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POPULAR GOVERNMENT



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COVER

Four past presidents of the North Carolina Association of County Commissioners are shown in the cover picture of the September issue. They are (left to right) N. H. G. Balfour, Dal L. Alford, Henry Vaughan and Lloyd Amos. The complete text of major addresses to the Convention will be carried in the 1958 Yearbook to be published by the N. C. Association of County Commissioners later this Fall along with summaries of the discussions carried on at the district meetings held by the Institute of Government in the Spring of 1958. Additional information of population, assessed valuation, tax rate, major officers and economy and points of interest on each county will be featured in the Yearbook including many other items of interest to county officials.

County Commissioners' Issue —

A Review of 51st Annual Convention

June 22-25, 1958

OFFICERS

1st Vice President
CARSON BAIN
Guilford County

President
J. VANCE PERKINS
Pitt County

2nd Vice President
BEN W. HAIGH
Wake County

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2nd District
MOSES HOWARD, *Carteret County*

3rd District
BERRY A. WILLIAMS, *New Hanover County*

4th District
SETH B. HOLLOWELL, *Wayne County*

5th District
JOHN E. WILSON, *Vance County*

6th District
L. A. TART, *Harnett County*

7th District
W. W. POINTER, *Caswell County*

8th District
R. B. JORDAN, JR., *Montgomery County*

9th District
WALLY G. DUNHAM, *Forsyth County*

10th District
JAMES R. BRASWELL, *Union County*

11th District
STUART LINGLE, *Caldwell County*

12th District
JOHN M. ABERNATHY, *Catawba County*

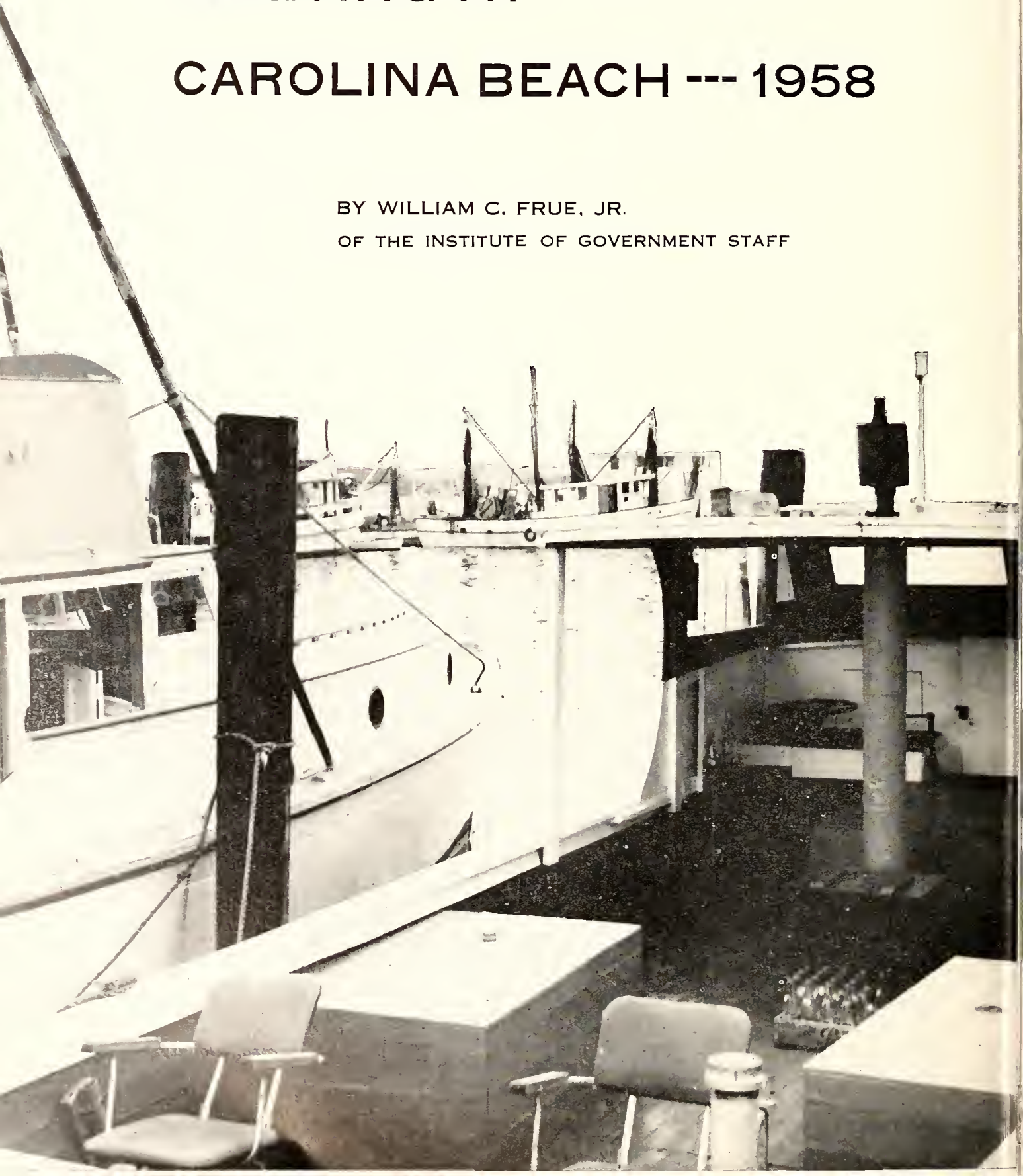
13th District
HARRY P. MITCHELL, *Buncombe County*

14th District
E. E. McBRIDE, *Henderson County*

COUNTY COMMISSIONERS MEETING AT CAROLINA BEACH --- 1958

BY WILLIAM C. FRUE, JR.

OF THE INSTITUTE OF GOVERNMENT STAFF



COUNTY Commissioners, Accountants, and Assessing Officers from throughout North Carolina braved cloudy skies and damp weather to attend the 51st Annual Convention of the North Carolina Associations of County Commissioners, County Accountants and Assessing Officers at Carolina Beach, June 22-25, 1958.

The county officials, their wives and families began arriving Sunday, June 22, for registration at the Royal Palm Hotel, which served as convention headquarters. There being no business sessions scheduled, a "get acquainted hour" at the Carolina Beach City Hall Auditorium was held where veteran county officials met the newcomers; old friendships were renewed and new ones were made.

After breakfast Monday, the delegates walked over to the City Hall Auditorium where the business sessions were held. They took their seats, chatted for a few moments, and then 1st Vice President J. Vance Perkins strode to the rostrum and opened the 51st Annual Convention of the county officials.

Highway Director Willard Babcock was the first speaker on the morning's program.

In his introductory remarks, Mr. Babcock pointed out the scope of the task of the State Highway Commission which has "final responsibility for more miles of public roads than any similar body in the nation." The highway director told the county officials that present total highway need in North Carolina represented over a billion dollars and that the money was not available now and would not be in the foreseeable future. He stressed the need for co-operation between county commissioners and the State Highway Commission.

In this connection, it was point-

ed out that there were no longer any divisional highway commissioners and that in their place were seven highway commissioners who were "vitally interested in seeing firsthand the problems of all sections" of the State. Mr. Babcock explained that the State Highway Commission has district and division engineers who have the dual role of building and maintaining highways and working with local governments and the people in making recommendations. He further explained that though there have been some very excellent division commissioners in the past, he believed it far better that seven commissioners determine highway improvements rather than one. "The needs of one area must be considered in the light of all other areas before

improvements are planned," said Mr. Babcock.

Turning to the problem of budget, he told the group that "the ulterior motive in this analysis is to demonstrate as forcefully as possible the bitter truth that we have nowhere near the amount of money we should like to have or what we actually need." He pointed out that:

1. The highway commission's operation is financed from the state highway fund;
2. Highway funds come from state gasoline and motor fuel taxes and also from the registration and licensing of motor vehicles;
3. The total gasoline tax is 10¼ cents per gallon from which must be deducted 3¼ cents for federal taxes and gasoline inspection services, leaving a total of 7 cents per gallon paid directly to the highway fund;



County officials shown enjoying one of the many excellent meals served at the convention.

President J. Vance Perkins and John A. McMahon of the Institute of Government.



Sam Beard, Publicity Director for the State Highway Commission and Director of Highways Willard F. Babcock (right) at the 51st annual convention.

4. This combined revenue amounts to \$122,000,000 annually, but the Commission has a great many fixed expenses which must be met before the remaining funds may be allocated to the highway system; and
5. Among these fixed expenses are 30 to 32 million dollars for retirement of the secondary road bond issue, the support of other governmental agencies, and for assistance to cities and towns for work on non-highway system streets; 7½ million dollars annually for "total support of the Motor Vehicles Department;" 4 million dollars for the support of the Prison Department, the Probation Committee, the Paroles Commission and the Utilities Commission—not including the annual payment of 9 million dollars for the work of 7,000 prisoners on the roads at \$5.00 per working day; 2 million dollars annually for the employee retirement program; and 6½ million dollars annually for municipal governments in North Carolina for improvements on non-highway system streets.

This, the highway director explained, left some 90 million dollars annually with which to work after subtracting the 30 to 32 mil-

lion dollar per year fixed commitments. Even then, he said, the fixed obligations are far from complete.

North Carolina is eligible for federal-aid highway funds to be used in connection with the interstate highway program and on highways which are a part of the federal-primary, federal-secondary, and urban systems. Mr. Babcock explained that federal funds applied to primary and secondary roads must be matched on a 50-50 basis. "This money is not an outright gift to North Carolina or to any other state, but represents a return on the investment which our citizens make at the rate of three cents per gallon of federal tax on gasoline. In order to match these federal funds, North Carolina must find from her own resources 28 million dollars each year," he said.

Another major item is maintenance of the highway system which requires 46 million dollars annually leaving approximately 16 million dollars with which to make

improvements on primary and secondary highways exclusive of federal construction, he pointed out. "Assuming that all of this 16 million dollars was used just to pave rural secondary roads, we could pave or stabilize only 1,500 miles per year. But it must be remembered that we now have in this State over 34 thousand miles of unpaved highways, 9,000 miles of which carry more than 50 vehicles per day," Mr. Babcock said.

The highway director explained that in view of this fact the State Highway Commission cannot possibly look with favor on every request for road improvement and that, actually, available funds permit the programming of only some 5% of the actual work which is requested and needed. "The State Highway Commission, indeed, is not the rich uncle it is often reported to be," said Mr. Babcock.

The highway director said he realized that county commissioners are primarily interested in secondary road improvement. The secondary roads system, he pointed out, is by far the largest system and represents almost 6 out of every 7 miles of the entire system in North Carolina.

