



**Town of Southern Shores  
Council Meeting-Strategic Planning Retreat  
February 16, 2016**

The Town of Southern Shores Council met at the Pitts Center located at 5377 N. Virginia Dare Trail for a Strategic Planning Retreat at 9:00 a.m. on Tuesday, February 16, 2016

**COUNCIL PRESENT:** Mayor Tom Bennett, Mayor Pro Tem Fred Newberry, Council Members Leo Holland, Chris Nason and Gary McDonald.

**COUNCIL ABSENT:** None

**OTHERS PRESENT:** Facilitator Cathy Davison, Executive Director, Albemarle Commission, NC Region R Council of Government, Town Manager Peter Rascoe and Town Clerk Sheila Kane.

**CALL TO ORDER / PLEDGE OF ALLEGIANCE / MOMENT OF SILENCE**

Mayor Bennett called the meeting to order at 9:00 a.m., led the Pledge of Allegiance, and held a Moment of Silence.

Mayor Bennett transferred agenda administration to the Retreat Facilitator Cathy Davison

**GENERAL PUBLIC COMMENT**

Retreat Facilitator Cathy Davison called for public comment, and the following citizens offered comment with topic(s) as indicated:

- |  |   |
|--|---|
| Ursula Bateman, Southern Shores Resident-  | Urged (2) public comment periods & resolution against off-shore drilling                            |
| Geri Sullivan, Southern Shores Resident-   | Urged adopting 2012 LUP's vision statement as Town vision statement                                 |
| Toni Randomski, Southern Shores Resident - | Urged Town to follow original Town's LUP vision statement   |
| Al Ewerling, Southern Shores Resident-     | Thanked Police Dept. for job well done & urged Council to look at the Town's LUP vision statement   |
| Debbie Newberry, Southern Shores Resident- | Town's LUP vision statement is written more towards visitors; transparency; involvement of citizens |
| Andrew Darling, Southern Shores Resident-  | Citizens have lack of confidence in Council; transparency   |
| Susan Dineen, Southern Shores Resident-    | Transcribe verbatim public comments   |

[CLERK'S NOTE: A COPY OF THE PUBLIC COMMENT SIGN UP SHEET IS HEREBY ATTACHED AS EXHIBIT A]

## OPENING RETREAT

The Retreat Facilitator reviewed the nine (9) ground rules essential to the process:



**OPPORTUNITY IS EVERYTHING**

### Ground rules are essential to this process because:

- It reduces the element of surprise by giving everyone information at the start of the process about how the process will be conducted. As a result, the participants can focus on what is really important—policy—rather than on the mechanics—process.
- Ground rules clarify roles and responsibilities, thus giving everyone notice about what is expected of them.
- Once the process gets going, ground rules help keep it on track.
- Ground rules help place the focus or emphasis on substantive issues rather than on personalities, which makes conflict easier to deal with and more likely to be creative and constructive, not destructive.

### Ground Rules:

1. We are all equal participants and shall have equal responsibility to voice opinions and ideas and assume equal responsibility for the success of this process.
2. Everything shall remain confidential until the group agrees what will be shared.
3. The facilitator is responsible for facilitating discussion and will endeavor to keep the discussion productive, professional and on task.
4. We will not interrupt others when they have the floor.
5. Conflict is ok because it leads to creative decisions. But it must be focused on the issues, not on personalities. Criticize ideas, not people.
6. If anyone feels too uncomfortable to continue a discussion, he or she has the right to call a "time out" and request a break.
7. Our goal is to reach decision by consensus, not by voting or some other method that produces winners or losers.
8. If we cannot live with the consensus of the group, you must offer an alternative that you believe everyone else can live with.
9. Once a decision is reached, everyone will fully support the decision.

The Retreat Facilitator began to review the importance of being an elected official:



### The Importance of Being an Elected Official

1. **History:** Southern Shores is a Chartered town under North Carolina General Statutes § 160A as approved by the General Assembly in 1979.
2. **Form of Government: Council-Manager**
  - a. According to NC GS § 160A, Council (collectively) are the policy makers: Policy cannot be changed without the majority of council voting to do so. (See Attached)
  - b. Council collectively provides direction to the Town Manager for the implementation of the policies they collectively adopt
  - c. Town Manager is responsible for the implementation of Council's adopted policies and the day-to-day operations of the Town as outlined in NC GS § 160A Article 7 (See Attached) .
3. **Importance of Council**
  - a. Council is responsible for adopting all policy of the Town – NOT THE OPERATION OF THE TOWN. Policy should enhance, protect and meet the needs of the Town. A town must have the methods to provide the following services: Police, Fire, Sanitation, Water and Sewer
  - b. Council is responsible for adopting a fiscal budget.
    - i. Strategic Planning, council is able to identify strategic needs of the Town and work with the Town Manager and Finance Officer to plan for those strategic needs within the fiscal budget.
      1. Strategic Planning Should be Done Prior to a Budget Planning Retreat (See Attached School of Government Article)
4. **Attachments**
  - i. North Carolina General Statutes § 160A Article 5: Form of Government
  - ii. North Carolina General Statutes § 160A Article 7: Administrative Offices
  - iii. How NC Municipalities Work : North Carolina League of Municipalities
  - iv. Council-Manager Form of Government FAQ: International City County Managers Association
  - v. Is your Plan on the Shelf? Effective Implementation of Strategic Plans in North Carolina Cities

[Clerk's Note: Importance of Being an Elected Official attachments are hereby attached as Exhibit B]

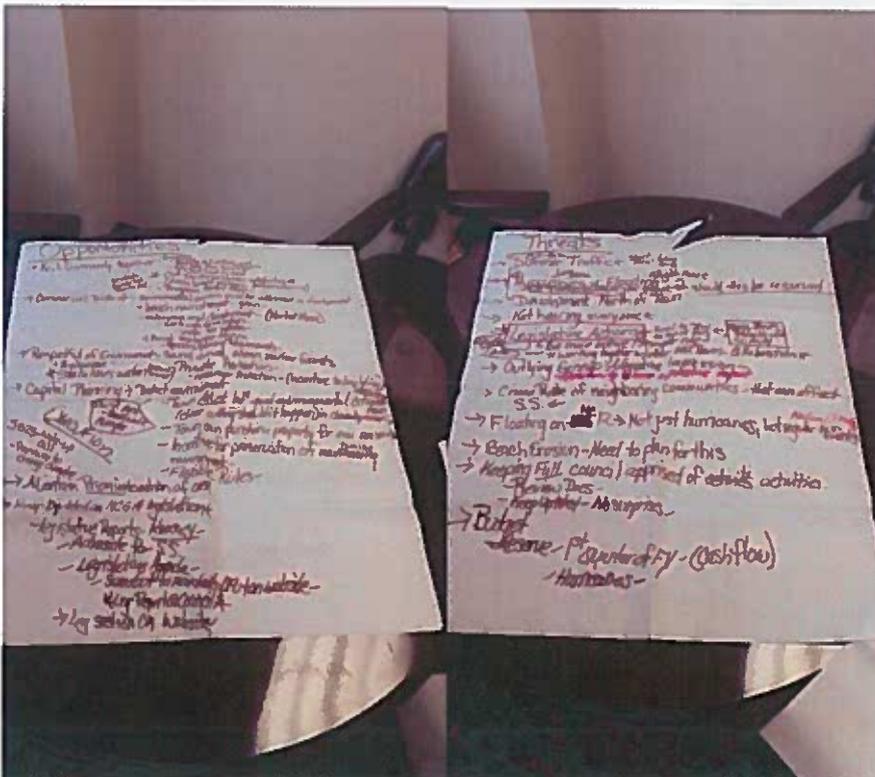
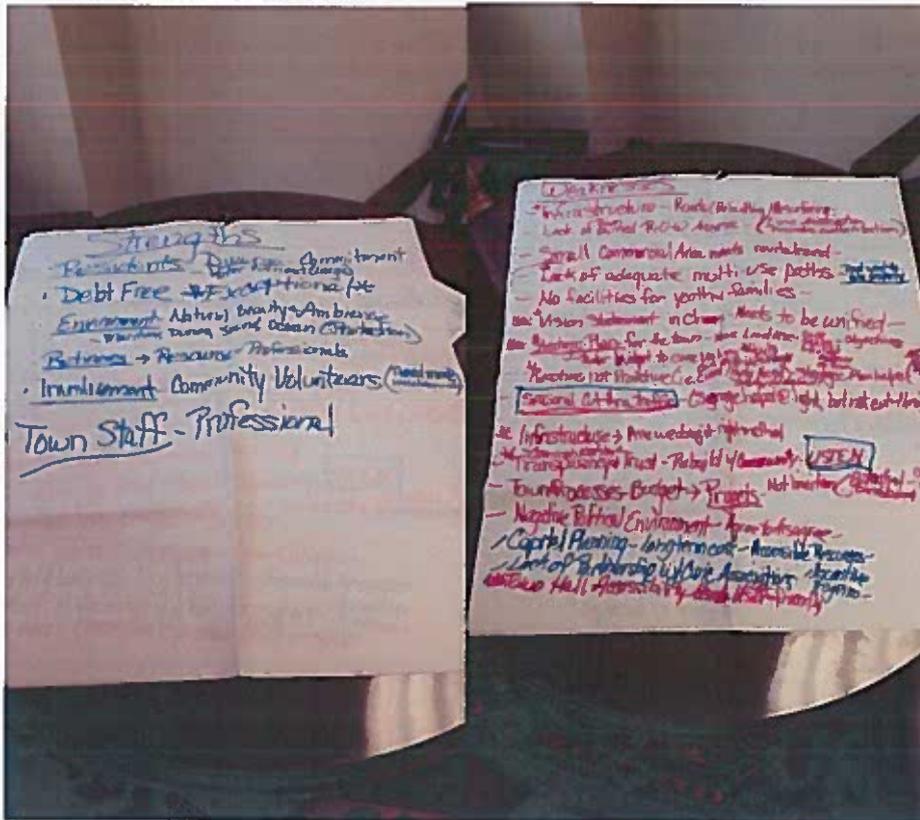
The majority of discussion at the Retreat focused around the SWOT (Strength Weakness Opportunities Threats) questionnaire responses which Council had answered prior to the Retreat. The list of responses from Council in each category would help Council determine their goals and objectives and how to achieve them. These results could become the basis for development of the Town's Strategic Plan.



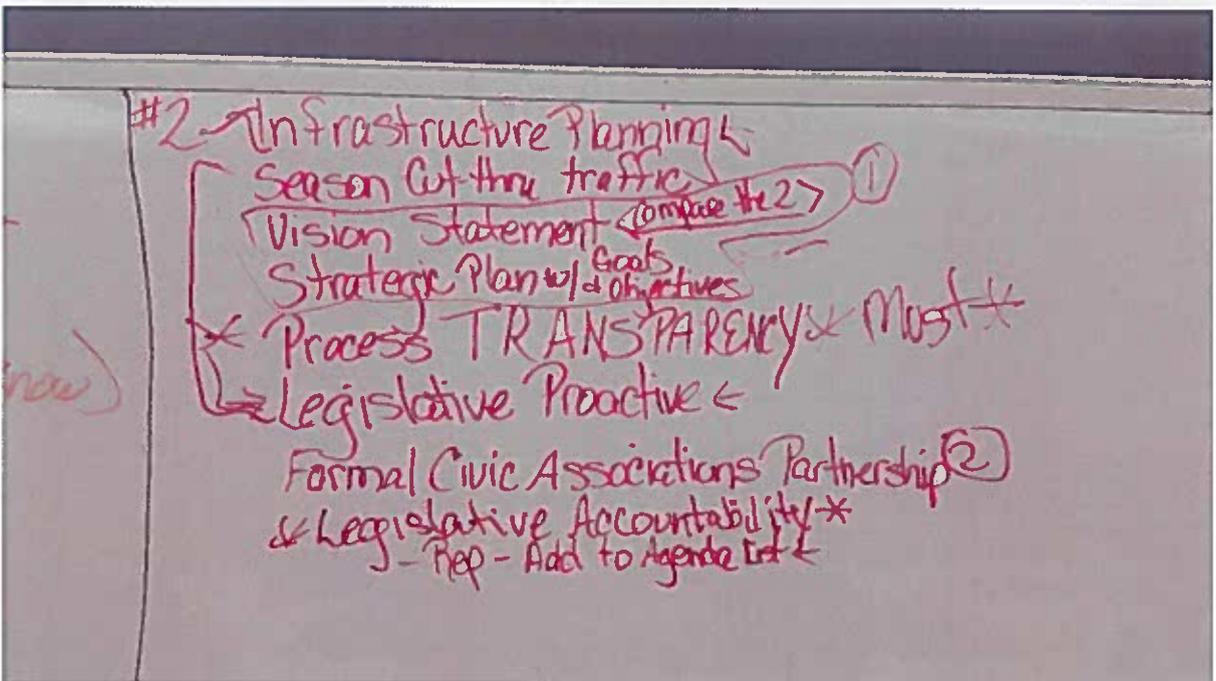
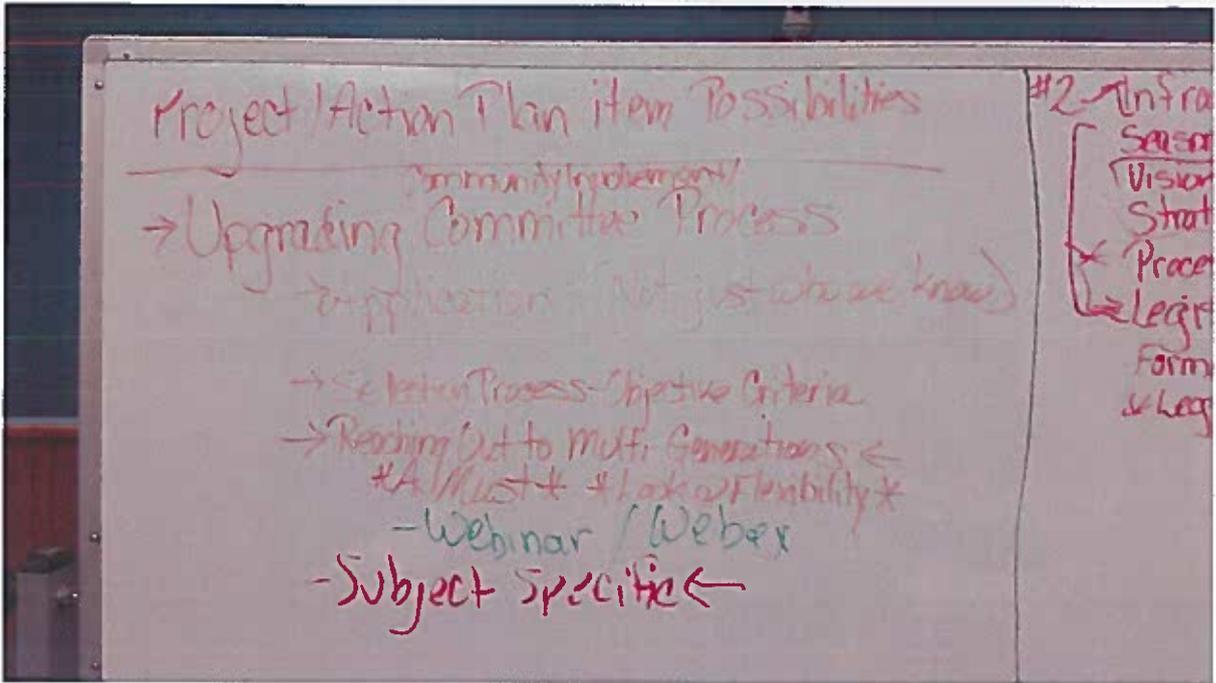
<u>Strengths</u>	<u>Weaknesses</u>
<ul style="list-style-type: none"> <li>• Town has natural beauty and ambience</li> <li>• Unique Environment (maritime, forest, dunes, sound, ocean)</li> <li>• Well educated residents that are committed to preserving the ambience of the Town</li> <li>• Residents have a diversity of professional experience and are willing to volunteer their services</li> <li>• Main population is retirees who came to the Town for its quiet, small town environment</li> <li>• Our natural and man-made environment</li> <li>• Our relatively stable ocean front</li> <li>• Our unique functional canal system</li> <li>• Our improving infrastructure (roads, bridges, etc.)</li> <li>• Our exceptional town staff and service providers (i.e. police, fire and lifeguard service)</li> <li>• Financially debt free and maintaining a strong fund balance (2x)</li> <li>• excellent police and fire protection service (2x)</li> <li>• Provides numerous services to residents such as limb chipping and recycling</li> <li>• Professional town staff</li> <li>• Environment and livability of the neighborhoods</li> <li>• Community involvement</li> <li>• Small town</li> <li>• Large voter involvement</li> </ul>	<ul style="list-style-type: none"> <li>• The infrastructure is aging; roads need resurfacing</li> <li>• The direction that the Mayor is attempting to move is counter to the desires of the citizens</li> <li>• Seasonal, Cut through traffic is a serious problem</li> <li>• Commercial areas need revitalization including improvements in aesthetics</li> <li>• The town has no owned access (R-O-W) to our canal system or to our beaches (2x)</li> <li>• The failure of a number of our residents to realize that the streets and r-o-ws belong to the town and that we have an obligation to maintain them in good order - not only for public safety but to avoid diminishing property values</li> <li>• Not any large amount of property in Town</li> <li>• Lack of adequate walking/bike paths (2x). Current paths are owned by Civic Association and Property Owners Association</li> <li>• Negative political environment</li> <li>• No facilities for youth and family activities</li> <li>• Lack of Capital planning</li> <li>• Town procedures not well defined</li> <li>• Communication with community (transparency)</li> <li>• Reactive not proactive</li> <li>• Aging infrastructure</li> </ul>
<u>Opportunities</u>	<u>Threats</u>
<ul style="list-style-type: none"> <li>• We can knit the community together with a set of paths that allow new groups of citizens to interact</li> <li>• Take the Town to the next level</li> <li>• Build a new image by leveraging the strengths of quiet residential homes and a small commercial district</li> <li>• Improve the commercial district with quality (non hamburger alley) business development</li> <li>• Maintain the development of quaint residential homes</li> <li>• Improve the town's capital planning</li> <li>• improve the town's procedures</li> <li>• improve the communication/transparency with the community</li> <li>• be proactive instead of reactive</li> <li>• Premier place to live in Outer Banks (2x)</li> <li>• Expand bike and walking trails</li> <li>• Develop rules and regulations that support welfare of Town's shopping centers</li> <li>• Team with our civic associations to create a better network of trails and paths, and possibly additional recreation/play areas</li> </ul>	<ul style="list-style-type: none"> <li>• Commercial / mega homes (event home) development that causes unnecessary destruction of vegetation and destroys the ambience of the Town</li> <li>• Hurricanes and the resultant flooding that we need to have a good financial reserves for the storm that will come in the future (3x)</li> <li>• Council has been divisive and not able to hear all community members input</li> <li>• The image of Town being damaged by dividing articles in social media and local news media</li> <li>• Continued development north of Town which it has no control which is causing additional traffic through the Town during the summer months</li> <li>• Legislative Action at the State level (1) loss of sales tax revenue (2) limiting the town's authority to control occupancy of homes in our community (3) divisive and hostile behavior by the minority of our residents that reflects poorly on our community and creates the impression that this may not be a desirable place to build or relocate</li> </ul>

