

# NORTH CAROLINA

## COUNTY GOVERNMENT OVERVIEW

### Counties

100

### Government Form<sup>1</sup>

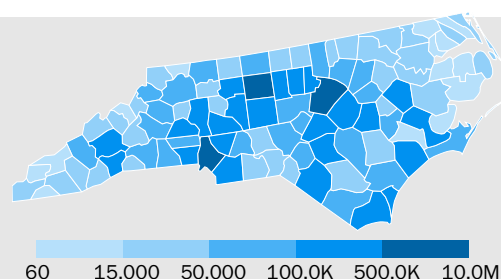
Traditional<sup>1</sup>

### Governing Body Size

5+

### Population (2020)

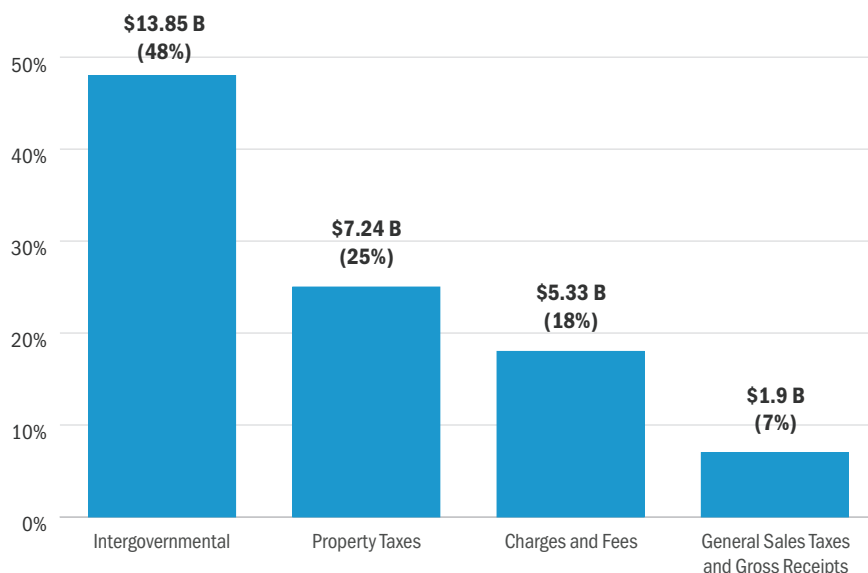
10.4 million<sup>2</sup>



### County Authority

**Broad construing of grants of authority.** In general, counties or joint city-county governments in North Carolina are not granted home rule power and are authorized only to exercise the powers that have been explicitly granted by the state. However, instead of being narrowly construed, there are specific statutes directing courts to broadly interpret the grants of authority.

## TOP REVENUE SOURCES FOR NORTH CAROLINA COUNTIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

<sup>1</sup>“Government Form” refers to the distribution of executive decision making authority in a county. “Traditional” county states mandate that counties exercise executive decision making power solely through the board of elected officials (commissioners, supervisors, etc.). “Reformed” county states mandate that counties employ an elected or appointed county executive, manager or similar position to take on at least some of the county’s executive decision making authority. “Mixed” county states means that some counties in that state are “traditional” and some are “reformed.”

<sup>2</sup>NACo Analysis of U.S. Census Bureau - 2020 Decennial Census

### Summary of County Services

#### Services counties **MUST** provide:

- Provide and support social service programs.
- Administer child welfare services.

#### Services counties **CAN** provide:

- Operate public enterprises to deliver water and sewage.
- Build and operate public library systems.
- Provide fire and ambulance services.

#### Services counties **CANNOT** provide:

- Construct or maintain public roads, highways and bridges.

# STRUCTURE/AUTHORITY

## SUMMARY

North Carolina counties are governed by general law and the authority granted by individual statutes. Counties are governed by a board of five or more commissioners whose members are both the legislative and executive leaders of the government. Boards may appoint a non-executive county manager to serve at the will of the board as the chief administrative officer, responsible for overseeing much of the internal government operations. Counties can also consolidate with a city to form a joint city-county government, the provisions of which include the state laws that apply to cities and the state laws that apply to counties.