Mr. Babcock said he thought the 1957 legislature directed the highway commission's efforts properly when it approved statutes calling for the allocation of available secondary roads funds to each county on the basis of need, and also directing that such secondary road improvements be conducted from year to year on a predetermined and well-publicized county plan.

Mr. Babcock explained that under this legislative directive it was the immediate responsibility of the State Highway Commission and the director to: first establish a program or criteria for determining secondary roads' needs in each county; allocate, from avail-

able funds, amounts to maintain and improve secondary roads on an equitable basis in each county; and, establish a secondary road plan for each of the 100 counties in North Carolina.

The director explained the problems which were faced in determining how to allocate the remaining funds for the improvement and paving of rural secondary roads and how several secondary roads studies were conducted throughout the State by division personnel. As the result of findings of the secondary roads survey the Commission determined it would allocate funds to the counties based upon their portion of cost of paving roads carrying more than 50 vehicles per day, and improving to a minimum level of service the substandard unpaved roads, he said.

"Of course, one of the most important questions which we have faced in the past year is the determination in each county of those secondary roads which were most in need of paving . . . it was felt that this determination should not be made only on the basis of traffic use but that ample regard should be given to the uses made

of the land lying along the road and the type of services rendered by the road itself. Agreement on these principles led directly to the establishment of a priority rating system to be applied in uniform manner in every county of our State," Mr. Babcock said.

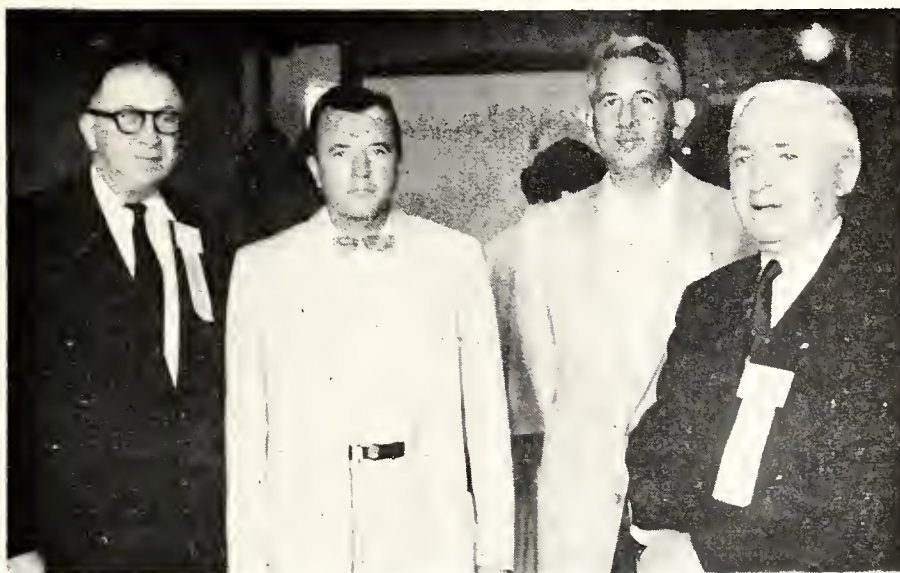
The speaker discussed the role of county commissioners in the development and final adoption of secondary road plans established by division engineers: ". . . in dealing with the establishment of secondary road plans, the statutes read and I quote: 'during the preparation period (of the secondary road plans), these representatives (of the State) shall meet with and consult the board of county commissioners of the county. Following the meeting, the board of county commissioners may make written recommendations concerning the plan as the members of the board deem advisable and the recommendations shall be followed insofar as they are compatible with the standards and criteria established by the State Highway Commission and as available funds will permit, having due regard for the addition, maintenance and construc-

tion of all existing secondary roads in the county.'

Mr. Babcock expanded his remarks on the budgetary problem and mentioned that of the \$46,000,000 of the \$62,000,000 spent on the maintenance and improvement of the highway system, approximately \$33,000,000 is used for the maintenance of secondary roads. He said that many North Carolinians had indicated to him that this maintenance figure could be reduced by paving all the secondary roads. "Many have the idea that when a secondary road is paved that the maintenance needs are ended. Nothing could be further from the truth. A paved secondary road must be re-serviced every 6 to 10 years or it will break up," said Mr. Babcock. "Generally, our paved secondary roads cost about 15% more to maintain than our unpaved secondary roads. Thus, we must remember that as we pave these roads we increase our maintenance cost and reduce the amount of money we will have left for stabilization and other improvements."

The highway director urged the county officials to work with the Highway Commission on secondary roads and also aid in the development of the primary highway system. He pointed out that already in Catawba County county officials, city officials, and the State Highway Commission were beginning a two-year study that will have as its result an overall master highway plan for primary and important secondary and urban routes. "As we develop our long-range Planning Department we would welcome the opportunity to work with all counties in developing adequate plans for industrial development, tourist potential, better connections between your communities, or other matters that are of interest to your particular county."

In conclusion Mr. Babcock said



Shown at the convention are (left to right) Francis Lyles, Anson County register of deeds; James A. Leak and R. A. Lyon, Anson County commissioners; and H. P. Taylor, Sr., Anson County Attorney.

he believed the Highway Commission had already furnished county officials with more information about the highway plans than the counties had ever had before. He said that the flow of information would continue and that the Commission would shortly be filing with the counties a complete accounting of all expenditures on roads in respective counties.

"Through mutual understanding and appreciation of each other's viewpoints, I feel we can achieve a good measure of efficiency in planning, building, and maintaining highways in the best interest of all the people we serve, and I believe very strongly that it is what both the county commissioners and our Highway Commissioners want and need."

MR. H. G. Jones, State Archivist for the North Carolina Department of Archives and History, was the next speaker on the morning's program. In a discussion of a state program for microfilming county records, Mr. Jones keyed his topic by describing some of the catastrophic results of destruction of essential public records by "fire, storm or other calamity."

Mr. Jones asked the officials to think for a moment of their predicament if key records were destroyed and particularly the confusion which would follow the destruction of estate account records and will books in the Clerk of Court's office; marital difficulties that would inevitably arise if marriage records were destroyed in the Registrar's office. He also pointed out the legal problems that would come from the loss of deed and plat books.

Mr. Jones told the county officials that 33 counties—a staggering one out of every three in North Carolina—had experienced fires

in their courthouses, including one in the past 18 months.

As another example Mr. Jones said that "less than 10 months ago a steam pipe broke in a fine, modern courthouse of one of North Carolina's wealthiest counties and irrevocably damaged valuable records in the clerk's vault."

The archivist warned the county officials that violent destruction wasn't the only problem and that records could be either damaged or destroyed in a multitude of ways such as by spilled ink, carelessly placed cigarettes, excessive temperature or humidity, bright light, leaky roofs, or that inferior ink and paper might eventually destroy themselves.

As a possible solution to these problems, Mr. Jones told the group that the State Department of Archives and History has for the past year been discussing with various county officials the possibility of inaugurating a statewide program of microfilming essential county records for security purposes. If the plan were adopted and funds obtained from the legislature for such a program, the Department of Archives and History would undertake a long-range, seven-year plan of microfilming at State expense, all county records of *permanent* value. Camera teams would travel from courthouse to courthouse filming records, the film would be processed and a "master negative security copy" would be preserved in an air-conditioned, dehumidified, bombproof vault in the archives, Mr. Jones said.

The archivist said that the microfilming wouldn't harm the original document and that the Department already has personnel experienced in microphotography. In discussing the cost factor, Mr. Jones said the Department could do the microfilming at about half

the price it would cost the county to have it done commercially. He said the program could be carried on for about \$65,000 per year which amounts to about \$19.00 per book including two copies of the film and other services such as: screening all county records prior to filming; lamination of records and minor repairs; and, security of master negative copy in the archives vault. In addition, an effort would be made by the Archivist in charge of the program to locate in private hands any records and papers of importance to the county, and these would, if possible, be included in the filming program.

Mr. Jones said that if there were enough support of this proposed program from county officials, his Department would ask the next General Assembly for the necessary funds.

"If disaster strikes your county courthouse, it will be you who will have to guide your people through the calamity. With a security copy of your essential records preserved in a safety vault, your task will be made much easier and the people of our State will give thanks to the General Assembly which made such a program possible," he concluded.

THE next phase of the morning program was devoted to reports from Association President, James M. Pleasants; Secretary-Treasurer J. Alexander McMahon, Assistant Director of the Institute of Government; and, a Legislative Report from Mr. J. Harry Weatherly.

President's Report

President Pleasants attributed the success of the Association and its growing effectiveness to the fact that members of the Board

of Directors gave their time willingly to the affairs of the Association. He traced the accomplishments of the Association through the year, citing the strengthening of the financial basis of the Association as one of its foremost achievements.

He pointed out to the members of the convention that, at the request of the Association, the General Assembly of 1957 had repealed legislation making specific provision for the organization and fixing its dues. He indicated that the repeal of this legislation was necessary as it had denied the Association the right to manage its own affairs. He recalled that the Association followed this by adopting a new constitution at the 1957 Convention, "modernizing our organization in some detail and placing full authority for our financial structure in the Board of Directors."

The President of the Association said that at the direction of the Board of Directors he appointed a committee under the chairmanship of Mr. Wally G. Dunham of Forsyth County to study the finances of the Association. He said the committee gave attention to the revenue of the Association and recommended that the Association continue to rely on both dues and advertising revenues; that the Association increase its dues to bring about greater financial support from the counties themselves; and, that the Association improve the Association's Yearbook by making it a more worthwhile publication and hence more attractive to advertisers.

President Pleasants stated that the specific recommendations of the committee were: (1) that dues be fixed at \$25 for counties with less than 25,000 people, \$50 for counties with between 25,000 and 50,000, \$75 for counties having a population ranging between 50,-



Francis Lyles, Anson County register of deeds and James A. Leak of the Anson County board of commissioners during a break in sessions.

and 100,000, and \$100 for counties having over 100,000 persons; and, (2) that the Yearbook be changed from the verbatim transcript as it was in previous years to an instructor's book on the "purposes and activities of our association," and on county government generally and its growth and development. Pleasants mentioned that copies of the 1957 Yearbook had been placed in over 100 public libraries and in libraries of colleges and universities throughout North Carolina.

He said that the Board of Directors adopted the committee's report as submitted and made the new dues rule effective this calendar year.