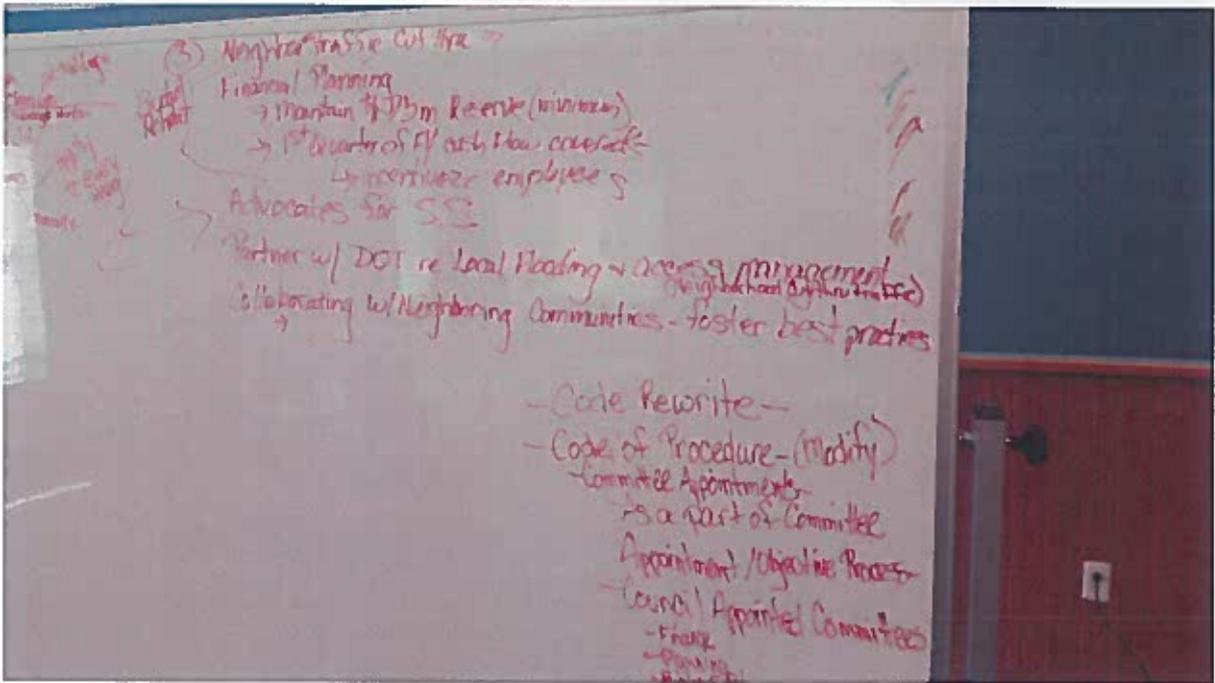
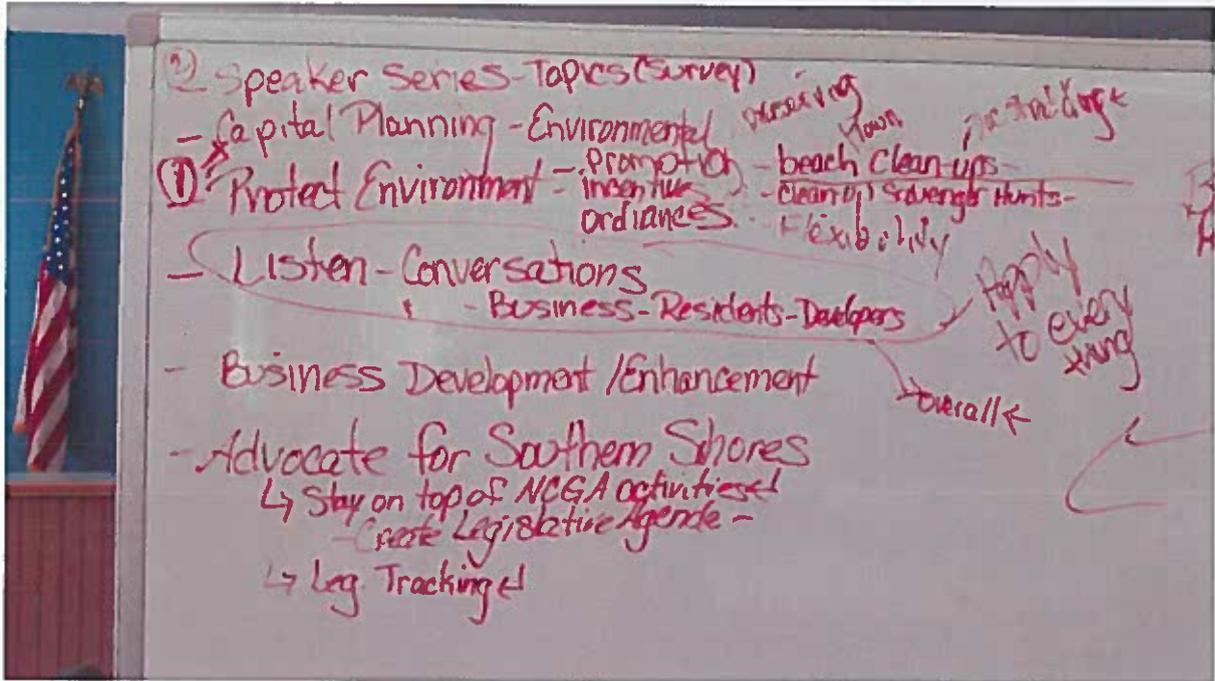
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Each Council Member stated the most important aspect from each of the four (4) SWOT categories. Each of the most important aspects are indicated on the following images representing the Council's work of the Retreat.



The Facilitator then compiled components of a project/action plan based on the Council's listed aspects listed from the SWOT categories. Each of the components are indicated on the following images representing the Council's work of the Retreat.





By consensus of all Council Members, goals and objectives were summarized by the Facilitator for inclusion in a DRAFT strategic plan to be developed and sent to the Council for its future consideration.

[Clerk's Note: The Facilitator's DRAFT Strategic Plan 2016 was received by the Council on March 5, 2016.]

The Facilitator asked for final Council comments. Hearing none, she recommended the Mayor ask for a motion to adjourn the Retreat. The Mayor asked for an adjournment motion.

**ADJOURN**

**MOTION:** Council Member Holland moved to adjourn. The motion was seconded by Council Member Nason. The Mayor asked if there is any discussion on the adjournment motion.

Council Member McDonald and Council Member Newberry raised and discussed concerns regarding Council meeting procedures and an ongoing project.

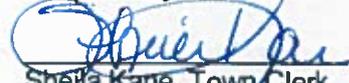
After further discussion, the Mayor called the question on the pending motion to adjourn. Motion passed unanimously. The time was 2:14 p.m.

ATTEST:

  
Thomas G Bennett, Mayor



Respectfully submitted,

  
Sheila Kane, Town Clerk



**PUBLIC COMMENT SIGN-UP SHEET**  
**February 16, 2016**

We encourage your public comments. All speakers must recognize the utmost importance of maintaining the decorum of Town meetings and of the need for all to have an opportunity to speak in a timely and uninterrupted manner. Please limit your comments to 3 minutes and speak courteously and respectfully to the Council as a whole. The 3 minute time allotted is your time to speak. You may choose to use all of it or less, but it is not transferrable to anyone else. Public comment is your opportunity to provide input on Town matters. It is not meant to be a dialogue exchange between you, members of the Council, or others in the audience.

NAME	MAILING ADDRESS OF RESIDENT	TOPIC
Hesular Bantom	360 Sea Otter Ln	
CARI Sullivan	31 South Ave	
Toni Radomski	183 Duck Rd.	
AL EWEELING	187 S Dogwood	
Debbie Weiberry	W. Dogwood	
Andrew Darling	232 W Dogwood	
Susan Dineen	61 Deer Path Lane	



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  - iv. Council-Manager Form of Government FAQ: International City County Managers Association
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## Article 5.

### Form of Government.

#### Part 1. General Provisions.

##### **§ 160A-59. Qualifications for elective office.**

All city officers elected by the people shall possess the qualifications set out in Article VI of the Constitution. In addition, when the city is divided into electoral districts for the purpose of electing members of the council, council members shall reside in the district they represent. When any elected city officer ceases to meet all of the qualifications for holding office pursuant to the Constitution, or when a council member ceases to reside in an electoral district that he was elected to represent, the office is ipso facto vacant. (1973, c. 609.)

##### **§ 160A-60. Qualifications for appointive office.**

Residence within a city shall not be a qualification for or prerequisite to appointment to any city office not filled by election of the people, unless the charter or an ordinance provides otherwise. City councils shall have authority to fix qualifications for appointive offices, but shall have no authority to waive qualifications for appointive offices fixed by charters or general laws. (1870-1, c. 24, s. 3; Code, s. 3796; Rev., s. 2941; C.S., s. 2646; 1951, c. 24; 1969, c. 134, s. 1; 1971, c. 698, s. 1.)

##### **§ 160A-61. Oath of office.**

Every person elected by the people or appointed to any city office shall, before entering upon the duties of the office, take and subscribe the oath of office prescribed in Article VI, § 7 of the Constitution. Oaths of office shall be administered by some person authorized by law to administer oaths, and shall be filed with the city clerk. (R.C., c. 111, s. 12; Code, s. 3799; Rev., s. 2920; C.S., s. 2628; 1971, c. 698, s. 1.)

##### **§ 160A-62. Officers to hold over until successors qualified.**

All city officers, whether elected or appointed, shall continue to hold office until their successors are chosen and qualified. This section shall not apply when an office or position has been abolished, when an appointed officer or employee has been discharged, or when an elected officer has been removed from office. (R.C., c. 111, s. 8; Code, s. 3792; Rev., s. 2943; C.S., s. 2648; 1971, c. 698, s. 1.)

##### **§ 160A-63. Vacancies.**

A vacancy that occurs in an elective office of a city shall be filled by appointment of the city council. If the term of the office expires immediately following the next regular city election, or if the next regular city election will be held within 90 days after the vacancy occurs, the person appointed to fill the vacancy shall serve the remainder of the unexpired term. Otherwise, a successor shall be elected at the next regularly scheduled city election that is held more than 90 days after the vacancy occurs, and the person appointed to fill the vacancy shall serve only until the elected successor takes office. The elected successor shall then serve the remainder of the unexpired term. If the number of vacancies on the council is such that a quorum of the council cannot be obtained, the mayor shall appoint enough members to make up a quorum, and the council shall then proceed to fill the remaining vacancies. If the number of vacancies on the council is such that a quorum of the council cannot be obtained and the office of mayor is vacant, the Governor may fill the vacancies upon the request of any remaining member of the council, or upon the petition of any five registered voters of the city. Vacancies in appointive offices shall be filled by the same authority that makes the initial appointment. This section shall not apply to vacancies in cities that have not held a city election, levied any taxes, or engaged in any municipal functions for a period of five years or more.