Row Officers	Elected/ Appointed	Required/ Optional
Clerk	Appointed	Mandatory
Register of Deeds*		Mandatory
Sheriff	Elected	Mandatory

\*The board may also designate the register of deeds or any other county officer or employee as clerk.



## COUNTY STRUCTURE

**Legislative Branch:** A board of five or more commissioners acts as the legislative decision-making body for all counties. The exact number of members is determined by the number of elector districts which is set and can be reset by the board.

**Executive Branch:** A board of at least five members acts as the executive body for counties. The board can also form a county-manager plan to allow for the appointment of a county manager. However, the manager is the chief administrative officer with little to no executive power.

**Judicial Branch:** There are 41 district court districts in North Carolina and there is a district court in each county seat. These district courts handle cases on civil, criminal, juvenile and magistrate matters.

### Optional Forms of Government:

- Board of Commissioners
- Board-Manager



## COUNTY AUTHORITY

**Executive Power:** The board of commissioners has the authority to organize the county government to promote efficient administration of county affairs, except when in conflict with state law. The board is also limited in its ability to reconfigure local education and health services.

**Ability to Form Partnerships:** Counties may consolidate with one or more counties and/or cities to form a regional planning commission to provide recommendations for land use within their combined jurisdictions. Counties and cities may form joint city-county governments. Counties may also consolidate with cities for the joint delivery of several public services.

**Call a State of Emergency:** A county's governing body may declare a state of emergency. The county cannot affect areas within municipal jurisdiction unless given consent by the municipal mayor or governing body. This power can be delegated to the chair of the board of commissioners.

**Special Districts:** There are 318 special service districts throughout North Carolina and the state's statute establishes 14 different types of service districts that can be defined by a board of county commissioners. A public hearing is required before any district can be established or abolished by the board.

# SERVICES

## OVERVIEW OF COUNTY SERVICES

North Carolina counties have the mandate or option to provide many services including public health, economic development programs, affordable housing and even animal shelters. In addition to the several services that counties have the option to provide, counties are required to deliver social services programs including those that focus on welfare, education and employment. They are also responsible for providing and maintaining public school facilities. In general, county governments are empowered by the state to enact these programs and therefore are not often required to hold public hearings. One major exception to this rule is that counties must hold public hearings before enacting a zoning regulation ordinance.



### HEALTH AND HUMAN SERVICES

**Health, Generally:** Counties must provide for public health, mental health, developmental disabilities and substance abuse programs. Counties may also contract with any governmental agency or other entity to provide health or social services.

**County Health Departments:** Counties must provide public health services by either providing a county health department, establishing a consolidated human services agency, participating in a district health department or contracting with the state for the provision of public health services.

**Hospitals:** Counties may construct, operate and maintain hospitals. These may include mental health facilities and orthopedic hospitals. Counties may also cooperate with other public and private agencies on these services. Voters can also petition for a hospital district.

**Social Services:** Counties must provide social service programs and they may undertake or support other social service programs intended to further the health, welfare, education, employment, safety, comfort and convenience of the public.

**Senior Care Facilities:** Counties may undertake programs and appropriate funds for the care of senior citizens including in-home services, food service and transportation. Counties may also establish and operate a county home for sick and elderly residents.

**Child Welfare:** Child welfare services must be administered by counties.



### INFRASTRUCTURE

**Roads:** The state department of transportation is responsible for the construction and maintenance of all public roads, highways and bridges. Counties have the authority to permanently close any public roads that are within an unincorporated area of a county, except those controlled by the state department of transportation.

**Railroad:** Any county is authorized to participate in state and federal railroad revitalization programs necessary to insure rail service for the county.

**Public Enterprises:** Counties have the right to operate public enterprises that deliver a variety of amenities including water supply, waste treatment, airports, public transit, off street parking and storm water management. Other utilities are run by the state utilities commission which sets rates, inspects facilities and determines the need for expansion.

- **Water:** Counties may purchase and operate public enterprises to deliver water and sewage.
- **Solid Waste:** Counties may consolidate with any other local governments to form a regional solid waste management authority.
- **Electric:** Energy facilities (e.g., dams and solar farms) fall under jurisdiction of the state utilities commission.
- **Gas:** Gas facilities fall under the jurisdiction of the state utilities commission.