Pleasants then discussed certain activities of the Association since the last meeting. He said that since the convention last year and the organizational meeting of the new Board of Directors, he had written to all state agencies whose activities affect county government pledging the support and offering the assistance of the Association to them in matters affecting county government. Pleas-

ants said he also wrote to the various study commissions set up by the 1957 General Assembly whose work would touch county government, and offered the Association's assistance in providing information that they might find useful. "We followed these early contacts by meeting with the committee for the study of Public School Finance and later by preparing a brief for submission to them. We filed a statement with the commission for the study of the revenue structure of the State. And we are watching developments in the work of the Constitutional Study Commission, the Reorganization Commission, the Commission for the Study of Licensing Nursing and Boarding Homes, and the Commission for Uniform Map Laws."

The President also said that shortly after the new Highway Commission took office, a committee from the Association's Board met with Mr. Harold Makepeace, secondary roads officer, and discussed with him some of the early problems that arose with the new secondary roads policy. Mr. Pleas-

ants said that in February Mr. J. Lee White, a member of the State Highway Commission, met with the Association's Board of Directors, and that some of the problems arising out of the policies for adding and constructing subdivision streets in unincorporated areas were discussed. President Pleasants said that after the spring district meetings revealed the need for a clear statement of the exact responsibilities of the county commissioners, Mr. Makepeace at the Association's request, issued a statement on April 28th making it clear that the State Highway Commission had final authority on deciding the addition of roads to the system and in deciding priorities for the construction of secondary roads.

Mr. Pleasants said that the Board had several meetings with Mr. David S. Weaver, Director of the Agricultural Extension Service at North Carolina State College. They discussed the recommendations contained in the report of the Extension Service Advisory Commission. Mr. Pleasants said the Board suggested to Mr. Weaver that information on these recommendations be made available to all counties of the State in

order that county commissioners might give them full study. Mr. Pleasants said that he felt sure the incoming Board of Directors will continue the contact with Mr. Weaver and his office, as the Agricultural Extension Service, in the months to come, continues to work on the "effectuation of the recommendations of the Advisory Committee."

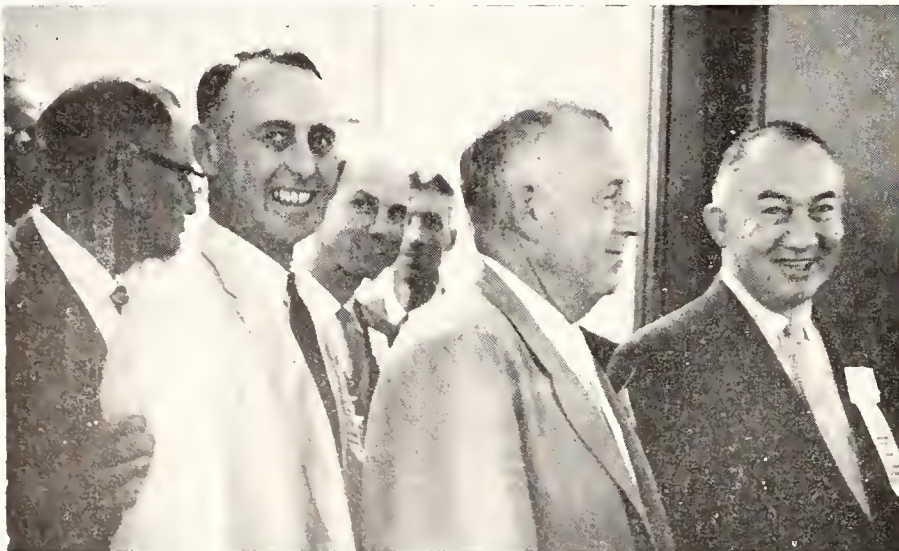
Mr. Pleasants said that the Board of Directors met with representatives of the Merit System Council at the Board's April meeting where the difficulties facing many counties in the current recession were emphasized. Also stressed was the fact that many counties would be unable to make any increase in health and welfare salaries, according to Mr. Pleasants. They also discussed, among other things, the proposed modifications of the merit system plan to narrow the salary range for each class of position in a county, yet, to give additional flexibility to each county in choosing an appropriate range for that county.

President Pleasants said several meetings with Dr. Ellen Winston and representatives of the State Board of Welfare were held, and

that in February the new formula equalization funds to aid counties in meeting the cost of public assistance grants were discussed. President Pleasants said they also discussed with Dr. Winston the State Board of Public Welfare's budget requests for state funds for the next biennium and the State Board of Public Welfare's 1959 legislative program, and that these were referred to the legislative committee for further study.

Pleasants said that many letters had been written to Congressmen advising them of the interests of North Carolina counties in legislation pending in Congress. In addition President Pleasants said past president Dal L. Alford, Jr., appeared before the Intergovernmental Relations Subcommittee to present testimony of benefit to the counties.

During the past year President Pleasants said the Association has increased its relationship with the National Association of County Officials; he explained that NACO represents the counties of the United States in Washington, just as the North Carolina Association represents the counties of North Carolina in Raleigh. He said that the commissioners would hear more about NACO from Bernard F. Hillenbrand, Executive Director of the National Association. Mr. Pleasants said that the Association has representation on the Welfare, Natural Resources, County Planning, and Legislative Committees of the National Association. He said these representatives along with the incoming president and the secretary-treasurer would meet with the National Convention to be held this summer. Mr. Pleasants said the North Carolina Association was represented at the 1957 mid-winter business meeting of the National Association by the Secretary-Treasurer and that the mid-winter meeting in November of



Moving into the convention hall are (left to right) E. N. Riddle, Northampton County attorney; T. G. Joyner, Northampton commissioner; Donald Stanford, Orange County commissioner; John L. Simmons, Burke County commissioner; S. G. Baugham, Northampton County commissioner; and D. K. Moore, Alamance County Tax supervisor.

1958 would be held in Asheville. Mr. Pleasants said that the Association was represented at the Regional Civil Defense Conference held at Thomasville, Ga. in April by Mr. Wally Dunham. Mr. Pleasants said that over 125 individual county officials in North Carolina now belong to NACO, and that this number must be substantially increased in order to help the National Association so that it, in turn, can help the Association.

In conclusion Mr. Pleasants told the group that the accomplishments of the past year were tempered by two notes of sadness: first, the Association was without the services of Mr. J. Henry Vaughn whose health prevented him from continuing in the capacity of secretary-treasurer for the Association; and secondly, the Association had lost the services of Mr. R. T. Holding, of Johnston County, who was a past president and a senior member of the Board of Directors in point of service. Mr. Pleasants said that Mr. Holding's untimely death saddened his friends and fellow county officials throughout the State. Mr. Pleasants stated that the Association was fortunate in securing good replacements for Mr. Vaughn and Mr. Holding. "The Board appointed Alex McMahon as Secretary-Treasurer in February of this year, though he had been doing the work since our last convention. Alex, as you know, has been working with county officials, through the Institute of Government for almost ten years. The Board appointed Mr. Seth B. Hollowell of Wayne County, a member of our legislative committee and our liaison representative to the Agricultural Extension Service, to replace Mr. Holding."

Mr. Pleasants emphasized again that the accomplishments of the past year were due to the hard work of the Association's Board of Directors and the support given

by the county officials throughout the State. "It has been said that county officials, properly organized, can be the most potent political force in North Carolina. If so we want to use this force wisely, for the benefit of all the counties, and for no other purpose," said Pleasants.

Mr. Pleasants thanked all the county officials throughout the State for their support, "because the record of accomplishments was their record and the success of the Association was their success."

Following President Pleasants' address, Secretary-Treasurer J. Alexander McMahon of the Institute of Government delivered his report.

Secretary-Treasurers' Report

First Mr. McMahon made brief mention of the finances of the Association. He said, as Mr. Pleasants had noted in his address, that the Association operates on a calendar year basis and that dues are billed for the calendar year and mailed as a general rule in January. He said that they were late this year because the Board of Directors did not set the dues until their February meeting. In addition, Mr. McMahon said that the advertising sales for the Yearbook began in January and would continue through the summer with the Yearbook being published in the Fall. He said that it is therefore necessary to look at the financial condition of the Association on December 31st of any given year to see how the Association stands.

Mr. McMahon said that the Association's finances were usually close to the peak at convention time because the bulk of Association dues had been received and a substantial proportion of the advertising revenues had come in, while the actual cost of the publi-

cation of the Yearbook has not been incurred.

Mr. McMahon said that on December 31, 1956, the Association had a cash balance of around \$2,000. He said that at the end of 1954, and prior years, the Association's cash balances had run between \$6,000 and \$7,000, but that advertising revenues had fallen off in 1955 and 1956 due to the poor health of the Association's advertising representative at the time, Mr. Templen. Mr. McMahon said that with the beginning of the calendar year 1957, the Association's finances took a turn for the better. He said the Board of Directors early in 1957 had employed Mr. Arthur Sonn as advertising representative; and the advertising revenue tripled in 1957 over the average of prior years. He said because of this jump in advertising revenues the Association closed the calendar year of 1957 with a cash balance of over \$7,000, after setting aside funds for printing costs of the 1957 Yearbook, which did not come out until early 1958.

"We will do even better this year. We hope that our advertising revenues, in spite of the recession, will equal the peak of 1957, and this year as President Pleasants also indicated, we increased our dues substantially."

Mr. McMahon said that by December 31, 1958, the Association should have a balance in excess of \$12,000; and "we will be in excellent financial state as the 1959 General Assembly convenes."

Mr. McMahon said that to date 83 counties had paid their dues, including several counties that had not paid dues in several years. He said that many of the remaining 17 counties would pay after July 1. He said that he felt sure the new Board of Directors would follow up and try to obtain 100% participation.

Mr. McMahon reported that the

Board of Directors met three times—in October, February and April; the Legislative Committee met twice—in April and June; and, a sub-committee studying the school inspection law met in May with the State Superintendent of Public Instruction and the Commissioner of Insurance. Mr. McMahon said the Yearbook committee had three meetings, two concerned with the printing and the contents of the 1957 Yearbook, and once to open bids and make the contract for the 1958 Yearbook. Mr. McMahon told the commissioners their contract for the printing of the Yearbook was awarded to the low bidder, which was the Observer Printing House of Charlotte. He said that Arthur Sonn would again serve as editor of the Yearbook.

Mr. McMahon said the president's correspondence indicates how the Association is growing. He noted that the President wrote almost 500 letters this year; that there were five newsletters to all county commissioners, county accountants and tax supervisors, and county attorneys; and, two special news letters to chairmen of boards of county commissioners on particular subjects. Including the mailing of the Yearbook, Mr. McMahon said the Association, over the past twelve months, had sent out nearly 5,000 pieces of mail. He pointed out that the Association had made arrangements with the Institute of Government to provide clerical assistance, and the Association used the Institute's addressograph plates and other mailing facilities. Mr. McMahon said these Institute services are paid for on the basis of actual cost to the Institute of Government.