In cities whose elections are conducted on a partisan basis, a person appointed to fill a vacancy in an elective office shall be a member of the same political party as the person whom he replaces if that

person was elected as the nominee of a political party. (R.C., c. 111, ss. 9, 10; Code, ss. 3793, 3794; Rev., ss. 2921, 2931; C.S., ss. 2629, 2631; 1971, c. 698, s. 1; 1973, c. 426, s. 11; c. 827, s. 1; 1983, c. 827, s. 1.)

**§ 160A-64. Compensation of mayor and council.**

(a) The council may fix its own compensation and the compensation of the mayor and any other elected officers of the city by adoption of the annual budget ordinance, but the salary of an elected officer other than a member of the council may not be reduced during the then-current term of office unless he agrees thereto. The mayor, councilmen, and other elected officers are entitled to reimbursement for actual expenses incurred in the course of performing their official duties at rates not in excess of those allowed to other city officers and employees, or to a fixed allowance, the amount of which shall be established by the council, for travel and other personal expenses of office; provided, any fixed allowance so established during a term of office shall not be increased during such term of office.

(b) All charter provisions in effect as of January 1, 1972, fixing the compensation or allowances of any city officer or employee are repealed, but persons holding office or employment on January 1, 1972, shall continue to receive the compensation and allowances then prescribed by law until the council provides otherwise in accordance with this section or G.S. 160A-162. (1969, c. 181, s. 1; 1971, c. 698, s. 1; 1973, c. 426, s. 12; c. 1145; 1979, 2nd Sess., c. 1247, s. 1.)

**§ 160A-64.1. Withholding compensation; money judgment against council member.**

In addition to any other enforcement available, the finance officer of a city that obtains a final judgment awarding monetary damages against an elected or appointed member of the city council, either individually or jointly, may enforce that final judgment using any of the remedies set forth in G.S. 105-366(b) or the procedure for attachment and garnishment set forth in G.S. 105-368 as if final judgment awarding monetary damages were delinquent taxes and that finance officer were the tax collector. The provision of G.S. 105-368(a) that limits the amount of compensation that may be garnished to not more than ten percent (10%) for any one pay period shall not apply to this section. (2014-40, s. 1.)

**§ 160A-65. Repealed by Session Laws 1975, c. 514, s. 17.)**

**Part 2. Mayor and Council.**

**§ 160A-66. Composition of council.**

Unless otherwise provided by its charter, each city shall be governed by a mayor and a council of three members, who shall be elected from the city at large for terms of two years. (1971, c. 698, s. 1.)

**§ 160A-67. General powers of mayor and council.**

Except as otherwise provided by law, the government and general management of the city shall be vested in the council. The powers and duties of the mayor shall be such as are conferred upon him by law, together with such other powers and duties as may be conferred upon him by the council pursuant to law. The mayor shall be recognized as the official head of the city for the purpose of service of civil process, and for all ceremonial purposes. (1971, c. 698, s. 1.)

**Part 3. Organization and Procedures of the Council.**

**§ 160A-68. Organizational meeting of council.**

(a) The council may fix the date and time of its organizational meeting. The organizational meeting may be held at any time after the results of the municipal election have been officially determined and published pursuant to Subchapter IX of Chapter 163 of the General Statutes but not later than the date and time of the first regular meeting of the council in December after the results of the municipal election have been certified pursuant to that Subchapter. If the council fails to fix the date and time of its organizational meeting, then the meeting shall be held on the date and at the time of the first

regular meeting in December after the results of the municipal election have been certified pursuant to Subchapter IX of Chapter 163 of the General Statutes.

(b) At the organizational meeting, the newly elected mayor and councilmen shall qualify by taking the oath of office prescribed in Article VI, Section 7 of the Constitution. The organization of the council shall take place notwithstanding the absence, death, refusal to serve, failure to qualify, or nonelection of one or more members, but at least a quorum of the members must be present.

(c) All local acts or provisions of city charters which prescribe a particular meeting day or date for the organizational meeting of a council are hereby repealed. (1971, c. 698, s. 1; 1973, c. 426, s. 13; c. 607; 1979, c. 168; 1979, 2nd Sess., c. 1247, s. 2.)

#### **§ 160A-69. Mayor to preside over council.**

The mayor shall preside at all council meetings, but shall have the right to vote only when there are equal numbers of votes in the affirmative and in the negative. In a city where the mayor is elected by the council from among its membership, and the city charter makes no provision as to the right of the mayor to vote, he shall have the right to vote as a council member on all matters before the council, but shall have no right to break a tie vote in which he participated. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 3.)

#### **§ 160A-70. Mayor pro tempore; disability of mayor.**

At the organizational meeting, the council shall elect from among its members a mayor pro tempore to serve at the pleasure of the council. A councilman serving as mayor pro tempore shall be entitled to vote on all matters and shall be considered a councilman for all purposes, including the determination of whether a quorum is present. During the absence of the mayor, the council may confer upon the mayor pro tempore any of the powers and duties of the mayor. If the mayor should become physically or mentally incapable of performing the duties of his office, the council may by unanimous vote declare that he is incapacitated and confer any of his powers and duties on the mayor pro tempore. Upon the mayor's declaration that he is no longer incapacitated, and with the concurrence of a majority of the council, the mayor shall resume the exercise of his powers and duties. In the event both the mayor and the mayor pro tempore are absent from a meeting, the council may elect from its members a temporary chairman to preside in such absence. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 4.)

#### **§ 160A-71. Regular and special meetings; recessed and adjourned meetings; procedure.**

(a) The council shall fix the time and place for its regular meetings. If no action has been taken fixing the time and place for regular meetings, a regular meeting shall be held at least once a month at 10:00 A.M. on the first Monday of the month.

(b) (1) The mayor, the mayor pro tempore, or any two members of the council may at any time call a special council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. The notice shall be delivered to the mayor and each councilman or left at his usual dwelling place at least six hours before the meeting. Only those items of business specified in the notice may be transacted at a special meeting, unless all members are present or have signed a written waiver of notice. In addition to the procedures set out in this subsection or any city charter, a person or persons calling a special meeting of a city council shall comply with the notice requirements of Article 33C of General Statutes Chapter 143.

(2) Special meetings may be held at any time when the mayor and all members of the council are present and consent thereto, or when those not present have signed a written waiver of notice.

(3) During any regular meeting, or any duly called special meeting, the council may call or schedule a special meeting, provided that the motion or resolution calling or scheduling any such special meeting shall specify the time, place and purpose or

purposes of such meeting and shall be adopted during an open session.

(b1) Any regular or duly called special meeting may be recessed to reconvene at a time and place certain, or may be adjourned to reconvene at a time and place certain, by the council.

(c) The council may adopt its own rules of procedure, not inconsistent with the city charter, general law, or generally accepted principles of parliamentary procedure. (1917, c. 136, subch. 13, s. 1; C.S., s. 2822; 1971, c. 698, s. 1; 1973, c. 426, s. 14; 1977, 2nd Sess., c. 1191, s. 7; 1979, 2nd Sess., c. 1247, s. 5; 1989, c. 770, s. 37.)

#### **§ 160A-72. Minutes to be kept; ayes and noes.**

Full and accurate minutes of the council proceedings shall be kept, and shall be open to the inspection of the public. The results of each vote shall be recorded in the minutes, and upon the request of any member of the council, the ayes and noes upon any question shall be taken. (1917, c. 136, subch. 13, s. 1; C.S., s. 2822; 1971, c. 698, s. 1; 1973, c. 426, s. 15.)

#### **§ 160A-73. Repealed by Session Laws 1971, c. 896, s. 16.**

#### **§ 160A-74. Quorum.**

A majority of the actual membership of the council plus the mayor, excluding vacant seats, shall constitute a quorum. A member who has withdrawn from a meeting without being excused by majority vote of the remaining members present shall be counted as present for purposes of determining whether or not a quorum is present. (1917, c. 136, subch. 13, s. 1; C.S., s. 2821; 1971, c. 698, s. 1; 1975, c. 664, s. 5; 1979, 2nd Sess., c. 1247, s. 6.)

#### **§ 160A-75. Voting.**

No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234, 160A-381(d), or 160A-388(e)(2). In all other cases, a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. The question of the compensation and allowances of members of the council is not a matter involving a member's own financial interest or official conduct.

An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue, including the mayor's vote in case of an equal division, shall be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance nor any action having the effect of any ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council. For purposes of this section, an ordinance shall be deemed to have been introduced on the date the subject matter is first voted on by the council. (1917, c. 136, subch. 13, s. 1; C.S., s. 2821; 1971, c. 698, s. 1; 1973, c. 426, s. 16; 1979, 2nd Sess., c. 1247, s. 7; 1983, c. 696; 2001-409, s. 9; 2005-426, s. 5.1(a); 2013-126, s. 11.)

#### **§ 160A-76. Franchises; technical ordinances.**

(a) No ordinance making a grant, renewal, extension, or amendment of any franchise shall be finally adopted until it has been passed at two regular meetings of the council, and no such grant, renewal, extension, or amendment shall be made otherwise than by ordinance.

(b) Any published technical code or any standards or regulations promulgated by any public agency may be adopted in an ordinance by reference subject to G.S. 143-138(e). A technical code or set of standards or regulations adopted by reference in a city ordinance shall have the force of law within the

city. Official copies of all technical codes, standards, and regulations adopted by reference shall be maintained for public inspection in the office of the city clerk. (1917, c. 136, subch. 13; C.S., s. 2823; 1963, c. 790; 1971, c. 698, s. 1; 1973, c. 426, s. 17.)

**§ 160A-77. Code of ordinances.**

(a) Not later than July 1, 1974, each city having a population of 5,000 or more shall adopt and issue a code of its ordinances. The code may be reproduced by any method that gives legible and permanent copies, and may be issued as a securely bound book or books with periodic separately bound supplements, or as a loose-leaf book maintained by replacement pages. Supplements or replacement pages should be adopted and issued annually at least, unless no additions to or modifications of the code have been adopted by the council during the year. The code may consist of two separate parts, the "General Ordinances" and the "Technical Ordinances." The technical ordinances may be published as separate books or pamphlets, and may include ordinances regarding the construction of buildings, the installation of plumbing and electric wiring, the installation of cooling and heating equipment, the use of public utilities, buildings, or facilities operated by the city, the zoning ordinance, the subdivision control ordinance, the privilege license tax ordinance, and other similar technical ordinances designated as such by the council. The council may omit from the code designated classes of ordinances of limited interest or transitory nature, but the code should clearly describe the classes of ordinances omitted therefrom.

(b) The council may provide that one or more of the following classes of ordinances shall be codified by appropriate entries upon official map books to be retained permanently in the office of the city clerk or some other city office generally accessible to the public:

- (1) Establishing or amending the boundaries of zoning districts;
- (2) Designating the location of traffic control devices;
- (3) Designating areas or zones where regulations are applied to parking, loading, bus stops, or taxicab stands;
- (4) Establishing speed limits;
- (4a) Restricting or regulating traffic at certain times on certain streets, or to certain types, weights or sizes of vehicles;
- (5) Designating the location of through streets, stop intersections, yield-right-of-way intersections, waiting lanes, one-way streets, or truck traffic routes; and
- (6) Establishing regulations upon vehicle turns at designated locations.

(b1) The council may provide that the classes of ordinances described in paragraphs (2) through (6) of subsection (b) above, and ordinances establishing rates for utility or other public enterprise services, or ordinances establishing fees of any nature, shall be codified by entry upon official lists or schedules of the regulations established by such ordinances, or schedules of such rates or fees, to be maintained in the office of the city clerk.

(c) It is the intent of this section to make uniform the law concerning the adoption of city codes. To this end, all charter provisions in conflict with this section in effect as of January 1, 1972, are expressly repealed, except to the extent that the charter makes adoption of a code mandatory, and no local act taking effect on or after January 1, 1972, shall be construed to repeal or amend this section in whole or in part unless it shall expressly so provide by specific reference. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, ss. 8, 9.)

**§ 160A-78. Ordinance book.**

Effective January 1, 1972, each city shall file a true copy of each ordinance adopted on or after January 1, 1972, in an ordinance book separate and apart from the council's minute book. The ordinance book shall be appropriately indexed and maintained for public inspection in the office of the city clerk. Effective July 1, 1973, true copies of all ordinances that were adopted before January 1, 1972, and are still in effect shall be filed and indexed in the ordinance book. If the city has adopted and issued a code of ordinances in compliance with G.S. 160A-77, its ordinances shall be filed and indexed in the ordinance

book until they are codified. (1971, c. 698, s. 1.)

**§ 160A-79. Pleading and proving city ordinances.**

(a) In all civil and criminal cases a city ordinance that has been codified in a code of ordinances adopted and issued in compliance with G.S. 160A-77 must be pleaded by both section number and caption. In all civil and criminal cases a city ordinance that has not been codified in a code of ordinances adopted and issued in compliance with G.S. 160A-77 must be pleaded by its caption. In both instances, it is not necessary to plead or allege the substance or effect of the ordinance unless the ordinance has no caption and has not been codified.

(b) Any of the following shall be admitted in evidence in all actions or proceedings before courts or administrative bodies and shall have the same force and effect as would an original ordinance:

- (1) A city code adopted and issued in compliance with G.S. 160A-77, containing a statement that the code is published by order of the council.
- (2) Copies of any part of an official map book maintained in accordance with G.S. 160A-77 and certified under seal by the city clerk as having been adopted by the council and maintained in accordance with its directions (the clerk's certificate need not be authenticated).
- (3) A copy of an ordinance as set out in the minutes, code, or ordinance book of the council, certified under seal by the city clerk as a true copy (the clerk's certificate need not be authenticated).
- (4) Copies of any official lists or schedules maintained in accordance with G.S. 160A-77 and certified under seal by the city clerk as having been adopted by the council and maintained in accordance with its directions (the clerk's certificate need not be authenticated).

(c) The burden of pleading and proving the existence of any modification or repeal of an ordinance, map, or code, a copy of which has been duly pleaded or admitted in evidence in accordance with this section, shall be upon the party asserting such modification or repeal. It shall be presumed that any portion of a city code that is admitted in evidence in accordance with this section has been codified in compliance with G.S. 160A-77, and the burden of pleading and proving to the contrary shall be upon the party seeking to obtain an advantage thereby.

(d) From and after the respective effective dates of G.S. 160A-77 and 160A-78, no city ordinance shall be enforced or admitted into evidence in any court unless it has been codified or filed and indexed in accordance with G.S. 160A-77 or 160A-78. It shall be presumed that an ordinance which has been properly pleaded and proved in accordance with this section has been codified or filed and indexed in accordance with G.S. 160A-77 or 160A-78, and the burden of pleading and proving to the contrary shall be upon the party seeking to obtain an advantage thereby.

