service extension of local government; the go-to source of support for:
 - Insurance
 - Advice and consultation
 - Advocacy & Lobbying
 - Training / Professional Development
 - Continuous information and updates
- ▣ Promotes good local government
- ▣ Influences state and federal policy that affects municipalities

NCLM Insurance Services

LIFE AND HEALTH INSURANCE

- 30+ years of service
- 420+ local government entities participating
- 9,000+ employees and dependents

PROPERTY AND CASUALTY INSURANCE

- 480+ local government entities participating
- 30+ years of League assistance with P&C insurance

WORKERS' COMPENSATION INSURANCE

- 50+ personalized safety training courses for municipalities

NCLM Consultation and Advice

FINANCIAL & OPERATIONAL CONSULTING PROGRAM

- Assists municipalities with specific financial or operational challenges
- Reviewing strategies and actions to address needs for improvement identifies by the NC State Treasurer

LEGAL CONSULTING

- Judicial advocacy (amicus briefs and technical assistance programs)
- Revising charters on a contractual basis
- Preparing model ordinances and forms

EMPLOYMENT LIABILITY CONSULTING

- Navigating human resources concerns
- Pay-class studies
- Resolving potential employment related workers' compensation and liability claims

NCLM Advocacy

PUBLIC AND GOVERNMENT AFFAIRS TEAM

- Representing cities and towns before the General Assembly, the U.S. Congress and administrative rule-making authorities
- Lobby and advocate for what's in the best interest for cities, towns, and their residents
- Works directly with legislators, government agencies and employees, and other policymakers

Training & Education

Advancing Municipal Leaders

- Through AML municipal leaders will learn how to meet the requirements of their role in office.
- Courses:
 - New Mayors School
 - Media Training
 - Overview of Municipal Government
 - And more



www.nclm.org/AML



Research & Information

Through a variety of publications and research, NCLM helps its members stay informed on what's happening in the state capital and what's going on in their sister cities and towns.