In conclusion, Mr. McMahon stated: "I have thoroughly enjoyed my increased activity with the Association. As President Pleasants also pointed out, my work

MEETING OF COUNTY ACCOUNTANTS

The North Carolina Association of County Accountants opened their annual meeting in the lobby of the Royal Palm Hotel on Monday, June 23. The meeting was called to order by President James D. Potter of Carteret County.

Mr. J. C. Elns of Nash County made a motion that county managers be made honorary members of the Association. This motion was seconded by C. Bryan Aycock of Wayne County and was carried. Also made honorary members of the Association were John Alexander McMahon, Assistant Director of the Institute of Government, and Miss Lillian Ross, former county accountant of Burke County and Past President of the Association.

The next item of business was the nomination and election of officers. Max Hamrick of Cleveland County was elected President and H. R. Gray of Pitt County and Fred Houser of Lincoln County were elected First and Second Vice Presidents respectively. Elected Secretary-Treasurer was Mrs. Stella H. Spencer of Caldwell County.

The President appointed the following to the Resolutions Committee: F. W. McGowan of Duplin County; Mrs. Estelle Wicker of Moore County; and T. O. Love of New Hanover County. Appointed to the Archives Committee were: J. C. Ellis of Nash County; J. Ivery Bridges of Northampton County; C. Bryan Aycock of Wayne County; J. D. Potter of Carteret County; and George H. Wilkerson of Catawba County.

The Resolutions Committee's report included a resolution of thanks to the New Hanover County Board of Commissioners and to the Town of Carolina Beach for the fine accommodations and good entertainment provided by them for the convention.

Thanks and appreciation were also expressed to Dr. Eugene George Purcell of Atlantic Christian College for his fine address at the banquet.

The Directors of the Institute of Government and W. E. Easterling, Secretary of the Local Government Commission, were thanked for their service and help to the Association.

The Association pledged its continued cooperation with the North Carolina Association of County Commissioners and expressed its gratitude to the County Commissioners for the splendid program provided at the convention.

Sincere thanks were expressed by the Association to J. D. Potter, past-president; to the vice-presidents, Max Hamrick and H. R. Gray, and to Mrs. J. C. Spencer, secretary-treasurer, for their services during the past year.

for the past ten years at the Institute of Government has been mainly in the field of county government, and I have had regular contacts through that work with county commissioners, county accountants, county attorneys, and other county officials throughout

the State. In a sense, my work for the Association as secretary-treasurer has been an extension of my Institute work, for as we have worked out my duties, they have been concerned mainly with providing facts and information on which the Board of Directors can

make policy decisions, together with relieving the President, Committee Chairmen, and the other officers of the clerical burden that they would otherwise have to provide for as best they could. Whether or not this arrangement will continue, of course, is a matter vested by the Association's Constitution to the Board of Directors."

Resolutions

Several resolutions were adopted by the Convention, including the following: (1) expressing their appreciation to the officials of New Hanover County, Chamber of Commerce, Town of Carolina Beach, managers and staffs of hotels and motels at Carolina Beach, Mrs. Hines and her volunteer workers, Edwards and Broughton Printing Company, and others who had contributed to a successful and enjoyable convention;

(2) expressing their appreciation to all of the speakers for enlightening them on various aspects of state and local government;

(3) expressing their appreciation to the officers, directors, and special committees of the Association for willingly giving of their time for the advancement of the aims of the Association;

(4) urging the Congress of the United States to adopt such legislation as will insure the continued operation of the railroads as a free enterprise;

(5) honoring the commissioners and tax supervisors who have passed away since the last meeting of the Association; and,

(6) requesting the 1959 General Assembly to enact certain legislation.

The legislation which the Association requested the 1959 General Assembly to enact included legislation:

"(1) Authorizing boards of county commissioners to enter into "continuing con-

tracts" extending over several years, subject only to the requirement that money be appropriated each year to cover payments to be made in that year.

(2) Extending workmen's compensation coverage to all appointive officials, and, if the sheriffs, clerks of superior court, and registers of deeds give their approval, further extending such coverage to all elective officials.

(3) Clarifying the authority of boards of county commissioners to fix the hours and days of work for all county

viding for the appointment, term, compensation, and duties of this officer.

(6) Authorizing future employees of the North Carolina Association of County Commissioners to be covered by the Local Governmental Employees Retirement System."

The Association also requested the 1959 General Assembly to enact certain legislative proposals of the purchasing agents, affecting county government including:

(1) providing that informal contracts be awarded to the lowest responsible bidder, with opportunity to take into consideration qual-



Shown at the convention are (left right) Wally Dunham, Forsyth County commissioner; Mrs. Dunham; J. C. Ellis, Northhampton County accountant; and Henry Milgrom, Nash County commissioner.

offices, including authority to close the courthouse on Saturdays and at other times.

(4) Amending the school inspection law to reduce the frequency of detailed inspections of electrical wiring and other fire hazards in the public schools.

(5) Creating the office of county fire marshal, and pro-

ity, performance, and delivery time; (2) allowing any local government to make purchases from any other governmental unit in the United States, without securing competitive bids; and, (3) providing that the competitive bidding requirements may be waived when any purchase is made from a state contractor at the state contract price.

The Association also requested

the 1959 General Assembly to enact certain legislative proposals of the State Board of Public Welfare, including:

(1) amending the Uniform Reciprocal Enforcement of Support Act to broaden opportunities for the enforcement of support, (2) reducing the time required to obtain legal settlement in inter-county moves; (3) requiring parties in a divorce action to make adequate provision for care, custody, tuition, and maintenance of children; (4) authorizing payments to out-of-state hospitals from the pooled fund; (5) providing machinery for paying grants to public assistance recipients on a semi-monthly or oftener basis (6) raising the per diem of welfare board members from \$5 to \$10; and, (7) granting the budget requests of the State Board of Public Welfare.

The Association also requested the 1959 General Assembly to give careful consideration to the request of the State Board of Health for additional funds for aid to county health departments, and to give careful study to the project of the Department of Archives and History, to finance from state funds the microfilming of county records of permanent value.

Following the introduction of officers after the opening of the Monday afternoon session, the various convention committee appointments were made.

Appointed to the general convention committee were: Berry A. Williams of New Hanover County, Chairman; W. G. Houck of New Hanover County, Registration; J. Vance Perkins of Pitt County, Hospitality; Carson Bain of Guilford County, Hospitality. Appointed to the Resolutions Committee were: Moses Howard of Carteret County, Chairman; Ben

W. Haigh of Wake County; Norris W. Collins of Franklin County; Frank G. Hall of Rowan County; and F. C. Green of Haywood County.

County officials appointed to the Memorial Committee included J. Herbert Garrison of Mecklenburg County, Chairman; Bill Phillips of Wilkes County; and Henry M. Johnson of Johnston County. Serving on the Nominating Committee were: Wally G. Dunham of Forsyth County, Chairman; Lloyd C. Amos of Guilford County; and Henry Milgrom of Nash County.

THE principal speaker of the afternoon session was Bernard F. Hillenbrand, Executive Director of the National Association of County Officials.

In his address, Mr. Hillenbrand told the Commissioners that county government was a "sleeping giant" and that county officials had discovered they need a strong state association. Together with this need for a strong state association, Mr. Hillenbrand said, there was a need for a strong national association.

Mr. Hillenbrand told the county officials that the National As-



Bernard F. Hillenbrand, executive director of the National Association of County Officials (at left) is shown discussing convention proceedings with Albert Coates, director of Institute of Government, University of North Carolina.

sociation of County Officials had recently enjoyed "phenomenal growth" and that two months ago the Ford Foundation had given the National Association a 5-year \$160,000 grant to underwrite the general activities of NACO.

He explained that the terms of the grant provided for \$50,000.00 the first year and that following annual payments would decrease at a rate of \$10,000.00 per year on the assumption that the National Association of County Officials would grow.

"What does this grant mean to North Carolina?"

In answering his question, Mr. Hillenbrand said that the money would be used to improve the official NACO publication, *The County Officer*, "our strong right arm." The speaker said that the pages of the magazine would be filled with ideas which would prove useful to county officials and added that there were many things that happen in North Carolina court houses that should be in the pages of *The County Officer*. "We want to make it the bible of county officials."

Mr. Hillenbrand told the county officials that NACO maintains an office in Washington D. C. where it represents the counties on various commissions and in other places where decisions or policies are made affecting county government.

He said that it was vitally important that all activities of the federal government affecting county government be shown the views of the counties.

The speaker outlined plans for the upcoming National Convention and quoting Albert Coates, Director of the Institute of Government, University of North Carolina, said that NACO's relationships to the State Association was that "Neither one of us can

MEETING OF ASSESSING OFFICERS

The North Carolina Association of Assessing Officers held their annual convention at Carolina Beach from Sunday, June 22, until Wednesday, June 25. On Sunday evening a "Get Acquainted Hour" was scheduled for the Association of County Commissioners, the County Accountants and the Tax Supervisors, and the next morning marked the beginning of the convention business sessions. Separate sessions were held by the County Commissioners, County Accountants and Tax Supervisors.

The meeting of the Tax Supervisors was called to order Monday morning by President M. G. Williams in the lobby of the Royal Palm Hotel and 33 members of the Association were present. The minutes of the last meeting were read and approved. Names of officers and Committees for 1958 were read by the Secretary.

A brief report of the work done by the Legislative and Tax Study Committee was presented by Mr. Fred Perry, who served as chairman of that committee. An outline of plans for the program for the regular meeting to be held in Chapel Hill was presented by Mr. Sam Gattis, Chairman of the Program Committee. The date for the meeting was set for November 20-22, 1958.

A talk on Federal Census Tax Research Assessment Ratio was delivered by Mr. Henry Lewis, Assistant Director of the Institute of Government. Mr. Lewis told the group he believed that the preliminary tax research being made in North Carolina would not be too far out of line with the Federal ratio.

A motion was made by C. Bryan Aycock that the sum of \$100 be paid to the President to help defray expenses to the National Association meeting in Cleveland, Ohio, in November and that the same amount be paid each year thereafter. This motion was recorded by D. K. Muse and carried.

There being no further business the meeting adjourned.

successfully get along without each other."

In conclusion, Mr. Hillenbrand told the county officials that he had "never felt more welcome or more at home than I have right here in North Carolina," and the response he received from the floor bore out his point.