(e) It is the intent of this section to make uniform the law concerning the pleading and proving of city ordinances. To this end, all charter provisions in conflict with this section in effect as of January 1, 1972, are expressly repealed, and no local act taking effect on or after January 1, 1972, shall be construed to repeal or amend this section in whole or in part unless it shall expressly so provide by specific reference. (1917, c. 136, subch. 13, s. 14; C.S., s. 2825; 1959, c. 631; 1971, c. 698, s. 1; 1973, c. 426, s. 18; 1979, 2nd Sess., c. 1247, s. 10.)

**§ 160A-80. Power of investigation; subpoena power.**

(a) The council shall have power to investigate the affairs of the city, and for that purpose may subpoena witnesses, administer oaths, and compel the production of evidence.

(b) If a person fails or refuses to obey a subpoena issued pursuant to this section, the council may apply to the General Court of Justice for an order requiring that its order be obeyed, and the court shall have jurisdiction to issue these orders after notice to all proper parties. No testimony of any witness before the council pursuant to a subpoena issued in exercise of the power conferred by this section may

be used against him on the trial of any civil or criminal action other than a prosecution for false swearing committed on the examination. If any person, while under oath at an investigation by the council, willfully swears falsely, he is guilty of a Class 1 misdemeanor.

(c) Repealed by Session Laws 1991, c. 512, s. 1. (1971, c. 698, s. 1; 1991, c. 512, s. 1; 1993, c. 539, s. 1083; 1994, Ex. Sess., c. 24, s. 14(c).)

**§ 160A-81. Conduct of public hearings.**

Public hearings may be held at any place within the city or within the county in which the city is located. The council may adopt reasonable rules governing the conduct of public hearings, including but not limited to rules (i) fixing the maximum time allotted to each speaker, (ii) providing for the designation of spokesmen for groups of persons supporting or opposing the same positions, (iii) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall, and (iv) providing for the maintenance of order and decorum in the conduct of the hearing.

The council may continue any public hearing without further advertisement. If a public hearing is set for a given date and a quorum of the council is not then present, the hearing shall be continued until the next regular council meeting without further advertisement. (1971, c. 698, s. 1.)

**§ 160A-81.1. Public comment period during regular meetings.**

The council shall provide at least one period for public comment per month at a regular meeting of the council. The council may adopt reasonable rules governing the conduct of the public comment period, including, but not limited to, rules (i) fixing the maximum time allotted to each speaker, (ii) providing for the designation of spokesmen for groups of persons supporting or opposing the same positions, (iii) providing for the selection of delegates from groups of persons supporting or opposing the same positions when the number of persons wishing to attend the hearing exceeds the capacity of the hall, and (iv) providing for the maintenance of order and decorum in the conduct of the hearing. The council is not required to provide a public comment period under this section if no regular meeting is held during the month. (2005-170, s. 3.)

**§ 160A-82. Applicability of Part.**

Nothing in this Part, except G.S. 160A-77, 160A-78 and 160A-79, shall be construed to repeal any portion of any city charter inconsistent with anything contained herein. (1971, c. 698, s. 1.)

**§ 160A-83. Reserved for future codification purposes.**

**§ 160A-84. Reserved for future codification purposes.**

**§ 160A-85. Reserved for future codification purposes.**

**Part 3A. Ethics Codes and Education Programs.**

**§ 160A-86. Local governing boards' code of ethics.**

(a) Governing boards of cities, counties, local boards of education, unified governments, sanitary districts, and consolidated city-counties shall adopt a resolution or policy containing a code of ethics to guide actions by the governing board members in the performance of the member's official duties as a member of that governing board.

(b) The resolution or policy required by subsection (a) of this section shall address at least all of the following:

(1) The need to obey all applicable laws regarding official actions taken as a board member.

(2) The need to uphold the integrity and independence of the board member's office.

- (3) The need to avoid impropriety in the exercise of the board member's official duties.
- (4) The need to faithfully perform the duties of the office.
- (5) The need to conduct the affairs of the governing board in an open and public manner, including complying with all applicable laws governing open meetings and public records. (2009-403, s. 1.)

**§ 160A-87. Ethics education program required.**

(a) All members of governing boards of cities, counties, local boards of education, unified governments, sanitary districts, and consolidated city-counties shall receive a minimum of two clock hours of ethics education within 12 months after initial election or appointment to the office and again within 12 months after each subsequent election or appointment to the office.

(b) The ethics education shall cover laws and principles that govern conflicts of interest and ethical standards of conduct at the local government level.

(c) The ethics education may be provided by the North Carolina League of Municipalities, North Carolina Association of County Commissioners, North Carolina School Boards Association, the School of Government at the University of North Carolina at Chapel Hill, or other qualified sources at the choice of the governing board.

(d) The clerk to the governing board shall maintain a record verifying receipt of the ethics education by each member of the governing board. (2009-403, s. 1.)

**§ 160A-88. Reserved for future codification purposes.**

**§ 160A-89. Reserved for future codification purposes.**

**§ 160A-90. Reserved for future codification purposes.**

**§ 160A-91. Reserved for future codification purposes.**

**§ 160A-92. Reserved for future codification purposes.**

**§ 160A-93. Reserved for future codification purposes.**

**§ 160A-94. Reserved for future codification purposes.**

**§ 160A-95. Reserved for future codification purposes.**

**§ 160A-96. Reserved for future codification purposes.**

**§ 160A-97. Reserved for future codification purposes.**

**§ 160A-98. Reserved for future codification purposes.**

**§ 160A-99. Reserved for future codification purposes.**

**§ 160A-100. Reserved for future codification purposes.**

**Part 4. Modification of Form of Government.**

**§ 160A-101. Optional forms.**

Any city may change its name or alter its form of government by adopting any one or combination of the options prescribed by this section:

- (1) Name of the corporation:  
The name of the corporation may be changed to any name not deceptively similar to that of another city in this State.
- (2) Style of the corporation:  
The city may be styled a city, town, or village.
- (3) Style of the governing board:  
The governing board may be styled the board of commissioners, the board of aldermen, or the council.
- (4) Terms of office of members of the council:  
Members of the council shall serve terms of office of either two or four years. All of the terms need not be of the same length, and all of the terms need not expire in the same year.
- (5) Number of members of the council:  
The council shall consist of any number of members not less than three nor more than 12.
- (6) Mode of election of the council:
  - a. All candidates shall be nominated and elected by all the qualified voters of the city.
  - b. The city shall be divided into single-member electoral districts; council members shall be apportioned to the districts so that each member represents the same number of persons as nearly as possible, except for members apportioned to the city at large, if any; the qualified voters of each district shall nominate and elect candidates who reside in the district for seats apportioned to that district; and all the qualified voters of the city shall nominate and elect candidates apportioned to the city at large, if any.
  - c. The city shall be divided into single-member electoral districts; council members shall be apportioned to the districts so that each member represents the same number of persons as nearly as possible, except for members apportioned to the city at large; and candidates shall reside in and represent the districts according to the apportionment plan adopted, but all candidates shall be nominated and elected by all the qualified voters of the city.
  - d. The city shall be divided into electoral districts equal in number to one half the number of council seats; the council seats shall be divided equally into "ward seats" and "at-large seats," one each of which shall be apportioned to each district, so that each council member represents the same number of persons as nearly as possible; the qualified voters of each district shall nominate and elect candidates to the "ward seats"; candidates for the "at-large seats" shall reside in and represent the districts according to the apportionment plan adopted, but all candidates for "at-large" seats shall be nominated and elected by all the qualified voters of the city.
  - e. The city shall be divided into single-member electoral districts; council members shall be apportioned to the districts so that each member represents the same number of persons as nearly as possible, except for members apportioned to the city at large, if any; in a nonpartisan primary, the qualified voters of each district shall nominate two candidates who reside in the district, and the qualified voters of the entire city shall nominate two candidates for each seat apportioned to the city at large, if any; and all candidates shall be elected by all the qualified voters of the city.

If either of options b, c, d or e is adopted, the council shall divide the city into the requisite number of single-member electoral districts according to the apportionment

plan adopted, and shall cause a map of the districts so laid out to be drawn up and filed as provided by G.S. 160A-22 and 160A-23. No more than one half of the council may be apportioned to the city at large. An initiative petition may specify the number of single-member electoral districts to be laid out, but the drawing of district boundaries and apportionment of members to the districts shall be done in all cases by the council.

(7) Elections:

- a. Partisan. - Municipal primaries and elections shall be conducted on a partisan basis as provided in G.S. 163-291.
- b. Nonpartisan Plurality. - Municipal elections shall be conducted as provided in G.S. 163-292.
- c. Nonpartisan Election and Runoff Election. - Municipal elections and runoff elections shall be conducted as provided in G.S. 163-293.
- d. Nonpartisan Primary and Election. - Municipal primaries and elections shall be conducted as provided in G.S. 163-294.

(8) Selection of mayor:

- a. The mayor shall be elected by all the qualified voters of the city for a term of not less than two years nor more than four years.
- b. The mayor shall be selected by the council from among its membership to serve at its pleasure.

Under option a, the mayor may be given the right to vote on all matters before the council, or he may be limited to voting only to break a tie. Under option b, the mayor has the right to vote on all matters before the council. In both cases the mayor has no right to break a tie vote in which he participated.

(9) Form of government:

- a. The city shall operate under the mayor-council form of government in accordance with Part 3 of Article 7 of this Chapter.
- b. The city shall operate under the council-manager form of government in accordance with Part 2 of Article 7 of this Chapter and any charter provisions not in conflict therewith. (1969, c. 629, s. 2; 1971, c. 698, s. 1; c. 1076, s. 1; 1973, c. 426, s. 19; c. 1001, ss. 1, 2; 1975, c. 19, s. 64; c. 664, s. 6.)

**§ 160A-102. Amendment by ordinance.**

By following the procedure set out in this section, the council may amend the city charter by ordinance to implement any of the optional forms set out in G.S. 160A-101. The council shall first adopt a resolution of intent to consider an ordinance amending the charter. The resolution of intent shall describe the proposed charter amendments briefly but completely and with reference to the pertinent provisions of G.S. 160A-101, but it need not contain the precise text of the charter amendments necessary to implement the proposed changes. At the same time that a resolution of intent is adopted, the council shall also call a public hearing on the proposed charter amendments, the date of the hearing to be not more than 45 days after adoption of the resolution. A notice of the hearing shall be published at least once not less than 10 days prior to the date fixed for the public hearing, and shall contain a summary of the proposed amendments. Following the public hearing, but not earlier than the next regular meeting of the council and not later than 60 days from the date of the hearing, the council may adopt an ordinance amending the charter to implement the amendments proposed in the resolution of intent.

The council may, but shall not be required to unless a referendum petition is received pursuant to G.S. 160A-103, make any ordinance adopted pursuant to this section effective only if approved by a vote of the people, and may by resolution adopted at the same time call a special election for the purpose of submitting the ordinance to a vote. The date fixed for the special election shall be the next date permitted under G.S. 163-287(a) that is more than 70 days after adoption of the ordinance.

Within 10 days after an ordinance is adopted under this section, the council shall publish a notice

stating that an ordinance amending the charter has been adopted and summarizing its contents and effect. If the ordinance is made effective subject to a vote of the people, the council shall publish a notice of the election in accordance with G.S. 163-287, and need not publish a separate notice of adoption of the ordinance.

The council may not commence proceedings under this section between the time of the filing of a valid initiative petition pursuant to G.S. 160A-104 and the date of any election called pursuant to such petition. (1969, c. 629, s. 2; 1971, c. 698, s. 1; 1973, c. 426, s. 20; 1979, 2nd Sess., c. 1247, s. 11; 2014-111, s. 18.)

#### **§ 160A-103. Referendum on charter amendments by ordinance.**

An ordinance adopted under G.S. 160A-102 that is not made effective upon approval by a vote of the people shall be subject to a referendum petition. Upon receipt of a referendum petition bearing the signatures and residence addresses of a number of qualified voters of the city equal to at least 10 percent of the whole number of voters who are registered to vote in city elections according to the most recent figures certified by the State Board of Elections or 5,000, whichever is less, the council shall submit an ordinance adopted under G.S. 160A-102 to a vote of the people. The date of the special election shall be fixed on a date permitted by G.S. 163-287. A referendum petition shall be addressed to the council and shall identify the ordinance to be submitted to a vote. A referendum petition must be filed with the city clerk not later than 30 days after publication of the notice of adoption of the ordinance. (1969, c. 629, s. 2; 1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, ss. 13, 15; 2013-381, s. 10.27.)

#### **§ 160A-104. Initiative petitions for charter amendments.**

The people may initiate a referendum on proposed charter amendments. An initiative petition shall bear the signatures and resident addresses of a number of qualified voters of the city equal to at least ten percent (10%) of the whole number of voters who are registered to vote in city elections according to the most recent figures certified by the State Board of Elections or 5,000, whichever is less. The petition shall set forth the proposed amendments by describing them briefly but completely and with reference to the pertinent provisions of G.S. 160A-101, but it need not contain the precise text of the charter amendments necessary to implement the proposed changes. The petition may not propose changes in the alternative, or more than one integrated set of charter amendments. Upon receipt of a valid initiative petition, the council shall call a special election on the question of adopting the charter amendments proposed therein, and shall give public notice thereof in accordance with G.S. 163-287. The date of the special election shall be fixed on a date permitted by G.S. 163-287. If a majority of the votes cast in the special election shall be in favor of the proposed changes, the council shall adopt an ordinance amending the charter to put them into effect. Such an ordinance shall not be subject to a referendum petition. No initiative petition may be filed (i) between the time the council initiates proceedings under G.S. 160A-102 by publishing a notice of hearing on proposed charter amendments and the time proceeding under that section have been carried to a conclusion either through adoption or rejection of a proposed ordinance or lapse of time, nor (ii) within one year and six months following the effective date of an ordinance amending the city charter pursuant to this Article, nor (iii) within one year and six months following the date of any election on charter amendments that were defeated by the voters.

The restrictions imposed by this section on filing initiative petitions shall apply only to petitions concerning the same subject matter. For example, pendency of council action on amendments concerning the method of electing the council shall not preclude an initiative petition on adoption of the council-manager form of government.

Nothing in this section shall be construed to prohibit the submission of more than one proposition for charter amendments on the same ballot so long as no proposition offers a different plan under the same option as another proposition on the same ballot. (1969, c. 629, s. 2; 1971, c. 698, s. 1; 1973, c. 426, s. 21; 1979, 2nd Sess., c. 1247, ss. 12, 14; 2013-381, s. 10.28.)

**§ 160A-105. Submission of propositions to voters; form of ballot.**

A proposition to approve an ordinance or petition shall be printed on the ballot in substantially the following form:

"Shall the ordinance (describe the effect of the ordinance) be approved?

YES

NO"

The ballot shall be separate from all other ballots used at the election.