# SERVICES, CONTINUED



## PUBLIC AMENITIES

**Parks and Recreation:** Counties may operate a parks and recreation system as a line department or through a parks and recreation commission. Counties may fund the expansion of parks and recreational activities.

**Libraries:** Counties may establish, fund and operate public library systems. Counties may also set aside land and build libraries for public use.

**Cemeteries:** Counties may finance, provide and maintain cemetery districts.

**Animal Shelters:** Counties may establish, operate and maintain animal shelters.

**Environmental Preservation:** Counties may appropriate funds for environmental preservation purposes including beach erosion control, flood and hurricane protection, soil conservation and water conservation.



## ZONING AND DEVELOPMENT

**Zoning Power:** Counties may regulate construction and land use within its jurisdiction. Counties may also divide its jurisdiction into different types of districts including, but not limited to, general use, overlay, special use and conditional zoning districts.

**Zoning Restriction:** The boards of county commissioners must hold a public hearing before any zoning regulations ordinances can go into effect. Counties do not have jurisdiction over municipalities or farmland.

**Permitting Fees:** Counties may create an inspection department which counties may fund by implementing fees for inspections, issuing permits and similar services.

**Housing Authority:** The need for a housing authority can be petitioned by the citizens and decided on by the county. Two or more contiguous counties with an aggregate population of 60,000 or more may also collaborate on a regional housing authority.

**Affordable Housing:** Counties may construct or acquire real property to be designated as affordable housing for low to moderate income residents.

**Economic Development:** County boards of commissioners may by resolution establish an economic development and training district which shall have an industrial park and a skills training center.

# SERVICES, CONTINUED



## PUBLIC SAFETY

**Law Enforcement:** Counties may establish law enforcement districts if the county's population is over 900,000. They may also regulate and prohibit actions by the public that would endanger the health or safety of its citizens.

**Jails:** Counties may establish and maintain county-owned confinement facilities. A juvenile detention facility may also be in the same facility as a county jail.

**Courthouses:** Counties with a district court must provide courthouses and other related judicial facilities. Costs of court shall be remitted to the county providing these facilities.

**Fire:** Counties may establish, support, fund and maintain a fire department. They may also contract for fire services with other counties and cities and may provide financial assistance to volunteer fire departments.

**Ambulance:** A county may, by ordinance, franchise ambulance services provided in the county. In lieu of franchising, counties may appropriate funding for operating or contracting ambulance services in all or a portion of the county.

**Disaster:** There is no county division for disaster management. The state division of emergency management handles and coordinates disasters responses.



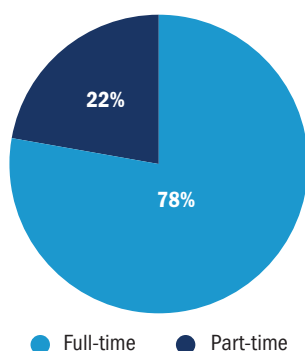
## SCHOOLS

**Education, Generally:** Counties must build, equip and maintain public school facilities. The state board of education is responsible for dictating school operations which counties may supplement using local funds.

**School Districts:** School districts in North Carolina (also called local education agencies) are governed by separately elected local boards of education.

**Community Colleges:** Community colleges are under the jurisdiction of the state board of community colleges, and receive facility funding from counties.

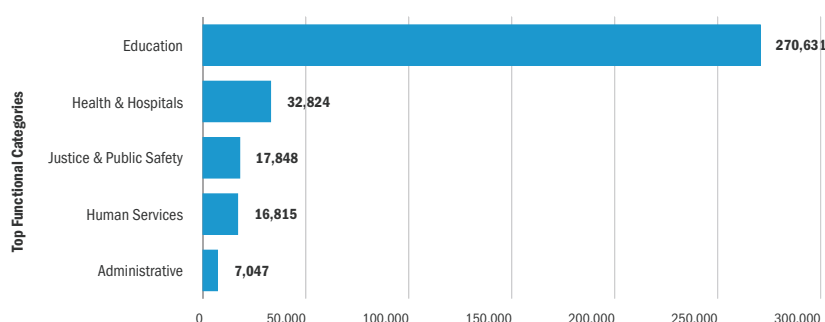
## NORTH CAROLINA COUNTIES EMPLOY 364,501 GOVERNMENT EMPLOYEES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

\*Figure reported includes school personnel, who are state employees in North Carolina.