The evening session began with the annual buffet dinner at 7:00 p.m. where some 350 county officials and their wives and families attended. The banquet tables were filled to capacity and through the billows of gray cigarette smoke the officials were seen enjoying the seafood dinner — making

small talk and serious talk—obviously enjoying themselves.

Presiding at the meeting were J. D. Potter, President of the North Carolina Association of County Accountants, and M. G. Williams, President of the Association of Assessing Officers of North Carolina.

The Invocation Address was delivered by the Reverend Harry Mitchell of the Carolina Beach Presbyterian Church, and following the introduction of officers the key address was made by Dr. Eugene George Purcell, President of Atlantic Christian College.

DR. Purcell touched upon the world situation and told of how the dreams for a "brave new world" had been shattered by the cannon in 1918. He spoke of the general unhappiness and frustration for almost all the people of the world and the evermounting chorus of voices of cynicism and despair. He told of the 800,000,000 people of the world who had turned to "godless communism."

However, ". . . life in America is pretty much what you make of it," Dr. Purcell said. He told the group that it was still possible to find "meaning in your existence" and used an example of a loaf of bread to show the various factors of men working together that were needed in order to bring this loaf of bread into existence.

He told the group that the loaf of bread was first seen through the eyes of a Kansas wheat farmer and pointed out the technological and natural phenomenon that lead to the great harvests. The wheat was taken to the grain elevators by truck and train and from there it journeyed to the miller and from there to the baker who added eggs, yeast and milk to it to make bread. The bread was then transported to the corner grocery store. "This loaf of bread is more than a few pennies of purchase. This loaf is the story of free enterprise in America," Dr. Purcell said, and added, "this is the story of men working together."

After Dr. Purcell's address, an announcement was made that because the moonlight cruise had been cancelled, arrangements had been made to hold a dance in its place as soon as the convention floor could be cleared of the banquet tables.

On Tuesday morning, a panel

discussion on Industrial Development was held and the interest of the county officials was indicated by their attendance—nearly always 100%.

Participating in the panel discussion were: Dallas T. Daily, Industrial Engineer of the Union County Industrial Development Commission; Gerald F. Albright, Head of the Department of Conservation and Development's Small Industry Section; Walter W. Harper, Industrial Development Administrator of the Department of Conservation and Development; and Malcolm J. MacGregor who delivered the address of Alex C. Boisseau, Plant Manager, Distribution Transformers Department, General Electric Company, Hickory, N. C.

Carson Bain of Guilford County served as Moderator.

Summaries of these gentlemen's remarks follow:

MR. Harper prefaced his remarks by saying that it was his deep conviction that we must have more industry if we are to share fully in the economic progress of this country. He cited as reasons:

1. There are more than 135,000 people in North Carolina who want and need good industrial jobs.
2. In the atomic age when scientists are at a premium, more than half of our engineering graduates leave this State every year for better job opportunities than are to be found in North Carolina.
3. North Carolina, whose per capita income has been 43rd and 44th in the nation for many years, is one of the very poorest states in the nation.
4. North Carolina wants, expects and demands better schools, higher pay for teachers and improved public services in general. Being one of the poorest states in the nation, we cannot achieve a satisfactory level of public service without more taxpayers.
5. The sharp decline in agricultural and related businesses. Last year while North Caro-

lina was experiencing the best industrial development year on record, agriculture was losing almost as much as our total gains in industry.

"If more industry is needed so badly," Mr. Harper said, "the question follows: What is being done about it?"

With 7,000 agencies in the United States working to get new industry, the competition is keen. "To meet this competition," Mr. Harper said, "North Carolina and its people have taken some important, sound and effective steps." They include: (1) establishment of the North Carolina Business Development Corporation to bridge the serious financial gap in the State's industrial development; (2) organization of the Research Triangle program to promote the development of industrial research in the State in order that we might "hold our own in industry"; (3) modernization of the State's tax structure by the 1957 legislature; (4) development and expansion of the State's "home industry" program for wider utilization of our own resources to initiate and develop industry from within; (5) emphasis and improvement of tools for promotion of "modern science" industries; (6) initiation of Market Research Program; and, most important, (7) the upsurge of effective local and area development programs.

Mr. Harper said that there are three men within the Department of Conservation and Development's Commerce and Industry Division—which spearheads the State's industrial development efforts—who devote their full time exclusively to encouraging and assisting in the development of new manufacturing enterprises with local capital, resources and know how. Mr. Harper also pointed out that the program of the division is two-fold in that it promotes



First Vice President Carson Bain, (at right) moderator of the Industrial Development Panel, chats with panelists (left to right) Walter W. Harper, Malcolm J. MacGregor and Dallas T. Daily during the Tuesday morning session.

new home grown industry and tries to acquire expansions of national concerns.

"During the three years that this program called 'the Small Industry Section' has been in operation, it has assisted over 200 new businesses start operations within the State," Mr. Harper said.

"The program to acquire national expansions work in two major directions: It serves (1) other promotional groups and agencies, and (2) it works directly with industrial prospects."

"The Department (1) helps local groups to organize their programs, (2) supplies them with basic data on information and procedures, (3) makes available technical and engineering consulting services, and (4) assists the prospects when requested."

Mr. Harper said it was obvious that a small group of men in

Raleigh could never expect or hope to industrialize North Carolina by themselves and it was felt that the key to economic development of North Carolina is through local efforts.

He explained a vital portion of the Department's program involves working directly with industry and that the first objective in this portion of the program was to get industrial prospects. "This is the life blood of the operation," he said.

Mr. Harper explained that once the new prospect had been developed, the Department can generally be of assistance on every phase of the plant location which would include analyzing specifications, providing information on locations, screening sites, conducting inspection tours of site locations, making necessary contacts, and helping to work out details on

actual locations such as negotiation for services, acquisition of land and many other services.

Mr. Harper said even after a plant had located within the State that the Department continued to offer services to insure a happy and successful addition to its industrial family.

Mr. Harper said the results of these combined efforts to obtain industry depend a great deal on what yard sticks are used to measure them. He said that today North Carolina has more than two times the number of manufacturing operations than it possessed prior to World War II and that during the post-war period it had gained more new manufacturing operations than it developed in all the years prior to the war.

Mr. Harper pointed out that North Carolina leads all of the southeast in number of industrial

operations. But more important, he said, its total gain since 1939 in terms of number of new plants, workers, wages and output are greater than those of any other state in the South.

The speaker explained, however, that North Carolina is in something of a paradoxical position. While gains have been substantial, its economic position has not improved satisfactorily. Because of the decline of the two major sources of income in North Carolina—agriculture and textiles—We still remain 43rd among the states in per capita income, and when the yard stick of percentage increases is used, we find that North Carolina has not been keeping pace with the rest of the nation in economic development.”

Where does this leave us? What is the outlook and opportunities for industrial development in North Carolina?

“I believe that North Carolina has been abundantly blessed in industrial assets. . . . I expect that North Carolina shall continue to get a substantial amount of our ‘bread and butter’ industries such as electronics, forest product manufacturers, chemicals, food products, etc. Because of its excellent labor situation, I expect the State to continue to get many labor-oriented plants.”

“I believe that the Research Triangle program and the educational assets which made this program possible have put an emphasis on industrial research that will have far reaching effects on all areas of this State.”

In conclusion Mr. Harper said that the people of North Carolina are teaming up to get the job done to a greater extent than ever before and these combined efforts were paying off. “In spite of the national recession, this State has so far been able to ‘buck the trend’—industrial development in North

Carolina has been at a higher level during this fiscal year than at any period in our history.”

He said that North Carolinians faced a tremendous task in trying to overcome economic losses and make progress against the declining national economy. “You county officials are in a particularly strategic position to see that your communities and the entire State succeed in accomplishing these objectives.”

AT the beginning of Mr. Daily’s address, he traced the development of industry to its present status in our economy today. He told the group that never in the history of the world had there been so much widespread interest on the part of communities in gaining new industries and employment for their people.

When Mr. Daily first became engaged in industrial promotion 29 years ago, he said there were only about 75 organizations in the United States which made efforts toward promoting industry and that these in the main included industrial departments of the railroad, power companies, and several of the larger cities. The competition was not so keen then, Mr. Daily said, but today “competition in the industrial promotion field is keener than in any line of endeavor of which I know.”

Mr. Daily described the industrial promotion program now going on in Union County and explained that the impetus for this program came from a small group of civic leaders who realized the fairness of a tax supported program and carried on a campaign among the citizens resulting in the passage of a bill by the 1955 General Assembly which authorized the county commissioners to levy a maximum tax of five cents on each \$100.00 worth of assessed

property. The act provided for an Industrial Development Commission of six citizens to be appointed by the commissioners. A county-wide referendum was held on the subject and passed.

Mr. Daily was engaged to carry on the work when the authority to set up the industrial commission was granted, and the commission was in business as of July 1, 1956.

The results of this campaign were traced by Mr. Daily who pointed out that during the past two years seven new plants had been attracted to Union County and an additional plant, which was bought by outside interests, remained in Union County after having made plans for moving away. Mr. Daily mentioned some statistics which were given to show what an industry employing 150 workers can mean to a municipality: an annual payroll of \$400,000; a plant investment of \$100,000; a 10-room school house; 12 stores; 200 cars (sales and service); 12 professional offices; farm product market of \$600,000 per year; taxable valuation of \$2,000,000; annual transportation revenue of \$60,000; annual trade of \$2,000,000; and, the support of 1,500 people. “When we weigh the full significance of these figures, it is not hard to understand why virtually every town, village and hamlet is eager to attract manufacturing plants and why almost every community in the nation now has an active program designed to entice more industries or to hold on to what they have.”

Mr. Daily pointed out the various factors an industrial prospect would inquire about before selecting a community in which to establish a plant and discussed the various forms of inducement which some communities employ to attract industry. “There is often a thin line of demarcation between what is a concession and

what is normal cooperation," Mr. Daily said, and added "I do not believe in nor recommend pledging the faith and credit of a community to obtain mortgage or equity capital for industry, nor that this practice is strictly and honestly legal. Furthermore, as onerous as all taxes are I share copious chunks of sympathy for those long established, full paying businesses in an area where edict exempts the newcomer firm from its rightful load of tax burden."

Mr. Daily told the group that, in order to assure new industries a cordial welcome in Union County, "we have on two occasions given sites." He explained that the costs of these sites were small in comparison with the total investment and that no other inducements have been offered in Union County. "We will keep well within the bounds of circumspection and propriety."