If a majority of the votes cast on a proposition shall be in the affirmative, the plan contained therein shall be put into effect as provided in this Article. If a majority of the votes cast shall be against the proposition, the ordinance or petition proposing the amendments shall be void and of no effect. (1969, c. 629, s. 2; 1971, c. 698, s. 1.)

**§ 160A-106. Amendment of charter provisions dependent on form of government.**

The authority conferred by this Article to amend charter provisions within the options set out in G.S. 160A-101 also includes authority to amend other charter provisions dependent on the form of city government to conform them to the form of government amendments. By way of illustration and not limitation, if a charter providing for a five-member council is amended to increase the size of the council to seven members, a charter provision defining a quorum of the council as three members shall be amended to define a quorum as four members. (1971, c. 698, s. 1.)

**§ 160A-107. Plan to continue for two years.**

Charter amendments adopted as provided in this Article shall continue in force for at least two years after the beginning of the term of office of the officers elected thereunder. (1969, c. 629, s. 2; 1971, c. 698, s. 1.)

**§ 160A-108. Municipal officers to carry out plan.**

It shall be the duty of the mayor, the council, the city clerk, and other city officials in office, and all boards of election and election officials, when any plan of government is adopted as provided by this Article or is proposed for adoption, to comply with all requirements of this Article, to the end that all things may be done which are necessary for the nomination and election of the officers first to be elected under the new plan so adopted. (1969, c. 629, s. 2; 1971, c. 698, s. 1.)

**§ 160A-109. Effective date.**

The council may submit new charter amendments proposed under this Article at any regular or special municipal election, or at a special election called for that sole purpose. Any amendment affecting the election of city officers shall be finally adopted and approved at least 90 days before the first election for mayor or council members held thereunder. (1969, c. 629, s. 2; 1971, c. 698, s. 1.)

**§ 160A-110. Charters to remain in force.**

The charter of any city that adopts a new form of government as provided in this Article shall continue in full force and effect notwithstanding adoption of a new form of government, except to the extent modified by an ordinance adopted under the authority conferred and pursuant to the procedures prescribed by this Article. (1969, c. 629, s. 2; 1971, c. 698, s. 1.)

**§ 160A-111. Filing certified true copies of charter amendments.**

The city clerk shall file a certified true copy of any charter amendment adopted under this Part with the Secretary of State and the Legislative Library. (1985 (Reg. Sess., 1986), c. 935, s. 2; 1989, c. 191, s. 2.)

**§§ 160A-112 through 160A-115. Reserved for future codification purposes.**

## Article 7.

### Administrative Offices.

#### Part 1. Organization and Reorganization of City Government.

##### § 160A-146. Council to organize city government.

The council may create, change, abolish, and consolidate offices, positions, departments, boards, commissions, and agencies of the city government and generally organize and reorganize the city government in order to promote orderly and efficient administration of city affairs, subject to the following limitations:

- (1) The council may not abolish any office, position, department, board, commission, or agency established and required by law;
- (2) The council may not combine offices or confer certain duties on the same officer when such action is specifically forbidden by law;
- (3) The council may not discontinue or assign elsewhere any functions or duties assigned by law to a particular office, position, department, or agency. (1971, c. 698, s. 1.)

#### Part 2. Administration of Council-Manager Cities.

##### § 160A-147. Appointment of city manager; dual office holding.

(a) In cities whose charters provide for the council-manager form of government, the council shall appoint a city manager to serve at its pleasure. The manager shall be appointed solely on the basis of the manager's executive and administrative qualifications. The manager need not be a resident of the city or State at the time of appointment. The office of city manager is hereby declared to be an office that may be held concurrently with other appointive (but not elective) offices pursuant to Article VI, Sec. 9, of the Constitution.

(b) Notwithstanding the provisions of subsection (a), a city manager may serve on a county board of education that is elected on a non-partisan basis if the following criteria are met:

- (1) The population of the city by which the city manager is employed does not exceed 10,000;
- (2) The city is located in two counties; and
- (3) The population of the county in which the city manager resides does not exceed 40,000.

(b1) Notwithstanding the provisions of subsection (a) of this section, a city manager may serve on a county board of education that is elected on a nonpartisan basis if the population of the city by which the city manager is employed does not exceed 3,000.

(c) Notwithstanding the provisions of subsection (a), a city manager may hold elective office if the following criteria are met:

- (1) The population of the city by which the city manager is employed does not exceed 3,000.
- (2) The city manager is an elected official of a city other than the city by which the city manager is employed.

(d) For the purposes of this section, population figures shall be according to the latest United States decennial figures issued at the time the second office is assumed. If census figures issued after the second office is assumed increase the city or county population beyond the limits of this section, the city manager may complete the term of elected office that the city manager is then serving. (1969, c. 629, s. 2; 1971, c. 698, s. 1; 1989, c. 49; 1997-25, s. 1; 2009-321, s. 1.)

##### § 160A-148. Powers and duties of manager.

The manager shall be the chief administrator of the city. He shall be responsible to the council for administering all municipal affairs placed in his charge by them, and shall have the following powers and duties:

- (1) He shall appoint and suspend or remove all city officers and employees not elected by the people, and whose appointment or removal is not otherwise provided for by law, except the city attorney, in accordance with such general personnel rules, regulations, policies, or ordinances as the council may adopt.
- (2) He shall direct and supervise the administration of all departments, offices, and agencies of the city, subject to the general direction and control of the council, except as otherwise provided by law.
- (3) He shall attend all meetings of the council and recommend any measures that he deems expedient.
- (4) He shall see that all laws of the State, the city charter, and the ordinances, resolutions, and regulations of the council are faithfully executed within the city.
- (5) He shall prepare and submit the annual budget and capital program to the council.
- (6) He shall annually submit to the council and make available to the public a complete report on the finances and administrative activities of the city as of the end of the fiscal year.
- (7) He shall make any other reports that the council may require concerning the operations of city departments, offices, and agencies subject to his direction and control.
- (8) He shall perform any other duties that may be required or authorized by the council. (1969, c. 629, s. 2; 1971, c. 698, s. 1; 1973, c. 426, s. 22.)

**§ 160A-149. Acting city manager.**

By letter filed with the city clerk, the manager may designate, subject to the approval of the council, a qualified person to exercise the powers and perform the duties of manager during his temporary absence or disability. During this absence or disability, the council may revoke that designation at any time and appoint another to serve until the manager returns or his disability ceases. (1971, c. 698, s. 1.)

**§ 160A-150. Interim city manager.**

When the position of city manager is vacant, the council shall designate a qualified person to exercise the powers and perform the duties of manager until the vacancy is filled. (1971, c. 698, s. 1.)

**§ 160A-151. Mayor and councilmen ineligible to serve or act as manager.**

Neither the mayor nor any member of the council shall be eligible for appointment as manager or acting or interim manager. (1971, c. 698, s. 1.)

**§ 160A-152. Applicability of Part.**

This Part shall apply only to those cities having the council-manager form of government. If the powers and duties of a city manager set out in any city charter shall differ materially from those set out in G.S. 160A-148, the council may by ordinance confer or impose on the manager any of the powers or duties set out in G.S. 160A-148 but not contained in the charter. (1971, c. 698, s. 1.)

**§§ 160A-153 through 160A-154. Reserved for future codification purposes.**

**Part 3. Administration of Mayor-Council Cities.**

**§ 160A-155. Council to provide for administration in mayor-council cities.**

The council shall appoint, suspend, and remove the heads of all city departments, and all other city employees; provided, the council may delegate to any administrative official or department head the power to appoint, suspend, and remove city employees assigned to his department. The head of each department shall see that all laws of the State, the city charter, and the ordinances, resolutions, and regulations of the council concerning his department are faithfully executed within the city. Otherwise, the administration of the city shall be performed as provided by law or direction of the council. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 16.)

**§ 160A-156. Acting department heads.**

By letter filed with the city clerk, the head of any department may designate, subject to the approval of the council, a qualified person to exercise the powers and perform the duties of head of that department during his temporary absence or disability. During his absence or disability, the council may revoke that designation at any time and appoint another officer to serve until the department head returns or his disability ceases. (1971, c. 698, s. 1.)

**§ 160A-157. Interim department heads.**

When the position of head of any department is vacant, the council may designate a qualified person to exercise the powers and perform the duties of head of the department until the vacancy is filled. (1971, c. 698, s. 1.)

**§ 160A-158. Mayor and councilmen ineligible to serve or act as heads of departments.**

Neither the mayor nor any member of the council shall be eligible for appointment as head of any city department or as acting or interim head of a department; provided, that in cities having a population of less than 5,000 according to the most recent official federal census, the mayor and any member of the council shall be eligible for appointment by the council as department head or other employee, and may receive reasonable compensation for such employment, notwithstanding any other provision of law. (1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, s. 17.)

**§ 160A-159. Applicability of Part.**

This Part shall apply only to those cities having the mayor-council form of government. (1971, c. 698, s. 1.)

**§§ 160A-160 through 160A-161. Reserved for future codification purposes.**

**Part 4. Personnel.**

**§ 160A-162. Compensation.**

(a) The council shall fix or approve the schedule of pay, expense allowances, and other compensation of all city employees, and may adopt position classification plans; any compensation or pay plan may include provisions for payments to employees on account of sickness or disability. In cities with the council-manager form of government, the manager shall be responsible for preparing position classification and pay plans for submission to the council and, after any such plans have been adopted by the council, shall administer them. In cities with the mayor-council form of government, the council shall appoint a personnel officer (or confer the duties of personnel officer on some city administrative officer); the personnel officer shall then be responsible for administering the pay plan and any position classification plan in accordance with general policies and directives adopted by the council.

(b) The council may purchase life, health, and any other forms of insurance for the benefit of all or any class of city employees and their dependents, and may provide other fringe benefits for city employees. In providing health insurance to city employees, the council shall not provide abortion coverage greater than that provided by the State Health Plan for Teachers and State Employees under Article 3B of Chapter 135 of the General Statutes. (1923, c. 20; 1949, c. 103; 1969, c. 845; 1971, c. 698, s. 1; 1979, 2nd Sess., c. 1247, ss. 18, 19; 2013-366, s. 2(c).)

**§ 160A-163. Retirement benefits.**

(a) The council may provide for enrolling city employees in the Local Governmental Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, the Firemen's Pension Fund, or a retirement plan certified to be actuarially sound by a qualified actuary as defined in subsection (d) of this section, and may make payments into any such retirement system or plan on behalf of its employees. The city may also supplement from local funds benefits provided by the Local Governmental Employees' Retirement System, the Law-Enforcement Officers' Benefit and Relief Fund, or the Firemen's Pension Fund.

(b) The council may create and administer a special fund for the relief of members of the police and fire departments who have been retired for age, or for disability or injury incurred in the line of duty, but any such funds established on or after January 1, 1972, shall be subject to the provisions of subsection (c) of this section. The council may receive donations and devises in aid of any such fund, shall provide for its permanence and increase, and shall prescribe and regulate the conditions under which benefits may be paid.

(c) No city shall make payments into any retirement system or plan established or authorized by local act of the General Assembly unless the plan is certified to be actuarially sound by a qualified actuary as defined in subsection (d) of this section.

(d) A qualified actuary means an individual certified as qualified by the Commissioner of Insurance, or any member of the American Academy of Actuaries.

(e) A city which is providing health insurance under G.S. 160A-162(b) may provide health insurance for all or any class of former employees of the city who are receiving benefits under subsection (a) of this section or who are 65 years of age or older. Such health insurance may be paid entirely by the city, partly by the city and former employee, or entirely by the former employee, at the option of the city.

(f) The council may provide a deferred compensation plan. Where the council provides a deferred compensation plan, the investment of funds for the plan shall be exempt from the provisions of G.S. 159-30 and G.S. 159-31. Cities may invest deferred compensation plan funds in life insurance, fixed or variable annuities and retirement income contracts, regulated investment trusts, or other forms of investments approved by the Board of Trustees of the North Carolina Public Employee Deferred Compensation Plan.

(g) Should the council provide for a retirement plan, a plan which supplements a State-administered plan, or a special fund, any benefits payable from such plan or fund on account of the disability of city employees may be restricted with regard to the amount which may be earned by the disabled former employee in any other employment, but only to the extent that the earnings of disability beneficiaries in the Local Governmental Employees' Retirement System are restricted in accordance with G.S. 128-27(e)(1). (1917, c. 136, subch. 5, s. 1; 1919, cc. 136, 237; C.S., s. 2787; 1965, c. 931; 1971, c. 698, s. 1; 1981, c. 347, s. 2; 1991, c. 277, s. 2; 1995, c. 259, s. 3; 2011-284, s. 111.)

**§ 160A-164. Personnel rules.**

The council may adopt or provide for rules and regulations or ordinances concerning but not limited to annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured in accidents arising out

of and in the course of employment, hours of employment, holidays, working conditions, service award and incentive award programs, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and honest career employees. (1917, c. 136, subch. 5, s. 1; 1919, cc. 136, 237; C.S., s. 2787; 1965, c. 931; 1971, c. 698, s. 1; 1979, c. 714, s. 2.)

**§ 160A-164.1. Smallpox vaccination policy (see editor's note on condition precedent).**

All municipalities that employ firefighters, police officers, paramedics, or other first responders shall, not later than 90 days after this section becomes law, enact a policy regarding sick leave and salary continuation for those employees for absence from work due to an adverse medical reaction resulting from the employee receiving in employment vaccination against smallpox incident to the Administration of Smallpox Countermeasures by Health Professionals, section 304 of the Homeland Security Act, Pub. L. No. 107-296 (Nov. 25, 2002) (to be codified at 42 U.S.C. § 233(p)). (2003-169, s. 5.)

**§ 160A-164.2. Criminal history record check of employees permitted.**

The council may adopt or provide for rules and regulations or ordinances concerning a requirement that any applicant for employment be subject to a criminal history record check of State and National Repositories of Criminal Histories conducted by the Department of Public Safety in accordance with G.S. 143B-945. The city may consider the results of these criminal history record checks in its hiring decisions. (2003-214, s. 5; 2014-100, s. 17.1(nnn).)

**§ 160A-165. Personnel board.**

The council may establish a personnel board with authority to administer tests designed to determine the merit and fitness of candidates for appointment or promotion, to conduct hearings upon the appeal of employees who have been suspended, demoted, or discharged, and hear employee grievances. (1917, c. 136, subch. 5, s. 1; 1919, cc. 136, 237; C.S., s. 2787; 1965, c. 931; 1971, c. 698, s. 1.)

**§ 160A-166. Participation in Social Security Act.**

The council may take any action necessary to allow city employees to participate fully in benefits provided by the federal Social Security Act. (1949, c. 103; 1969, c. 845; 1971, c. 698, s. 1.)