## NORTH CAROLINA COUNTY GOVERNMENT EMPLOYEES BY TOP FUNCTIONAL CATEGORIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

\*Figure reported includes school personnel, who are state employees in North Carolina.

# TAXATION/FINANCES

## OVERVIEW OF COUNTY FINANCE STRUCTURE

North Carolina counties only have the taxing authority that is provided in the state legislature. A county's opportunity to impose a sales and use tax has specific guidelines that determine how many separate sales and use taxes can be imposed, what the specific rate for each must be and the order in which they can be imposed. The statute also specifies the conditions that are required for a county to take on debt. North Carolina counties are also granted the authority to levy taxes for owning pets, selling lodging services and leasing heavy equipment.



### FINANCES, TAXES AND LIMITATIONS

#### Property Tax:

- Counties may impose a property tax to pay for courthouses, jails, schools, debts, deficits, joint local government undertakings and social services all without separate rate restrictions.
- The combined rate for property taxes imposed to fund the 37 specific services outlined in the state statute cannot exceed 1.5 percent unless the county receives an approving vote from the citizens.

**Poll and Capitation Taxes:** Counties may not impose either poll or capitation taxes.

**Income Tax:** Counties are not found to have the authority by state law to impose income taxes.

**Sales Tax:** Counties may levy local sales and use taxes with specific rates in a specific order. Counties can levy taxes with a rate of 1 percent, then 0.5 percent, then a second 0.5 percent and finally a 0.25 percent. The first tax and each additional tax must be approved by voters.

**Mineral and Severance Taxes:** Counties are not found to have the authority by state law to impose mineral, gas or severance taxes.

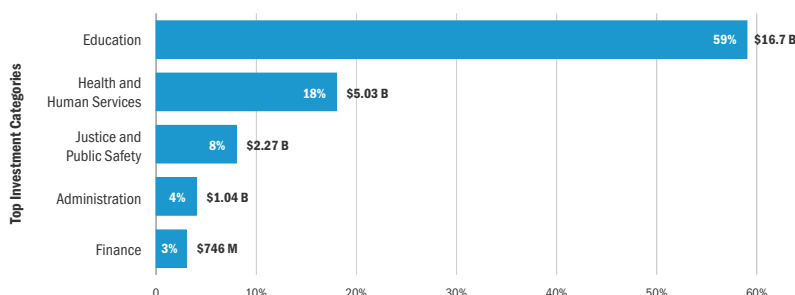
**Utility Tax Restrictions:** Counties cannot impose taxes for the use of natural gas, telecommunications, video programming or electricity.

**Debt and Debt Limit:** Counties may contract debts without an approving public vote for the following purposes: (1) funding an existing debt, (2) supplying an unforeseen deficiency, (3) borrowing to be repaid within the same fiscal year, (4) suppressing riots or insurrections and (5) responding to immediate threats of public health or safety.

#### Other Tax Info:

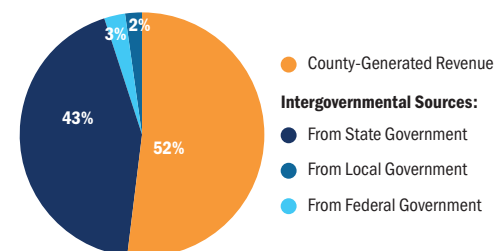
- Animal Tax:** Counties may levy an annual license tax on the privilege of keeping dogs and other pets within the county.
- Room Occupancy Tax:** Counties with authorizing local legislation may levy a room occupancy tax on retailers of private lodging facilities.

## NORTH CAROLINA COUNTIES INVEST \$28.3 BILLION ANNUALLY



Source: NACo Analysis of U.S. Census Bureau - 2017 Census of Individual Governments: Finance

## NORTH CAROLINA COUNTIES RECEIVE \$13.8 BILLION FROM INTERGOVERNMENTAL SOURCES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017