Mr. Daily said the position with respect to available capital for industrial expansion has shown gradual improvement during recent years and that many of North Carolina's towns have established community development funds and a number have already erected factory space for manufacturers. "For the most part these community funds provide mortgage loans only, and make no provision for equity capital. It is this kind of inducement to industry that I recommend."

Mr. Daily mentioned some of the factors which are important in attracting industry to a community including: making a survey of the surroundings; making an attractive physical setup for industry; having necessary legislation passed; possessing an industrial commission composed of good businessmen; and obtaining the services of an industrial engineer. Mr. Daily told the county commissioners that the industrial engineer should be a man who can-

not only sell an industrialist on the county, but also assume some degree of leadership in the community.

MR. Albright first pointed out that the need for further development of North Carolina's industrial economy has been long recognized, and that during the past several years considerable efforts have been applied toward bringing new industries into the state.

Without slackening efforts to encourage the movement of outside industry into North Carolina, Mr. Albright said that a vigorous campaign should be undertaken to encourage and develop locally organized industries in the cities and communities in North Carolina. Though small industry development must for the most part be carried on in and by the communities themselves, the small industry section of the Division of Commerce of Industry functions to encourage, advise and assist community groups in organizing and developing their local industrial projects, said Mr. Albright.

Mr. Albright emphasized that the creation of local industry requires much work, time and cooperation from many people of the community, and that the great advantages of small industry should be made known to every citizen of the community in order to enlist the cooperation and help of the many who would be called upon.

A locally owned and organized industry will have the interest and support of the community. Mr. Albright pointed out the many benefits to the community from home industries such as profits accruing to local residents where profits from foreign industry usually leave the community as they are transferred to non-resident owners.

A community's economic balance can also be maintained if the choice of industry type is made possible by self organization. Industrial diversifications stabilize a community's business, and is possible with a locally-organized industry. Natural resources, available surpluses, and waste material can also be utilized and saved for profit where industry choice is possible, he noted.

After mentioning the advantages of organizing small industries within a community, Mr. Albright outlined the procedures in organizing and developing small industries. He said the first step is to survey the community for existing, expandable industries and to confer with the manufacturers in the area to find out if any of them are interested in expanding and, if so, what is needed to increase their production and payrolls. After having checked local industries for expansion possibilities, Mr. Albright said that a survey of the community should be made to determine what natural advantages it might have for some particular type of new enterprise.

Another important element necessary to the establishment of a local industry is the availability of capital for investment in industry. Mr. Albright said, therefore, the next step is to determine the extent of the investment capital resources in the community. The importance of this preliminary check of available capital investment is to determine the approximate size and general type of industry the community can consider, he pointed out.

Mr. Albright said that it might not be necessary for local investors to raise all required capital for a new enterprise. He said that the North Carolina General Assembly of 1955 enacted into law "An Act to Authorize the Incorporation of Business Development



Carson Bain, first vice president, asked the delegates from each county to rise and be recognized during the Tuesday morning session.

Corporations for the Purpose of Promoting, Developing and Advancing the Prosperity and Economic Welfare of the State." He said that in accordance with this Act the Business Development Corporation of North Carolina was incorporated and organized late in 1955 and began to function in the first half of 1956. Primarily, he said, this corporation was a lending agency set up to give loan assistance to North Carolina businesses which contributed to the economic welfare of the state, but which might not be able to secure financial assistance from banks or other regular financial institutions because of the length of time required for loan repayment or for other reasons.

Mr. Albright said this corporation was private and has no connection with the Small Industry Section of the Commerce and Industry Division, but that the section works in close cooperation with it.

Mr. Albright suggested that after gathering the information he

had mentioned it would be possible then to call a meeting of as many of the citizens of the community as could be mustered. He said this was a crucial step in the program to develop industry within the community. The success or failure of a new industry often hinges upon the thoroughness of the preliminary investigation of the communities' requirements and potentials, Mr. Albright said, and all investigations should be conducted bearing in mind that their results would be written in a prospectus to be placed before prospective investors in the new venture.

Mr. Albright told the county officials there were certain products for which there appeared to be a sizable market in North Carolina, such as chemicals and allied products; food and kindred products; lumber and wood products; machinery parts and equipment; electrical machinery and equipment; fabricated metals; paper and allied products; rubber products; stone; clay and glass; and textile products.

Mr. Albright's remarks were taken partially from a guide prepared by himself and Mr. E. E. Huffman of the Small Industry Section entitled "Guide for Community Development of Small Industries."

IN Mr. Boisseau's address, the various factors and facilities which industry looks for in a community before making the final decision to move to that community were discussed.

One of the questions an industry will ask before moving into a community, Mr. Boisseau pointed out, was what are local educational facilities? Mr. Boisseau said the industry will want to know whether or not the facilities were adequate for the population; whether there was a vocational training department in the public school system; what percentage of the youth complete high school; what is the caliber and quality of the teachers and are they adequately paid; is the school system operated efficiently or is it "a political football"; are night classes available for adults; and, are there realistic long-range plans for expansion and improvement?

"If the educational facilities are poor, then obviously arrangements must be made to bring large numbers of trained personnel into the area, and what is probably more important, there will not be available a manpower pool from which to draw for replacements for future expansions."

Another drawback of inadequate educational facilities frequently overlooked is the inability of industry to attract the more highly trained technical employees who frequently will not bring their children into an area if it can not provide a sound elementary education, Mr. Boisseau said. Along with educational facilities,

recreational facilities and zoning practices are examined by industries before they move into an area, Mr. Boisseau said. In the field of zoning the question often is whether the community has an intelligent, far-sighted approach to residential and industrial zoning and are the zoning laws enforced so there can be assurance that plant sites and residential areas will be protected, Mr. Boisseau said.

Prospective industries will also examine the facilities for medical attention, hospitals and general health standards. "We might locate a plant where medical facilities are marginal with the hope that we could aid in their improvement, but under no condition would we locate a plant where the medical facilities were inadequate."

According to Mr. Boisseau, industry often wants to know whether or not there are special inducements offered by local and state governments which might work a hardship on those industries already located in the community. Mr. Boisseau said this question did not pertain to local development corporations or state-wide development corporations, privately financed, operating to improve the general industrial life of the community or state, but rather inducements which inevitably result in a higher rate of taxation for existing industries and eventually for the new ones.

The tax structure of a community and its law enforcement is also scrutinized by industry before coming into a community, Mr. Boisseau said. Industry wants to know whether there are laws which restrict the use of injunctions to prevent unreasonable acts and whether there are laws which would abrogate the individual's right to work. With respect to the tax structure, industries want to

know whether it is such that individuals and industries are not hampered in their own competitive lives. Other matters considered with relation to taxes are: whether or not there is a machinery and inventory tax, payroll tax and city personnel income tax; whether or not the tax money collected is spent wisely, and, whether or not assessments are equitable or unrealistically low for specific segments of the community.

In summary, Mr. Boisseau said industry wants honest and efficient government, supported by a safe majority of alert and intelligent voters who have the best interest of the community at heart and an absence of unreasonably restrictive regulations or financial handi-

caps imposed by the local government. "We want a realistic, progressive attitude on the part of political leaders toward sound community growth and city planning, along with citizen understanding of community and business problems."

"For our part, in coming into a community we will do everything within reason to become a good corporate citizen and to pay our full share of the cost of honest, efficient government with no bargains asked or expected. In being a good corporate citizen, we expect to contribute our share to the well-being of the community. We expect to help it grow and to make it a better place to live. This obviously can be done only if the business climate is suitable.



Carson Bain, first vice president of the County Commissioners Association (right) is shown introducing the three county officials with the largest delegations at the convention.

Both business and the community are interdependent; each must give as well as take."

On Tuesday afternoon group sessions were held from 2:00 until 4:00 p.m. and the county officials split up to attend the various sessions.

One of the group sessions, which met in the lobby of the Royal Palm Hotel, was conducted by Henry W. Lewis, Assistant Director of the Institute of Government. Mr. Lewis led the discussion on Annual Revaluation: Possibilities and Problems.

A second discussion session on County Homes and Other Institutional Care for the Aged was led by Wally G. Dunham, a commissioner of Forsyth County, in the City Hall auditorium.

In the City Hall Council Chamber, John Alexander McMahon, Assistant Director of the Institute of Government, led a discussion on County Manager Government and Other Forms of county government.

Donald B. Hayman, Assistant Director of the Institute of Government, led a fourth discussion group on The New Merit System Compensation Plan in the City Hall Auditorium.

The Tuesday evening program featured an address by the Honorable Luther H. Hodges, Governor of North Carolina, at the annual banquet which was held in the City Hall Auditorium at 7:30 p.m.

James M. Pleasants, President of the North Carolina Association of County Commissioners, presided over the meeting and the Invocation was delivered by the Reverend Milton J. Boone of the Masonboro Baptist Church. Governor Hodges was introduced by Berry A. Williams, New Hanover county commissioner.

In his address, Governor Hodges told members of the Association they had helped to improve county government immeasurably and specifically expressed his appreciation for the "leadership shown by your Association in working with the 1955-57 tax study commission" as well as work done with the Highway Study Commission and the brief prepared for submission to the 1957-59 tax study commission.

The Governor mentioned the need for concerted efforts to raise the per capita income of North Carolina and said that his purpose in this respect was directed to the average citizen of North Carolina.

Governor Hodges praised Highway Director W. F. Babcock, Chairman Melville Broughton, and other members of the Highway Commission for rendering an outstanding service to North Carolina during the first year of the operation of the State Highway Commission following its major reorganization. "This recent reorganization of the State Highway Commission is in keeping with the best traditions of North Carolina's leadership in highway planning and construction," said Governor Hodges, but he added that in spite of North Carolina's earlier leadership, the State had fallen behind many others in the past 10 years.

Governor Hodges told the group that since the 1957 General Assembly passed necessary legislation for reorganization of the Highway Department, his administration had been "hard at work in putting through these reforms and moving ahead as rapidly as possible with the type and scope of highway program which we must have."

In speaking of the importance of the secondary road program in North Carolina, and in the need for formulating a statewide sec-

ondary road program, Governor Hodges said that the 1957 General Assembly gave county commissioners an opportunity to work closely with division and district engineers of the Highway Department in the formulation of these secondary road plans for the county. "The clear intent of this approach has been to keep county officials fully informed of road needs, road plans and other facts concerning secondary roads in each county."

Referring to an earlier address by Highway Director Babcock to the county officials, Governor Hodges mentioned the tremendous outlay of money which will be necessary to pave all secondary roads in North Carolina carrying 50 vehicles or more per day, and said that despite such an imposing task a good start had already been made through the appropriation of a total of \$27,000,000 for the current biennial budget for secondary road improvements.