**§ 160A-167. Defense of employees and officers; payment of judgments.**

(a) Upon request made by or in behalf of any member or former member of the governing body of any authority, or any city, county, or authority employee or officer, or former employee or officer, any soil and water conservation supervisor or any local soil and water conservation employee, whether the employee is a district or county employee, or any member of a volunteer fire department or rescue squad which receives public funds, any city, authority, county, soil and water conservation district, or county alcoholic beverage control board may provide for the defense of any civil or criminal action or proceeding brought against him either in his official or in his individual capacity, or both, on account of any act done or omission made, or any act allegedly done or omission allegedly made, in the scope and course of his employment or duty as an employee or officer of the city, authority, county or county alcoholic beverage control board. The defense may be provided by the city, authority, county or county alcoholic beverage control board by its own counsel, or by employing other counsel, or by purchasing insurance which requires that the insurer provide the defense. Providing for a defense pursuant to this section is hereby declared to be for a public purpose, and the expenditure of funds therefor is hereby declared to be a necessary expense. Nothing in this

section shall be deemed to require any city, authority, county or county alcoholic beverage control board to provide for the defense of any action or proceeding of any nature.

(b) Any city council or board of county commissioners may appropriate funds for the purpose of paying all or part of a claim made or any civil judgment entered against any of its members or former members of the governing body of any authority, or any city, county, or authority employees or officers, or former employees or officers, or any soil and water conservation supervisor or any local soil and water conservation employee, whether the employee is a district or county employee, when such claim is made or such judgment is rendered as damages on account of any act done or omission made, or any act allegedly done or omission allegedly made, in the scope and course of his employment or duty as a member or former member of the governing body of any authority, or any city, county, district, or authority employee or officer of the city, authority, district, or county; provided, however, that nothing in this section shall authorize any city, authority, district, or county to appropriate funds for the purpose of paying any claim made or civil judgment entered against any of its members or former members of the governing body of any authority, or any city, county, district, or authority employees or officers or former employees or officers if the city council or board of county commissioners finds that such members or former members of the governing body of any authority, or any city, county, or authority employee or officer acted or failed to act because of actual fraud, corruption or actual malice on his part. Any city, authority, or county may purchase insurance coverage for payment of claims or judgments pursuant to this section. Nothing in this section shall be deemed to require any city, authority, or county to pay any claim or judgment referred to herein, and the purchase of insurance coverage for payment of any such claim or judgment shall not be deemed an assumption of any liability not covered by such insurance contract, and shall not be deemed an assumption of liability for payment of any claim or judgment in excess of the limits of coverage in such insurance contract.

(c) Subsection (b) shall not authorize any city, authority, or county to pay all or part of a claim made or civil judgment entered unless (1) notice of the claim or litigation is given to the city council, authority governing board, or board of county commissioners as the case may be prior to the time that the claim is settled or civil judgment is entered, and (2) the city council, authority governing board, or board of county commissioners as the case may be shall have adopted, and made available for public inspection, uniform standards under which claims made or civil judgments entered against members or former members of the governing body of any authority, or any city, county, or authority employees or officers, or former employees or officers, shall be paid.

(d) For the purposes of this section, "authority" means an authority organized under Article 1 of Chapter 162A of the General Statutes, the North Carolina Water and Sewer Authorities Act. "District" means a soil and water conservation district organized under Chapter 139 of the General Statutes. (1967, c. 1093; 1971, c. 698, s. 1; 1973, c. 426, s. 23; c. 1450; 1977, c. 307, s. 2; c. 834, s. 1; 1983, c. 525, ss. 1-4; 2001-300, s. 2.)

#### **§ 160A-168. Privacy of employee personnel records.**

(a) Notwithstanding the provisions of G.S. 132-6 or any other general law or local act concerning access to public records, personnel files of employees, former employees, or applicants for employment maintained by a city are subject to inspection and may be disclosed only as provided by this section. For purposes of this section, an employee's personnel file consists of any information in any form gathered by the city with respect to that employee and, by way of illustration but not limitation, relating to his application, selection or nonselection, performance, promotions, demotions, transfers, suspension and other disciplinary actions, evaluation forms, leave, salary, and termination of employment. As used in this section, "employee" includes former employees of the city.

(b) The following information with respect to each city employee is a matter of public record:

- (1) Name.
- (2) Age.
- (3) Date of original employment or appointment to the service.
- (4) The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the city has the written contract or a record of the oral contract in its possession.
- (5) Current position.
- (6) Title.
- (7) Current salary.
- (8) Date and amount of each increase or decrease in salary with that municipality.
- (9) Date and type of each promotion, demotion, transfer, suspension, separation, or other change in position classification with that municipality.
- (10) Date and general description of the reasons for each promotion with that municipality.
- (11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the municipality. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the municipality setting forth the specific acts or omissions that are the basis of the dismissal.
- (12) The office to which the employee is currently assigned.

(b1) For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the employing entity.

(b2) The city council shall determine in what form and by whom this information will be maintained. Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the city council may have adopted. Any person denied access to this information may apply to the appropriate division of the General Court of Justice for an order compelling disclosure, and the court shall have jurisdiction to issue such orders.

(c) All information contained in a city employee's personnel file, other than the information made public by subsection (b) of this section, is confidential and shall be open to inspection only in the following instances:

- (1) The employee or his duly authorized agent may examine all portions of his personnel file except (i) letters of reference solicited prior to employment, and (ii) information concerning a medical disability, mental or physical, that a prudent physician would not divulge to his patient.
- (2) A licensed physician designated in writing by the employee may examine the employee's medical record.
- (3) A city employee having supervisory authority over the employee may examine all material in the employee's personnel file.
- (4) By order of a court of competent jurisdiction, any person may examine such portion of an employee's personnel file as may be ordered by the court.
- (5) An official of an agency of the State or federal government, or any political subdivision of the State, may inspect any portion of a personnel file when such inspection is deemed by the official having custody of such records to be inspected to be necessary and essential to the pursuance of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution (of the employee), or for

the purpose of assisting in an investigation of (the employee's) tax liability. However, the official having custody of such records may release the name, address, and telephone number from a personnel file for the purpose of assisting in a criminal investigation.

- (6) An employee may sign a written release, to be placed with his personnel file, that permits the person with custody of the file to provide, either in person, by telephone, or by mail, information specified in the release to prospective employers, educational institutions, or other persons specified in the release.
- (7) The city manager, with concurrence of the council, or, in cities not having a manager, the council may inform any person of the employment or nonemployment, promotion, demotion, suspension or other disciplinary action, reinstatement, transfer, or termination of a city employee and the reasons for that personnel action. Before releasing the information, the manager or council shall determine in writing that the release is essential to maintaining public confidence in the administration of city services or to maintaining the level and quality of city services. This written determination shall be retained in the office of the manager or the city clerk, and is a record available for public inspection and shall become part of the employee's personnel file.

(c1) Even if considered part of an employee's personnel file, the following information need not be disclosed to an employee nor to any other person:

- (1) Testing or examination material used solely to determine individual qualifications for appointment, employment, or promotion in the city's service, when disclosure would compromise the objectivity or the fairness of the testing or examination process.
- (2) Investigative reports or memoranda and other information concerning the investigation of possible criminal actions of an employee, until the investigation is completed and no criminal action taken, or until the criminal action is concluded.
- (3) Information that might identify an undercover law enforcement officer or a law enforcement informer.
- (4) Notes, preliminary drafts and internal communications concerning an employee. In the event such materials are used for any official personnel decision, then the employee or his duly authorized agent shall have a right to inspect such materials.

(c2) The city council may permit access, subject to limitations they may impose, to selected personnel files by a professional representative of a training, research, or academic institution if that person certifies that he will not release information identifying the employees whose files are opened and that the information will be used solely for statistical, research, or teaching purposes. This certification shall be retained by the city as long as each personnel file examined is retained.

(c3) Notwithstanding any provision of this section to the contrary, the Retirement Systems Division of the Department of State Treasurer may disclose the name and mailing address of former local governmental employees to domiciled, nonprofit organizations representing 2,000 or more active or retired State government, local government, or public school employees.

(d) The city council of a city that maintains personnel files containing information other than the information mentioned in subsection (b) of this section shall establish procedures whereby an employee who objects to material in his file on grounds that it is inaccurate or misleading may seek to have the material removed from the file or may place in the file a statement relating to the material.

(e) A public official or employee who knowingly, willfully, and with malice permits any person to have access to information contained in a personnel file, except as is permitted by this section, is guilty of a Class 3 misdemeanor and upon conviction shall only be fined an amount not more than five hundred dollars (\$500.00).

(f) Any person, not specifically authorized by this section to have access to a personnel file designated as confidential, who shall knowingly and willfully examine in its official filing place, remove or copy any portion of a confidential personnel file shall be guilty of a Class 3 misdemeanor and upon conviction shall only be fined in the discretion of the court but not in excess of five hundred dollars (\$500.00). (1975, c. 701, s. 2; 1981, c. 926, ss. 1-4; 1993, c. 539, ss. 1084, 1085; 1994, Ex. Sess., c. 24, s. 14(c); 2007-508, s. 7; 2008-194, s. 11(e); 2010-169, s. 18(f).)

#### **§ 160A-169. City employee political activity.**

(a) **Purpose.** The purpose of this section is to ensure that city employees are not subjected to political or partisan coercion while performing their job duties, to ensure that employees are not restricted from political activities while off duty, and to ensure that public funds are not used for political or partisan activities.

It is not the purpose of this section to allow infringement upon the rights of employees to engage in free speech and free association. Every city employee has a civic responsibility to support good government by every available means and in every appropriate manner. Employees shall not be restricted from affiliating with civic organizations of a partisan or political nature, nor shall employees, while off duty, be restricted from attending political meetings, or advocating and supporting the principles or policies of civic or political organizations, or supporting partisan or nonpartisan candidates of their choice in accordance with the Constitution and laws of the State and the Constitution and laws of the United States of America.

(b) **Definitions.** For the purposes of this section:

- (1) "City employee" or "employee" means any person employed by a city or any department or program thereof that is supported, in whole or in part, by city funds;
- (2) "On duty" means that time period when an employee is engaged in the duties of his or her employment; and
- (3) "Workplace" means any place where an employee engages in his or her job duties.

(c) No employee while on duty or in the workplace may:

- (1) Use his or her official authority or influence for the purpose of interfering with or affecting the result of an election or nomination for political office; or
- (2) Coerce, solicit, or compel contributions for political or partisan purposes by another employee.

(d) No employee may be required as a duty or condition of employment, promotion, or tenure of office to contribute funds for political or partisan purposes.

(e) No employee may use city funds, supplies, or equipment for partisan purposes, or for political purposes except where such political uses are otherwise permitted by law.

(f) To the extent that this section conflicts with the provisions of any local act, city charter, local ordinance, resolution, or policy, this section prevails to the extent of the conflict. (1991, c. 619, s. 2; 1993, c. 298, s. 2.)

#### **§ 160A-169.1. Municipality verification of employee work authorization.**

(a) **Municipalities Must Use E-Verify.** - Each municipality shall register and participate in E-Verify to verify the work authorization of new employees hired to work in the United States.

(b) **E-Verify Defined.** - As used in this section, the term "E-Verify" means the federal E-Verify program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law.

(c) **Nondiscrimination.** - This section shall be enforced without regard to race, religion, gender, ethnicity, or national origin. (2011-263, s. 5.)

**§ 160A-170. Reserved for future codification purposes.**

#### Part 5. City Clerk.

**§ 160A-171. City clerk; duties.**

There shall be a city clerk who shall give notice of meetings of the council, keep a journal of the proceedings of the council, be the custodian of all city records, and shall perform any other duties that may be required by law or the council. (1917, c. 136, subch. 13, s. 1; C.S., s. 2826; 1941, c. 103; 1949, c. 14; 1971, c. 698, s. 1.)

**§ 160A-172. Deputy clerk.**

The council may provide for a deputy city clerk who shall have full authority to exercise and perform any of the powers and duties of the city clerk that may be specified by the council. (1917, c. 136, subch. 13, s. 1; C.S., s. 2826; 1941, c. 103; 1949, c. 14; 1971, c. 698, s. 1.)

#### Part 6. City Attorney.

**§ 160A-173. City attorney; appointment and duties.**

The council shall appoint a city attorney to serve at its pleasure and to be its legal adviser. (1971, c. 698, s. 1.)

## How NC Municipalities Work

In North Carolina, cities, towns and villages are incorporated municipalities. An incorporated municipality means the North Carolina General Assembly (or, in a few cases, a former state agency known as the Municipal Board of Control) has granted a charter authorizing the establishment of a municipal corporation (government) and outlining the powers, authority and responsibilities of the municipal government. Some of these are specified in the charter and some are authorized by state statutes.

The charter designates whether a municipality will be known as a city, a town or a village. There is no legal difference in the designations. It is a matter of the preferences of the residents. There are cities of 1,000 residents, and towns with populations greater than 100,000.

There are 552 municipalities in North Carolina and 100 counties - these are the general purpose local governments. In addition, there are some special districts providing particular services such as water and sewer services.

Throughout the state, there are many unincorporated areas or communities, but these are not towns, cities or villages.

## How North Carolina Municipalities Work

North Carolina municipalities - cities, towns and villages - operate under charters granted by the General Assembly and have powers and authorities granted to them by state statutes and the state constitution. In this state, municipalities do not have home rule, which means that the state legislature must grant the powers and authority to municipalities and authorize them to perform certain functions.

Municipalities are established to protect the citizens and provide residents of a particular area with urban type services: examples are water, sewer, police, streets, transportation, recreation, garbage collection and recycling, land use planning and fire protection. These are all typical but not required municipal services. The individual city or town determines which services it will provide, based on local circumstances. Only a few services are mandated by state or federal law. If a city or town chooses to provide a service however, it must meet whatever state and federal requirements exist for that service. For example, if a city chooses to provide water service, it must meet all the applicable state and federal water quality standards.

An elected board - called the city or town council, the board of commissioners or the board of aldermen - is the governing body in each N.C. municipality. The number of members on the board, method of election and whether they represent districts or hold at-large seats are determined by the municipal charter.

The form of government also is set forth in the municipal charter; there are two major forms and one variation. The first form is mayor-council, where there is not a manager. The mayor and the council, acting together, make decisions about services, revenues and expenditures. All personnel come under the board with this form of government.

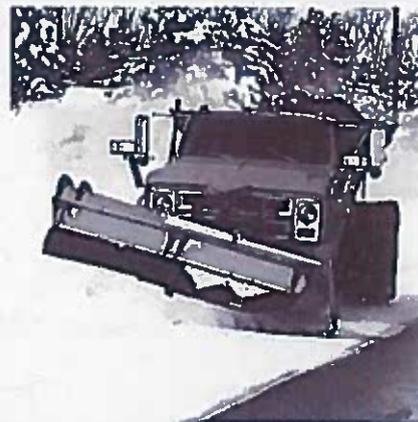
A variation on this form is the mayor-council with an administrator. A board usually hires an administrator when the daily operations become too much for the elected officials to oversee.

With the other major form of government, the council-manager form, the mayor and council set policy and hire a manager to implement their policies. A manager has specified statutory authority, including hiring and firing of employees. Typically, the council also hires the attorney directly and sometimes the clerk.

North Carolina mayors do not have veto power over council actions (with the exception of one city where the mayor has limited veto power). The mayor may or may not vote on matters before the council, again depending on the charter.