Salary Surveys

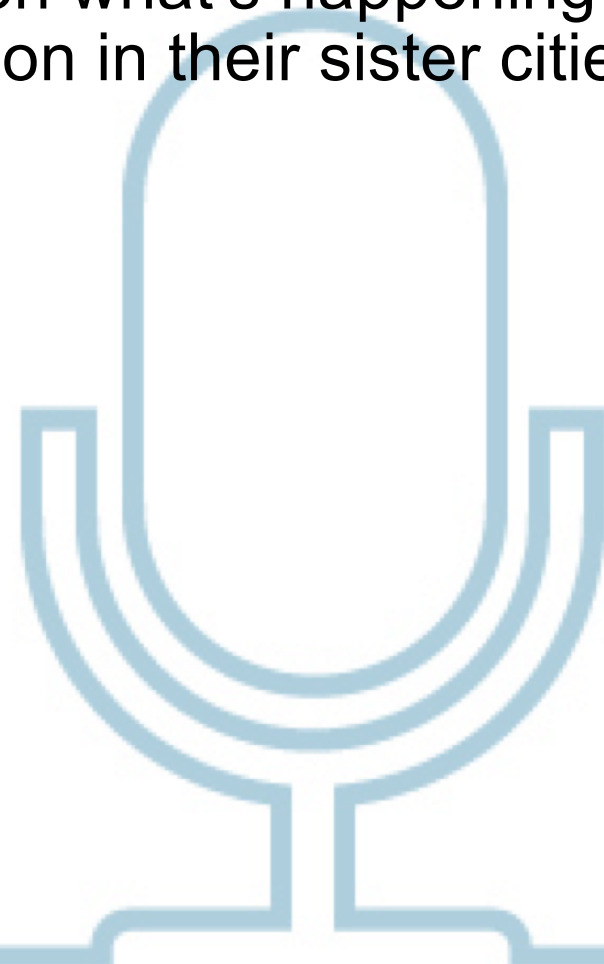
Revenue Projections

Southern City Magazine

Weekly Email Newsletters

Municipal Equation Podcast

Social Media



NCLM Goals

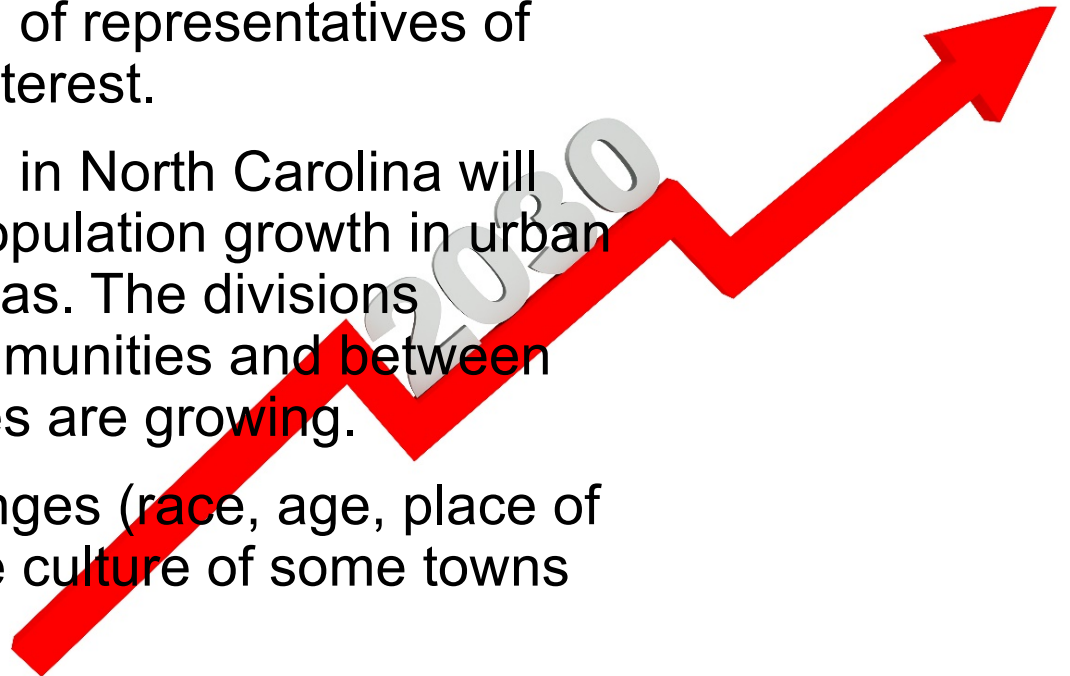
WORKING AS ONE. ADVANCING ALL.

Our Mission: The North Carolina League of Municipalities is a member-driven organization representing the interests of cities and towns in the state. Through their collective efforts, League member cities and towns better serve their residents and improve quality of life.



Vision 2030: Strategic Challenges

- Citizens do not understand the roles and responsibilities of municipalities, expect more for less, and are reluctant to support increased taxes or fees.
- State legislators are restricting the authority and resources of municipalities, are unaware of or unconcerned about the consequences of their actions at the local level, and view municipalities as another special interest group instead of representatives of the people and the public's interest.
- Patterns of population growth in North Carolina will continue, leading to strong population growth in urban areas and decline in rural areas. The divisions between urban and rural communities and between richer and poorer communities are growing.
- Significant demographic changes (race, age, place of origin) will lead to shifts in the culture of some towns and cities in North Carolina.

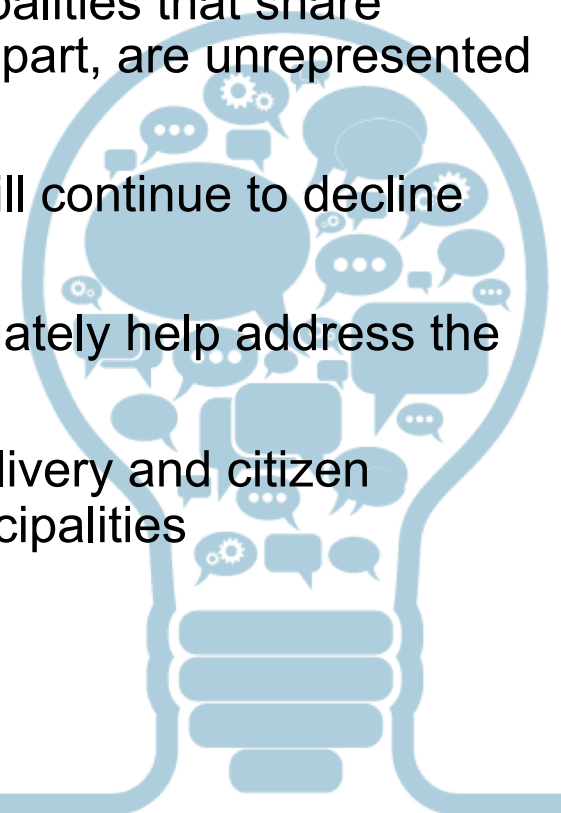


Vision 2030: Strategic Challenges

- The future of many rural and smaller communities as viable economic enterprises and service providers is in jeopardy.
- In many places inter-local working relationships are strained or non-existent
- Throughout the state, there exist cohorts of municipalities that share common interests and needs but that, for the most part, are unrepresented as a group.
- Financial support from federal and state sources will continue to decline even as local needs grow
- Federal and state governments is unlikely to adequately help address the enormous costs of infrastructure needs
- Technology has the potential to improve service delivery and citizen engagement but also presents challenges for municipalities

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Vision 2030: Six Operating Principles

By 2030:

- Municipal governments exercise greater control over their revenues, structures, and functions.
- Municipalities demonstrate the value they add to the community's quality of life.
- Technology is widely used for service delivery, citizen engagement, and economic development.
- Municipalities widely practice productive partnerships with counties, other governments, and the private sector.
- Urban and rural municipalities routinely work together for economic success.
- Municipalities are able to quickly adapt to cultural and demographic changes in their communities.

Vision 2030: Five Planning Pillars

- Reaching and Empowering North Carolina Citizens
- Improving NCLM Political Positioning and Influence
- Expanding Effectiveness and Value of Membership Services
- Bolstering Leadership Development of City Officials
- Building the League into a Great Place to Work that is Cohesive and Highly Effective





Contact NCLM
www.ncclm.org | 919-715-4000

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