Governor Hodges urged the assistance of locally elected officials to the State Highway Commission in the development of new highway plans.

The Governor also mentioned the various problems that the Highway Commission had encountered in the matter of acquisition of rights of way. He said that he was sure that among the total number of rights of way acquisitions a very small percentage result in difficulty and a very small percentage of property owners involved feel that the Highway Department has acted unreasonably. The Governor said, however, the fact that there were a few instances where the private property owner felt that he was not being treated with as much courtesy and consideration as should reasonably be accorded him is a matter of regret, and in terms of the administration's objective is a condition that should be eradicated

completely. He said that the Highway Commission had been giving continuing study to this problem and that every effort would be made to establish and operate under procedures with objectives such as: reasonable notice to the property owner that the Highway Department requires the right of way over his land; careful and objective appraisal of the value of the property taken or the damage done to the property owner for which the Highway Department should give compensation; and making every effort to afford a reasonable and prompt means through legal action to settle right of way claims in those instances where after reasonable negotiation between parties there is an honest difference of opinion as to the compensation or damages which the Highway Department should pay the private owner.

Turning from matters concerning highway administration, Governor Hodges outlined some of the problems and events which were shaping up for the attention of the 1959 session of the General Assembly. The Governor told the county officials that the most pressing and most important problem confronting both local and state government was the problem of education. He said that it was apparent to him that more dollars would be required in the years ahead to maintain North Carolina's present public school standards and that in addition everything possible should be done to improve and raise the state's standards of educational performance. As an example, the Governor said that classroom facilities are not meeting present minimum needs and that the very best judgment must be utilized in order to accomplish the utmost with limited tax resources available for education.

Governor Hodges said that the

1957 General Assembly had authorized him to appoint a special study committee to look at the entire problem of public school financing and that this committee would report to him and to the 1959 session of the General Assembly.

He mentioned that there were rumors during the last legislative session that "the Governor wants to unload the school financing on to the counties." "We do not desire to 'unload anything on the counties'. Some counties are probably paying more now than they can afford—others are probably paying less. What I want is schools, good schools and better paid teachers. I want to see the *State* and *counties* and the *cities* do what they can and should do within their economic abilities."

He said it was his sincere hope that the Public Schools Finance Study Committee would have ready to propose to the 1959 General Assembly a program which would enable the State to improve its financial support of public education. Governor Hodges said that there was also a special curriculum study now being made under the supervision of the State Board of Education.

Another matter which Governor Hodges called to the attention of the county officials and upon which he urged particular thought and concern was the administration of courts in North Carolina. The Governor said that through no fault of the many competent judges and solicitors, the court system itself has often made a difficult task almost impossible and that, recognizing these problems, lawyers and judges, through a distinguished committee of the North Carolina Bar Association, had completed a detailed and intensive study of our court system. Governor Hodges told the county officials that recommendations would be placed before the 1959

legislative session and would be fully discussed before the public and the General Assembly.

Another important action by the 1957 General Assembly, Governor Hodges said, was the authorization of a commission to study the North Carolina State Constitution and to recommend needed and desirable revisions to be considered during the 1959 legislative session. Governor Hodges said that several of the present constitution's provisions have long been outdated and there are some basic questions of constitutional policies which should be reconsidered.

The Governor said he was hopeful that the Constitutional Study Commission could make a recommendation on the matter of legislative reapportionment. "... When the present constitution was adopted in 1868, it provided for a 50-member Senate and a 120-member House of Representatives. At that time, the total population of the State was approximately one million. The population of our State today is over four million people. We still have the same number of General Assembly members and the same prescribed method and procedure for reapportionment," he pointed out.

Governor Hodges also mentioned other study commissions which would report to the 1959 General Assembly, such as the Commission on the Reorganization of State Government and the Commission to Study the Revenue Structure. Governor Hodges stressed the need for a larger and more adequate building for the legislature and said that the Commission on Reorganization of State Government had recently held a public hearing to obtain opinions and views of the erection of a new Capitol annex or legislative building.

Turning back to the field of prospective legislation, Governor Hodges said that the conservation

and wise use of North Carolina's water resources would be a field in which county officials would want to take a more active interest. "Water users are becoming increasingly jealous of their supplies and controversies are developing at an alarming rate. The lack of clearly-defined water rights in the State is a major contributing factor to the widespread confusion," he said.

Governor Hodges said he understood that the State Board of Water Commissioners in cooperation with other State and federal agencies had completed a research program to provide knowledge and understanding, essential to the development of a sound program for water conservation, and was now in the process of evaluating its findings with the idea of making recommendations to the 1959 legislature.

In conclusion Governor Hodges said he was confident that North Carolina's problems would be met with determination and faith. "Let me conclude with this thought that you, county officials, have a great influence in determining the future of North Carolina. Because of this, your responsibility is great. Your sincere cooperation, or lack of it, can be the deciding factor in the months and years ahead. With your interest and your cooperation, the task will be easier and the achievement more enduring."

ON Wednesday morning, the annual business meeting of the North Carolina Association of County Commissioners was held in the City Hall Auditorium with James M. Pleasants, President, presiding. At the meeting reports from the Resolutions Committee, the Memorial Committee, and the Nominating Committee were heard. Following these reports the annual election of officers was held.

J. Vance Perkins of Pitt County was elected President and Carson Bain of Guilford County and Ben W. Haigh of Wake County were elected first and second Vice Presidents respectively. J. A. McMahon was reappointed Secretary-Treasurer of the Association. District directors were elected as follows: Fred Jones of Hertford County, first district; Moses Howard of Carteret County, second district; Berry A. Williams of New Hanover County, third district; Seth B. Hollowell of Wayne County, fourth district; John E. Wilson of Vance County, fifth district; L. A. Tart of Harnett County, sixth district; W. W. Pointer of Caswell County, seventh district; R. B. Jordan, Jr. of Montgomery County, eighth district; Wally G. Dunham of Forsyth County, ninth district; James R. Braswell of Union County, tenth district; Stuart Lingle of Caldwell County, eleventh district; John H. Abernathy of Catawba County, twelfth district; Harry P. Mitchell of Buncombe County, thirteenth district; and E. E. McBride of Henderson County, fourteenth district.

Following the election of officers the 51st Annual Convention of the North Carolina Association of County Commissioners, the North Carolina Association of County Accountants and the Association of Assessing Officers of North Carolina adjourned.

New officers and directors held a short meeting immediately following the adjournment.

A major portion of the discussion at the district meetings for county commissioners, accountants, and attorneys, held by the Institute of Government in the spring of 1953, was devoted to a discussion of the authority of county commissioners to determine the number and sal-

ary of employees in the various county departments. These district meetings were conducted by John Alexander McMahon, Assistant Director of the Institute of Government. A brief summary of some of the matters discussed is set out below.

The authority of county commissioners to determine the number and salary of employees differs from department to department. In some departments, the authority is shared with a supervisory board, whereas in others the authority of the county commissioners is complete. As a practical matter, the commissioners do have extensive authority in each department, even when the authority is shared with another board or officer. Mr. McMahon discussed the authority of the county commissioners with respect to the individual county departments.

The first department to be discussed was the welfare department. The General Statutes provide that the county board of commissioners and the county board of welfare, in joint session, shall determine the number and salary of employees of the county board of welfare, having been advised by the county superintendent of welfare and the State Board of Public Welfare. Thus, these two boards determine jointly the number and salary of employees. The selection of county welfare employees and the determination of the salary of welfare department employees must be exercised in light of the Merit System.

The General Statutes provide that the number of welfare department employees is to be determined jointly by the board of county commissioners and the county welfare board. In making their determination, the two boards should be concerned with several factors, principally the



Officers and directors of the N. C. Association of County Commissioners, 1957-1958. They are (left to right) R. B. Jordan, Jr. of Montgomery County, 8th District Director; James R. Braswell of Union County, 10th District Director; Stuart Lingle of Caldwell County, 11th District Director; Alex McMahan, Secretary Treasurer; Moses Howard of

Carteret County, 2nd District Director; James M. Pleasants of Moore County, President; Seth B. Hollowell of Wayne County, 4th District Director; E. E. Kelly of Duplin County, 3rd District Director; E. E. McBride of Henderson County, 14th District Director; Fred Jones of Hertford County, 1st District Director; and Carson Bain of Guilford County, Second Vice-President.

workload of the department. The law requires that there be a sufficient administrative staff in each county to carry on the statutory public welfare programs, and it is the responsibility of the county working cooperatively with the State Board of Public Welfare to employ sufficient people. After the number of employees has been determined by the board of county commissioners and the county welfare board, the appointment of individuals to fill positions becomes a departmental matter. The county welfare board appoints the superintendent of public welfare and the superintendent appoints the remainder of the personnel of the department in accordance with the merit system.

The salary of welfare department personnel, like the determination of the number of employees, is also a joint matter between the board of county commissioners and the county welfare board, and the salaries must be set in accordance with the merit system plan.

In setting the salary of welfare workers, consideration should be given to the salaries of other courthouse employees, salaries of welfare workers in neighboring counties, salaries in other fields of employment that may compete with the welfare departments for people, and other matters. Salary increases for departmental personnel come about in three ways: (1) promotion, (2) salary advancement, and (3) change in the Merit System Compensation Plan.

The travel allowances for welfare department employees may be based on a payment of a certain amount per mile, or on a payment of a certain amount per mile plus a certain amount per month for car depreciation (the monthly car depreciation cannot exceed \$35, under merit system regulations.) Travel allowances are to be worked out by the Board of County Commissioners and the County Welfare Board. State and Federal funds are available

to share in the cost of mileage payments, though not in the cost of car depreciation payments.

As to administrative cost, one association making a study of welfare administration suggested that generally speaking, administrative costs should be around 10 per cent of assistance payments. The association indicated that 4 per cent or 5 per cent often meant false economy, whereas 15 per cent to 20 per cent meant a waste of money on the administrative side. In recent years, administrative costs have been substantially less than 10 per cent of grants in North Carolina.

State and federal funds are available to assist counties in meeting welfare administrative cost. Federal funds pay about 35 per cent of regular administrative expenses, and the State pays from 7 per cent to 23 per cent (determined by formula). State funds pay, however, at least \$2,000, but not more than \$7,000 of the amount in any

single county. For child welfare positions, federal funds pay a minimum of 65 per cent of the total salary.

An unlimited tax is authorized to raise the county's share of administrative expenses.