# Council-Manager

## Form of Government



### Frequently Asked Questions

**ICMA** *Leaders at the Core of Better Communities*



**What is the council-manager form of government, which is used today by so many cities, towns, and counties?**

Council-manager government combines the strong political leadership of elected officials with the strong managerial experience of an appointed manager or administrator. All power and authority to set policy rests with an elected governing body, which includes a mayor or chairperson and members of the council, commission, or board. The governing body in turn hires a nonpartisan manager who has very broad authority to run the organization.

Born out of the U.S. progressive reform movement at the turn of the 20th century, the council-manager system was designed to combat corruption and unethical activity in local government by promoting effective management within a transparent, responsive, and accountable structure.

Since its establishment, the council-manager form has become the most popular structure of local government in the United States. The form is also widely used throughout the world in countries such as Canada, Australia, the Netherlands, New Zealand, and the United Kingdom.

**How does council-manager government work?**

The elected council or board represent their community and develop a long-range vision for its future. They establish policies that affect the overall operation of the community and are responsive to residents' needs and wishes.

To ensure that these policies are carried out and that the entire community is equitably served, the governing body appoints a *highly trained professional manager* on the basis of his/her education, experience, skills, and abilities (and not their political allegiances). If the manager is not responsive to the governing body, it has the authority to terminate the manager at any time.

**How can council-manager government benefit my community?**

A city, town, or county benefits from the council-manager form of government in a number of important ways:

1. Political power is concentrated in the *entire* governing body. The mayor and council share legislative functions
2. Policy making resides with elected officials, while oversight of the day-to-day operations of the community resides with the manager. In this way, the elected officials are free to devote time to policy planning and development

3. The manager carries out the policies established by the elected governing body with an emphasis on effective, efficient, and equitable service delivery
4. Because decisions on policy and the future of the community are made by the entire governing body rather than a single individual, council-manager governments more often engage and involve their residents in decision making. Residents guide their community by serving on boards and commissions, participating in visioning and strategic planning, and designing community-oriented local government services
5. The form is flexible enough to adapt to local needs and demands. For example, some communities elect their councils at large, while others elect them by district or by a combination of an at-large-and-by-district system. Also, the mayor can be directly elected by voters or selected by and from among the council.

#### **What is the role of the manager under council-manager government?**

The manager is hired to serve the council and the community and brings to the local government the benefits of his/her training and experience in administering municipal or county projects and programs. The manager prepares a budget for the council's consideration; recruits, hires, terminates, and supervises government staff; serves as the council's chief advisor; and carries out the council's policies. Council members and residents count on the manager to provide complete and objective information about local operations, discuss the pros and cons of alternatives, and offer an assessment of the long-term consequences of their decisions.

Appointed managers serve at the pleasure of the governing body. They can be fired by a majority of the council, consistent with local laws, or any employment agreements they may enter into with the council. The manager makes policy recommendations to the council for consideration and final decision. The manager is bound by whatever action the council takes, and control is always in the hands of the elected representatives of the people.

#### **What is the role of the council?**

The council is the community's legislative and policy-making body. Power is centralized in the elected council, which, for example, approves the budget and determines the tax rate. The council also focuses on the community's goals, major projects, and such long-term considerations



as community growth, land use development, capital improvement and financing, and strategic planning. The council hires a professional manager to implement the administrative responsibilities related to these goals and supervises the manager's performance.

**What is the role of the mayor or chairperson?**

Mayors or chairpersons in council-manager communities are key political and policy leaders, and their specific duties, responsibilities, and authorities depend on the organization's charter. In council-manager communities, typically the mayor or chairperson is a voting member of the city council who presides at council meetings, represents the city in intergovernmental relationships, appoints members of citizen advisory boards and commissions (with the advice and consent of council), assigns agenda items to committees, facilitates communication and understanding between elected and appointed officials, and assists the council in setting goals and advocating policy decisions.

**What value does a professional manager contribute to a community?**

Professional managers contribute value to a community because they:

- Work in partnership with elected officials to develop sound approaches to community challenges by bringing together resources to make the right things happen and produce results that matter
- Bring a community-wide perspective to policy discussions and strive to connect the past and future while focusing on the present. They help the governing body develop the long-term vision for the community that provides a framework for policy development and goal setting
- Promote ethical government through commitment to a set of ethical standards that goes beyond those required by law. Managers who are members of ICMA subscribe to the organization's Code of Ethics, which requires them to "affirm the dignity and worth of the services rendered by government and maintain... a deep sense of social responsibility as a trusted public servant"
- Encourage inclusion and build consensus among diverse interests (including those of elected officials, the business community, and citizens) by focusing on the entire community rather than the centralized interests of one or two individuals

- Promote equity and fairness by ensuring that services are fairly distributed and that administrative decisions (such as hiring and contracting) are based on merit rather than favoritism
- Develop and sustain organizational excellence and promote innovation. Professional managers focus relentlessly on efficient and equitable service delivery, policy implementation, and evaluation. They align the local government's administrative systems with the values, mission, and policy goals defined by the community and elected officials.

### **Does it cost more for a community to adopt the council-manager form and hire a professional manager?**

Many local governments have found that their overall costs are actually reduced under competent management. Savings can come from decreased operating costs, increased efficiency and productivity, improved revenue collection, and effective use of technology. The economic health of the community may also benefit from implementation of improved business development and retention strategies.

### **What kinds of communities use the council-manager form of government?**

In 2007, more than 3,500 (49 percent) of the 7,171 U.S. cities and towns with populations of 2,500 residents or more operated under the council-manager form. This structure is also used by more than 370 counties. More than 92 million people in the U.S. live in communities that operate under this form.

### **Is the council-manager form popular among larger communities?**

Of the 247 U.S. cities with populations greater than 100,000 residents, 144 (58 percent) use this form of government. Larger cities and counties that use the form include:

- Broward County, Florida (pop. 1,623,000)
- Charlotte, North Carolina (pop. 540,000)
- Dallas, Texas (pop. 1,188,000)
- Fairfax County, Virginia (pop. 969,000)
- Las Vegas, Nevada (pop. 535,000)
- Mecklenburg County, North Carolina (pop. 695,000)
- Oklahoma City, Oklahoma (pop. 506,000) *(continued)*

(continued)

- Phoenix, Arizona (pop. 1,321,000)
- San Antonio, Texas (pop. 1,144,000)
- San Jose, California (pop. 894,000)
- Virginia Beach, Virginia (pop. 425,000)
- Wichita, Kansas (pop. 344,000)

**How can a community adopt the council-manager form of government?**

Most communities can adopt council-manager government through a charter, local ordinance, state enabling law, or by voter referendum. For information on how your community can adopt council-manager government, contact your state municipal league or association of counties. You can locate the addresses of these organizations on the Internet, or in the back section of ICMA's *Municipal Year Book*, which you may find in your local library.

**Once a community adopts council-manager government, how does it choose a professional manager?**

The vacancy usually is announced in the *ICMA Newsletter*, and managers, assistants, and other individuals from across the country are invited to apply. Interested parties apply directly to the council, which reviews the applications and interviews qualified candidates. ICMA makes no recommendations regarding candidates. Additional information is available in ICMA's *Recruitment Guidelines Handbook*. To download a copy, visit <http://jobs.icma.org> and click on "Recruitment Guidelines Handbook" under "Resources."

**What kind of educational and professional experience do professional local government managers possess?**

Nearly 67% of managers surveyed by ICMA in 2006 indicated that they had earned a master's (usually in public administration, business, or public policy), or other advanced degree. Respondents to the same survey said they had spent an average of 19 years in the local government management profession.

**Do professional local government managers have a membership organization?**

Yes. ICMA (the International City/County Management Association) is the premier local government leadership and management organization that serves as the



professional and educational “home” for appointed professional managers and administrators. ICMA’s membership also includes directors of state associations of local governments, other local government employees, academics, students, and concerned citizens who share the goal of improving local government.

ICMA’s mission is to create excellence in local governance by developing and fostering professional local government management worldwide. To that end, the organization provides technical assistance and publications for management professionals to help them improve their skills and increase their knowledge. ICMA also serves as a clearinghouse for the collection, analysis, and dissemination of information and data about local government.

**Why is membership in ICMA important for a professional local government manager?**

In addition to gaining access to valuable resources and lifelong professional development opportunities, managers who belong to ICMA are bound by its Code of Ethics, which states that every member of the organization shall act with integrity in all personal and professional matters so that they will merit the respect and trust of elected officials, employees, and the public. This stringently enforced Code specifies 12 ethical principles of personal and professional conduct, including dedication to the cause of good government.

ICMA members believe in the effectiveness of representative democracy and the value of government services provided equitably to residents within a community. ICMA members are also committed to standards of honesty and integrity that go beyond those required by the law. For more information, contact ICMA or visit <http://icma.org/ethics>.

Finally, ICMA defines professional management and recognizes individual members who are qualified by a combination of education and experience, adherence to high standards of integrity, and an assessed commitment to lifelong learning and professional development. ICMA members who meet these requirements may earn designation as an ICMA Credentialed Manager. For more information on ICMA’s Voluntary Credentialing Program, visit <http://icma.org/credentialing>.

**Are there other, independent organizations that support council-manager government?**

The National Civic League (NCL) is America's original advocate for community democracy. This nonprofit, nonpartisan membership organization is dedicated to strengthening citizen democracy by transforming democratic institutions. NCL accomplishes its mission through technical assistance, training, publishing, research, and promoting the All-America City Awards, America's original and most prestigious community recognition program.

Founded in 1895, NCL serves as a clearinghouse for information on methods of improving state and local government. The League's *Model City Charter*, now in its eighth edition, has endorsed council-manager government since 1915.

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## Is Your Plan on the Shelf?

### Effective Implementation of Strategic Plans in North Carolina Cities

*Heather Anne Drennan*

evaluation mentoring objectives service workforce planning succession planning



**S**trategic planning takes considerable time and effort, yet little is known about how effective those using strategic plans find them to be. Local governments increasingly have been participating in this public- and private-sector management trend, which is taught widely in business, nonprofit, and government schools and used by thousands of organizations. Are strategic plans worth the time and money spent on them? What can local governments do to improve the return on their investment in strategic planning?

This article discusses what makes implementation of strategic plans effective in North Carolina municipalities. It reports the findings of a survey of medium-sized and large North Carolina cities, focusing on two questions:

- Which critical factors identified in the literature determine strategic planning effectiveness?
- How do North Carolina cities compare with cities nationally in their use of strategic planning?

Additionally the article recommends strategies that local governments, as well as other government organizations, can use to increase the effectiveness of their strategic planning.

### Overview of Strategic Planning

Strategic planning has been defined in academic terms and in practice. The language

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used to define and describe it is varied.

One way of viewing strategic planning is through its process and parts, as seen in this definition:

“a systematic process for gathering information about the big picture and using it to establish a long-term direction and then translate that direction into specific goals, objectives and actions.”<sup>1</sup>

Another way to view strategic planning is to see it through its functions. Users in College Station, Texas, describe their plan as both a policy document—outlining what will be accomplished—and a long-range action plan—outlining how and when it will be accomplished. The policy portion of the document has vision statements and supporting policies or strategies. The actionable portion contains an implementation plan for each strategy, citing who is responsible, what change is required, what resources are required to implement the change, and what milestones will monitor progress.<sup>2</sup> Some strategic plans—for example, those required by the Government Performance and Results Act—have multiple parts, including a strategic plan, a performance plan, and a performance report, designed to function together as a management tool for decision making and budgeting.<sup>3</sup>

The research reported in this article used a broad, inclusive definition of strategic planning that encompasses all these processes, components, and functions. It includes traditional long-range planning, council or staff visioning processes, development of performance measures to track progress toward a service goal, and comprehensive plan-

Strategic planning includes traditional long-range planning, council or staff visioning processes, development of performance measures to track progress toward a service goal, and comprehensive planning with municipal service components.

ning with municipal service components. This definition is broader than the typical view of many municipalities, which was reflected in the comment of one survey respondent: “The elements of strategic planning we use (i.e., council retreat, department head retreat), we do not even call ‘strategic planning.’”

Strategic planning allows organizations to maintain continuity long-term; assess strengths, weaknesses, opportunities, and threats; create shared commitments; adapt to changing environments; and achieve organizational success.<sup>4</sup> Fundamentally, strategic planning creates a process and a resulting product that help organizations be intentional and transparent about what to do and how to do it. When connected to the budget process, strategic planning allows organizations to overcome a major obstacle to implementation: funding. Although the subject is beyond this research, budgeting for the financial and staff resources to implement strategic plans also can be supported through other organizational planning processes, such as workforce and succession planning (see the articles on pages 9 and 26).

### Previous Research on Municipal Strategic Planning

Research has documented the prevalence of local government strategic planning and, to a lesser extent, of planning pro-

cesses used to enhance local governments' annual budget process. One study found that medium-sized and large municipalities are using strategic planning with increasing sophistication. The vast majority of the respondents in that study believed that the benefits of strategic planning at least outweighed the costs.<sup>5</sup>

College Station, Texas, integrates its budget and planning cycles, and this approach contributes to the success of its strategic plan. Two other lessons learned from the College Station experience apply generally: (1) obtain early commitment from city council members and management and (2) focus on the plan's intended results, to better prepare the city to manage its growth and changes.<sup>6</sup>

For strategic planning to be effective, citizens must be involved. Research has found that even if best practices in strategic planning are followed, to be truly accountable to the community, citizens must participate:

*It is equally important that policy-makers and professionals formulate the visions, goals, and objectives of their strategic plans with the benefit of public input. To do otherwise invites the criticism that even the most efficiently performing local governments lack relevance in the eyes of their citizens/customers and reinforces perceptions of the citizen's inefficacy.<sup>7</sup>*

**Lessons learned: Integrate budget and planning cycles, get commitment from high-level officials, and keep the focus on intended results.**

### Study of Medium-Sized and Large North Carolina Municipalities

To answer the two questions that I posed earlier, I surveyed senior staff from human resources, fire, budget, and information technology departments in all twenty-six North Carolina municipalities with populations larger than 25,000. This population threshold was set so that results could be compared with those of several national surveys. One or more officials from twenty-four of the twenty-six municipalities responded to the online survey, resulting in a usable-response rate of 63 percent.<sup>8</sup>

The research reported in this article was not causal. Rather, it analyzed

**Table 1. Comparison of Strategic Planning Factors**

Strategic Planning Factor	Strength of Correlation
Departments required to identify and link goals and objectives to budget request*	.792
Effectiveness of document	.759
Link between strategic plan and budget process	.692
Neighborhood groups*	.680
Regional representatives*	.666
Forecasting of revenues and expenditures to determine financial feasibility	.803

Source: From Heather Anne Drennan, Effectiveness of Strategic Planning in North Carolina Municipal Government, Paper Presented at the Capstone Conference, Univ. of N.C. at Chapel Hill (Apr. 8, 2005) (on file with author).