The next county department to be discussed was the health department. The authority of the board of county commissioners over the number and salary of health department employees is not specifically provided for by statute, but must be inferred from several statutory provisions. These provisions indicate that the board of county commissioners has complete authority over expenditures for public health. However, to qualify for State and federal funds, the board of county commissioners must enter into a contract with the State Board of Health. The contract requires: (1) the county to support a minimum standard health department, consisting of a full-time health director, a public health nurse, a sanitary inspector, a secretary, and an oral hygiene program approved by the State Board of Health; (2) the health director must be a licensed physician and must meet minimum qualifications established by the Merit System; (3) the board of county commissioners must agree to maintain local funds at current levels; (4) the health director and other personnel must be governed by the Merit System; and (5) all salaries are to be approved by the State Board of Health (in accordance with the Merit System) and travel allowances provided for departmental employees must be approved by the State Board of Health.

Public Health work is financed as a joint project by the counties, the State, and the Federal Government. In North Carolina there are two city health departments,

about two-thirds of the counties have a county health department, and the remainder of the counties participate in a district health department serving two or more counties.

There is no limit to the tax rate which may be levied for the preservation and promotion of the public health. In a few counties, the major city shares the burden of the county public health support, and cities generally are authorized to appropriate money to the county or district health department.

State funds are available to the counties on the following basis: (1) \$3,000 for each county; (2) \$.40 per pupil in the public schools, based on average daily membership for the preceding year; (3) 53¢ per capita on the basis of the 1950 census; and, (4) \$2,000 for general health distributed on the basis of population, financial need, and mortality figures. Some federal funds are available for general health, maternity and child health, and mental health purposes. The federal funds available for mental health are allocated to those counties with a mental health program.

The next department or area of county government to be discussed was that of the public schools. Generally speaking, the number and salary of superintendents, principals, and teachers are determined by and paid by State funds. Additional teachers, other personnel not provided by the State, and supplementary salary payments may be provided locally. The statutes indicate that the board of county commissioners do have some authority to determine the number and salary of school personnel, over and beyond the number and salary provided by the State. They may make provisions for a greater number than

that provided by the State, or higher salaries than that provided by the State, at the request of the appropriate board of education, either through the county-wide current expense funds, or through the proceeds of the school supplement tax approved by the voters. This determination will be made on the basis of a budget request by the appropriate board of education.

The next county program discussed was that of the county agricultural extension work. The county agricultural extension program is an optional program with each county. If the board of county commissioners desires to carry on the program, it becomes a partner with the Agricultural Extension Service of North Carolina State College and the United States Department of Agriculture in carrying out the program.

The size of the extension staff in each county is determined by the board of county commissioners and the agricultural extension service. The minimum staff recommended by the agricultural extension service includes the county agent, the home demonstration agent, and a secretary. Today every county meets this minimum.

The appointment of county agents and home demonstration agents as well as the compensation of county agricultural extension workers, is a matter for joint decision between the board of county commissioners and the agricultural extension service. To be appointed, a person must meet minimum qualifications and be acceptable both to the board and to the service.

Financial support to the farm and home demonstration program is a joint effort by the county, State, and the federal government. State and federal funds are available to meet the salaries of the

county employees on a percentage basis. County support generally comes from the county general fund, although 27 counties have authority to levy a special tax by General Statute and other counties have similar authority by specific special act.

The next area of county government discussed were the offices of sheriff, clerk of superior court, and register of deeds. The authority of the board of county commissioners over the number and salary of the employees in the offices of sheriff, clerk of superior court, and the register of deeds is more difficult to determine than in the case of the departments described above, as there is no general law applicable to all counties.

There are a number of general principles which may be stated to describe generally the authority of the county commissioners over the number and salary of these employees in particular circumstances:

(1) In those counties where the independently elected officials are on a fee basis, they must provide for their own deputies, assistants, and clerical personnel, unless some special act requires the expenditure of county money for these purposes.

(2) Where a special act sets the salary of an officer or any of his assistants, and provides that fees are to be turned in to the General Fund, sufficient money to pay salaries must be provided, even if this would exceed the amount of fees turned into the General Fund. Similarly, if a special act requires that a certain number of clerical people be provided, at a certain salary, the board of county commissioners must provide this money.

(3) Where there is no special act provision, other than authorizing the board of county commissioners to fix the number and salary of employees, the County Fiscal Control Act would seem to govern the situation. This Act

authorizes the board of commissioners to appropriate such funds as it may deem sufficient and proper. There are two possible limitations under the complete authority of the board of county commissioners in this regard. First, the board would probably have to appropriate sufficient money to allow the work of the office to be properly carried on; and, secondly, the constitutional tax limitation of \$.20 per \$100 assessed valuation of the General Fund would have to be adhered to.

More and more counties are coming under the broad act authorizing the board of county commissioners to fix the number and salary of employees in the regular county departments. Forty-four counties are now governed by this act, although in 11 counties the board is not authorized to fix the salaries of the elected officials.

The next area of county government discussed was that of election personnel. The General Statutes provide that members of county boards of election shall receive \$15 per day together with such other expenses as are necessary and incidental to the discharge of their duties. The board of commissioners is authorized to provide additional compensation to the chairman. Precinct registrars are to receive \$15 per day for services on the day of election, and \$15 per day for each Saturday during the registration period when they attend at the polling place for the purpose of registering voters. Judges of the election and assistants are to receive \$10 per day on the day of an election. In addition, registrars and judges are to receive their regular per day compensation for attending any meeting called by the chairman of the county board of elections relating to their duties. The board of commissioners may provide additional compensation for these precinct election officials.

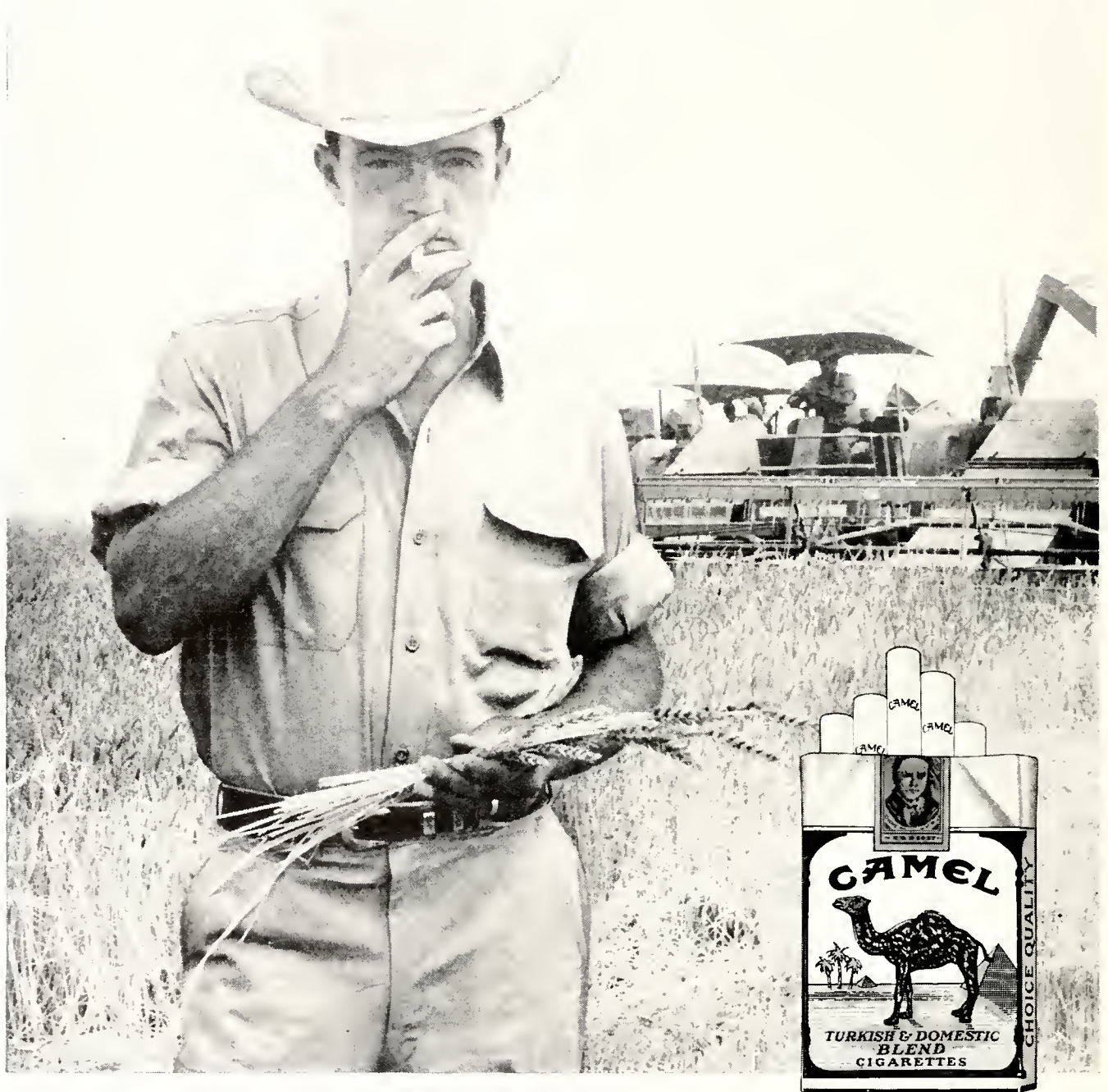
In counties where a modern loose-leaf registration system has

been established, the compensation of the county board of elections is to be fixed by the board of county commissioners, and the compensation of executive secretaries, special registration commissioners, clerks, employees, and other personnel are to be paid such compensation that shall be fixed by the county board of elections with the approval of the board of county commissioners.

The next county official to be considered was the County Accountant. It was noted that the General Statutes authorize the board of commissioners to set the salary of the county accountant and such other assistance as the board determines is necessary, except where such salary or salaries are set by special act.

The next officials to be considered were the tax supervisor and his assistants. The General Statutes provide that the compensation of the county tax supervisor shall be fixed by the board of county commissioners, and he shall be allowed such expense as the commissioners may approve. The General Statutes also authorize the board of county commissioners to appoint one or more assistant tax supervisors and employ such clerical assistance to the tax supervisor as they deem proper.

The last official to be discussed was the tax collector. It was pointed out that the salary of the tax collector is generally provided for in a special act, since under the general law the sheriff is responsible for collecting taxes, and it takes a special act to create a separate tax collector. Special acts will often provide for clerical assistance, although if it did not the County Fiscal Control Act would place this authority in the board of county commissioners. The General Statutes authorize the board of county commissioners to appoint one or more deputy tax collectors to serve at their will and for such compensation as may be fixed by the board.



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