Note: In comparing factors in the three categories (connection to the budget, certain aspects of planning processes, and extent of stakeholder involvement), the most important variables are those related to the budget cycle and public participation. This table ranks those variables. The higher the number in the right column, the greater the importance of the variable in the effectiveness of the resulting strategic plan. Whether departments are required to identify and link their budget requests with strategic goals and objectives—and the formality of the requirement—is much more influential than many other factors.

\*Analyzed as an index of two or more related variables.

what the relationships were among multiple factors and how effective each respondent perceived his or her own city's strategic plan to be. There are many standards for a good strategic plan, but the plans were not evaluated by these standards.

Strategic planning differs in theory and practice. Some aspects of strategic planning are not conducted citywide. Also, a respondent may not have known about all city initiatives. Because of this, I analyzed data by each city as a whole and by department. Whereas prior research used a single point of contact for each municipality, the research reported in this article probed more deeply, asking four senior department staff members from each municipality for their perspectives. This gave a glimpse into actual plan implementation, not just the city council's or the city manager's intent.

### Overview of Findings

Strategic planning is prevalent in North Carolina: all the municipalities that responded conducted it in some form. Most produced a written strategic plan and found the resulting document effective

or very effective. North Carolina municipalities use strategic planning more often and with more sophistication than the national average.

Three factors improved how effective a strategic plan was perceived to be: connection to the budget, certain aspects of planning processes, and extent of stakeholder involvement. The involvement of key stakeholders, including council members, citizens, and top administrators, was moderately important for successful plan implementation. More significant than who was involved in the planning process, though, was how long the city had been engaging in strategic planning, how often the plan was updated, and how the plan was connected to the annual budget process. (For the statistical correlations of the most effective strategic-planning factors analyzed, see Table 1.)

### Connection to the Budget

The strategic plan's connection with the budget cycle is the strongest indicator of success. The budget's interrelationship with strategic planning has multiple dimensions, each of which is important to effective implementation. Factors include department meetings with budget staff, a link between budget requests and department goals and objectives, joining of the strategic planning and annual

of commerce) or individual citizens. This may be evidence of the increased influence that citizens have when they organize to address public interests.

Although research consistently finds the general public to be a key stakeholder, North Carolina municipalities have not involved the general public extensively in strategic planning. Of those responding, 25 percent centrally involved chambers of commerce; 13 percent, citizens; 13 percent, neighborhood groups; and 8 percent, regional representatives. Overall, less than 30 percent of North Carolina municipalities centrally involved at least one category of external stakeholder. By comparison, nationally 62 percent of municipalities centrally involve citizens and external stakeholders.<sup>11</sup> Low public involvement in North Carolina is problematic because of the substantial positive influence that these external stakeholders can have on implementation.

Overall, less than 30 percent of North Carolina municipalities centrally involved at least one category of external stakeholder. By comparison, nationally 62 percent of municipalities centrally involve citizens and external stakeholders.<sup>11</sup> Low public involvement in North Carolina is problematic because of the substantial positive influence that these external stakeholders can have on implementation.

#### Top Administrators

The impact of top administrators on plan effectiveness was less strong. Of these, assistant city managers' involvement, in both degree and effectiveness, was the strongest. The more involved they were, the more effective plan implementation was. However, this factor was only moderately correlated with effective strategic planning. Almost 80 percent of the responding North Carolina municipalities centrally involved assistant managers, and 83 percent found their involvement to be moderately or highly effective.

Nationally the impact of the assistant city manager on the planning process has not been assessed, but 97 percent of municipalities reported that the city manager was centrally involved. This finding aligns with the practice in the responding North Carolina municipalities, all of which centrally involved the

city manager, and it confirms the important role that top administrators play in guiding strategic plan implementation.

North Carolina falls short on inclusion of line employees. Almost 50 per-

cent of municipalities nationwide centrally involved nonmanagement employees, and their involvement predicted the strategic plan's impact.<sup>12</sup> In contrast, only 17 percent of North Carolina respondents included line employees. Although their participation was not strongly correlated with effectiveness, this

may be because of their minimal involvement and North Carolina municipalities' limited experience in including them.

**Recommendation:** Increase opportunities for meaningful public participation of neighborhood groups, regional representatives, chambers of commerce, and citizens.

Practical challenges to doing so are the increased resources, complexity, and time involved. This may be why North Carolina's cities do not use citizens in the planning process as extensively as municipalities nationally do. However, the research reported in this article has shown clearly the value of public involvement. Creating a shared vision for the future by developing consensus among internal and external participants at all levels allows cities to address the most important community priorities realistically and meaningfully.

#### Conclusion

Strategic planning was used in most of the medium-sized and large North Carolina municipalities responding. Overall, respondents found the implementation of strategic plans to be effective. Connection with the budget, certain aspects of planning processes, and stakeholder participation are all influential in strate-

gic planning effectiveness. Of these, connection with the budget had the strongest impact on effective implementation overall and was the critical factor for success.

#### Notes

This article is based on original research reported in Heather Anne Drennan, *Effectiveness of Strategic Planning in North Carolina Municipal Government*, Paper Presented at the Capstone Conference, Univ. of N.C. at Chapel Hill (Apr. 8, 2005) (on file with authors).

1. Theodore H. Poister & Gregory Streib, *Elements of Strategic Planning and Management in Municipal Government: Status after Two Decades*, 65 PUBLIC ADMINISTRATION REVIEW 65, 66 (2005).

2. Dana Ingman et al., *Strategic Planning That Uses an Integrated Approach*, 84 PUBLIC MANAGEMENT 16 (2002).

3. Edward Long & Aimee L. Franklin, *The Paradox of Implementing the Government Performance and Results Act: Top-Down Direction for Bottom-Up Implementation*, 64 PUBLIC ADMINISTRATION REVIEW 309 (2004).

4. Anonymous, *Strategic Planning: A Formula for Success*, 111 AMERICAN CITY & COUNTY 64 (1996); John Bertot, *Strategic Plans Key to County Success*, 109 AMERICAN CITY & COUNTY 14 (1994); Ingman et al., *Strategic Planning*.

5. Poister & Streib, *Elements*.

6. Ingman et al., *Strategic Planning*.

7. Michael W. Shelton & Troy Albee, *Financial Performance Monitoring and Customer-Oriented Government: A Case Study*, 12 JOURNAL OF PUBLIC BUDGETING, ACCOUNTING & FINANCIAL MANAGEMENT 87, 87 (2000).

8. Five of the 24 responding jurisdictions had a 100 percent response rate, with someone from each of the four departments responding. Nine had a 75 percent response rate; 7, a 50 percent response rate; and 3, a 25 percent response rate. Overall, there were 71 responses, of which 65 were usable, resulting in a 63 percent usable response rate. By department the usable response rate was 81 percent for senior budget or finance staff, 65 percent for senior fire staff, 69 percent for senior human resources staff, and 31 percent for senior information technology staff.

9. Poister & Streib, *Elements*.

10. *Id.*

11. *Id.*

12. *Id.*

**Creating a shared vision for the future by developing consensus among internal and external participants at all levels allows cities to address the most important community priorities realistically and meaningfully.**

## **Eight Expectations for Effective Council-Manager Relations**

### **Expectation 1: The Manager is an Organization Capacity-BUILDER**

- Implement and update business practices and processes
- Effectively and efficiently employ management tools
- Attract and retain talented and motivated personnel
- Ensure local operations run smoothly and routinely

### **Expectation 2: The Manager is a Valued Advisor to the Governing Body**

- Offer balanced and impartial policy advice to the governing body
- Recommend any measures that they deem expedient, including alternatives and relevant information that is reasonably available on the different options
- Should sometimes make an unpopular recommendation that might not have very good prospects of being accepted
- Get fully behind governing body decision and ensure that the administration does the same
- Help elected officials explain their decision to the public and help the public understand the governing body's point of view

### **Expectation 3: The Governing Body and the Manager Jointly Strive for Good Service to Citizens**

- Be assertive in ensuring that their administration provides the very best service possible to the community
- Create an organization culture of responsiveness and performance, both in providing routine service to citizens and in handling special requests and complaints
- Take personal risks on behalf of employees and fully accept responsibility with the council when things go wrong
- Give council members the necessary information to follow up with citizens if the council member wishes
- Support and steer citizen complaints to administration
- Council members inform the manager of problems and give the manager the opportunity to get problems fixed

### **Expectation 4: Elected Officials' Relationships with Employees Are Carefully Managed**

- Council members observe the chain of command
- Council members and managers protect planned workflow
- Managers encourage direct contact between council members and employees for routine inquiries or requests that do not affect administrative workloads
- Council members submit substantial requests to the entire council which decides whether to take action

### **Expectation 5: The Governing Body Acts as a Body and Is Dealt with as a Body**

- Council takes official action as a body
- Managers welcome suggestions from individual council members that do not conflict with council policy
- Individual council members' requests that set new directions or require resource reallocations are put before the entire council

- Managers treat all members of council alike
- Managers seek to prevent council members from being surprised or caught off guard on issues
- Managers ensure all council members have the same level of information and understanding

**Expectation 6: The Manager and the Governing Body Give Each Other a Chance to Prove Themselves**

- Managers direct administration based on what a majority of the council decides
- Managers expect newly elected officials to give them a chance to prove that they can serve the new members
- Council members accept campaign rhetoric seldom stands up to the complexity of governing, leading, or managing
- Managers seek to earn the trust and the confidence of new members

**Expectation 7: The Manager and the Governing Body Freely Give and Seek Feedback**

- Managers and council members work to maintain open communications
- Managers provide all council members with accurate, relevant, and timely information
- Council members ask questions and make their interests, positions, and feelings known to the manager
- Council members offer constructive criticism to the manager on an ongoing basis
- Council members clarify their expectations of the manager, providing direction and benchmarks for success
- Council members and manager freely give and accept feedback in the spirit of continuous improvement

**Expectation 8: The Manager and the Governing Body Work Together to Develop a Highly Effective Governing Body**

- Managers prepare agenda and plan meetings that focus on major topics
- Managers serve as “coaches” to help mayors and councils develop high-performing habits:
  1. Thinking and acting strategically and with a vision for the community’s future
  2. Respecting the “shared constituency” with the citizens in horizontal and vertical relations with other jurisdictions
  3. Demonstrating teamwork
  4. Mastering small-group decision making
  5. Honoring the council-staff partnership
  6. Allocating governing body time and energy appropriately in four key areas—goal setting retreats, study sessions, regular public hearings and meetings, and community relations
  7. Having clear rules and procedures for board or council meetings
  8. Obtaining objective feedback and conducting systematic and valid assessment of policy and implementation performance
  9. Practicing continuous personal learning and leadership development of individual elected officials
- Managers and mayors orient new council members, encouraging new members to do their homework, ask good questions, and to exercise caution and courtesy when speaking publicly about the city and staff.
- Managers and council behave in a manner that encourages citizen confidence in local government

budget processes, and use of financial forecasting to determine the feasibility of plan goals and objectives.

One respondent reported that his or her city has “a very informal strategic planning process and it is also informally linked to the budget process.” A more formal connection between strategic planning and the budget—specifically the formality with which departments link their budget requests to goals and objectives—was actually the most important of the budget-related factors listed earlier.

The extent of the connection between the budget and planning processes was evident in one respondent’s comment: “Our planning process is our budget process.”

In North Carolina, 25 percent of responding municipalities required departments to link budget requests to goals and objectives, and 67 percent at least moderately evaluated financial forecasts of specific strategies.

In comparison with cities across the nation, North Carolina municipalities use more sophisticated techniques of strategic planning, including incorporation of performance measurement and coordination between the strategic plan and the budget.<sup>9</sup> The most sophisticated uses of strategic management were examined through several related survey questions. The answers indicated that although few North Carolina municipalities use performance budgeting systems, more than half use performance measurement tools.

**Recommendation:** *Integrate the strategic plan with the annual budget. Align the strategic planning process (or updates) with the annual budget process, and encourage productive meetings between department and budget staff.*

Practically this recommendation means formally requiring all departments to connect their budget requests to department and city goals and objectives. Also, it means requiring that major operating and capital requests involve projections of future costs. Budget staff should review department budget requests and evaluate how well they address depart-

ment and city goals and objectives. The city manager and the assistant city manager can improve the effectiveness of the strategic plan by evaluating department budget requests in light of citywide goals and objectives.

#### **Certain Aspects of Planning Processes**

Several aspects of planning processes related to a municipality’s effectiveness in strategic planning and plan implementation: how long the municipality had been engaging in strategic planning, how often the planning process was conducted, and how well the plan was connected to citywide goals.

North Carolina municipalities have

extensive experience in strategic planning, 65 percent of them having engaged in it for more than 10 years, and another 25 percent, for 4–9 years.

The longer municipalities had engaged in strategic planning, the more effective respondents perceived implementation to be.

Most department respondents (78 percent) updated their strategic plan at least annually. Only 10 percent updated it every three or more years. Municipalities that updated their strategic plans more frequently found the plans to be more effective.

The extent to which departments link their goals to citywide goals is important to how effective the strategic plan is. In North Carolina, 66 percent of the departments reported that their plans explicitly linked most or all department goals to citywide goals.

Just as important as what improves effectiveness is what does not. Respondents perceived service delivery plans, measurable outcomes, timelines, and performance indicators to be less helpful in implementation than the factors cited earlier.

**Recommendation:** *Experience counts. If strategic planning is not perceived as sufficiently valuable, consider continuing the process a little longer. Also, update the plan regularly to ensure that it is a living, working document.*

If the strategic plan is something pulled off the shelf only once a year, an

alternative is to review progress toward strategic plan goals and objectives quarterly at department or council meetings. Consistent use of the plan—whether it is a list of council goals or a more formal plan—is much more important than the plan components (e.g., measurable outcomes or action steps).

#### **Extent of Stakeholder Involvement**

Involving key internal and external stakeholders throughout the strategic planning process is important to effective implementation of the resulting plan. Key stakeholders include council members, citizens, and top administrators. Although other stakeholder groups may be important, the research reported in this article suggested that these three had the most impact.

#### **Council Members**

Council members played a major role in shaping the strategic vision and direction of a municipality. This in turn influenced the effectiveness of the resulting plan and its implementation. The council’s influence, assessed through a combination of factors, was moderately correlated with effective implementation. The visionary policy function had a much greater effect than the overall level of council involvement or the effectiveness of any particular planning processes—for example, council retreats.

All the municipalities that responded to the survey involved council members, and on a citywide basis, 75 percent involved them centrally. This is similar to national findings that 80 percent of councils are centrally involved in strategic plan development.<sup>10</sup>

#### **Citizens**

Citizens also have a substantial positive effect on the strategic planning process and its implementation. Whether as part of neighborhood groups, chambers of commerce, or regional organizations, or as private individuals, effective incorporation of citizens into strategic planning is important. When the impact of all these citizen groups together was measured, inclusion of the general public was highly correlated with effectiveness of implementation.

Neighborhood groups and regional organizations can have more impact than economic interest groups (e.g., chambers

**Consistent use of the strategic plan is much more important than the plan components .**