POPULAR GOVERNMENT

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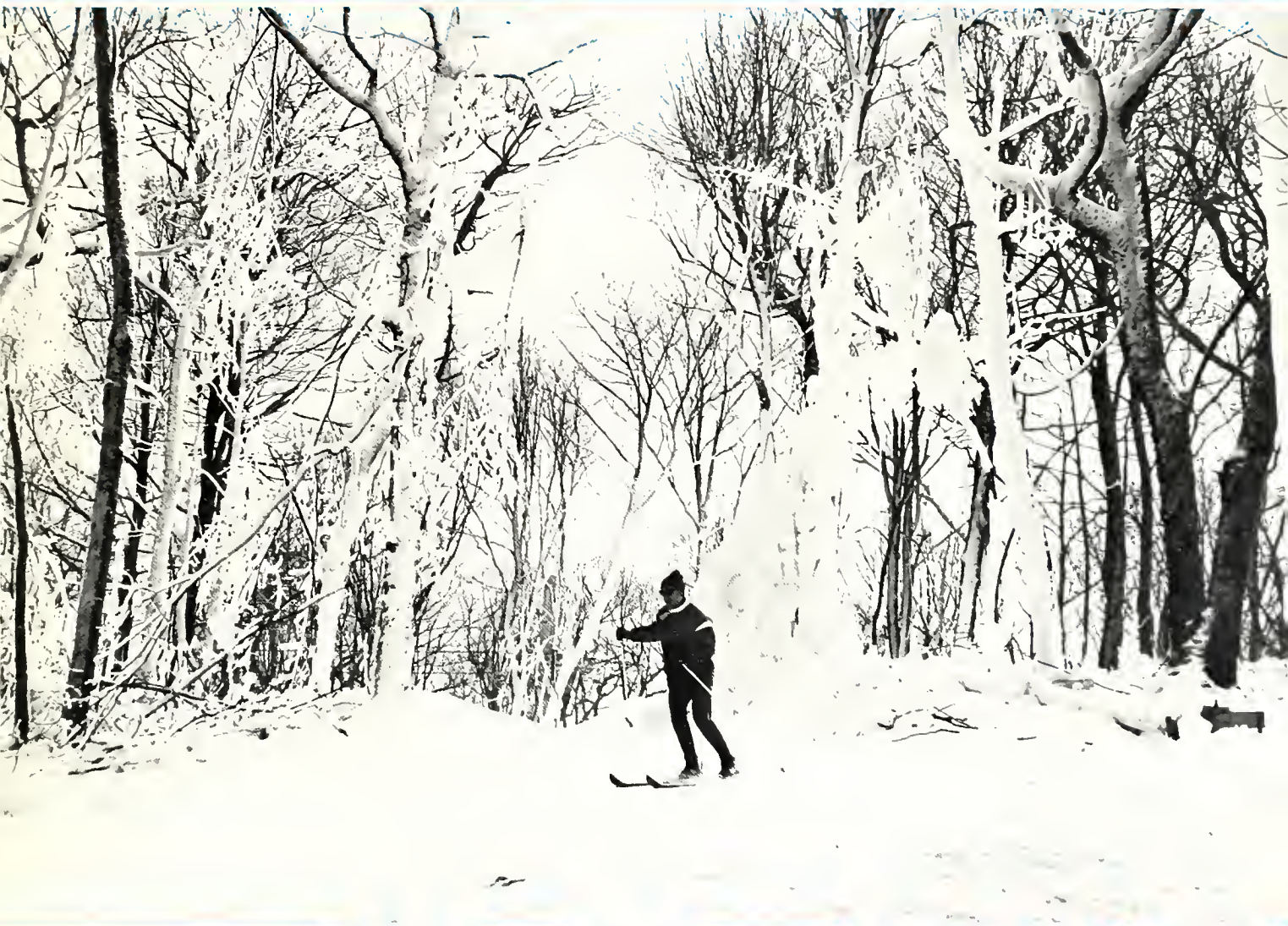

This month

This month's Winter Wonderland cover depicts North Carolina's new winter sports industry—taken at the Seven Devils Ski Area near Boone.

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NORTH CAROLINA LOCAL GOVERNMENTS ARE GOOD RISKS

We are often told that we are a government of laws and not of men. And to this, all of us agree, for the law is supreme, and yet in the successful administration of government, men do count. In the case of the Local Government Act, we have a truly fine piece of legislation, but it is not self-executing. That we have mastered our problems and done a creditable job is due not only to the law, but to the splendid public servants who have given to it so much of their devotion, their personality and their character.

It is our hope that the county commissioners, the town boards, the mayors, the attorneys, the managers, the accountants and finance directors of local units, large and small, will continue, as they have in the past, to look upon the Director of Local Government and his staff of advisers and partners in working toward that great end in which we are all interested—good government!

from an address by
the State Treasurer

[*Editor's Note: Mr. Gill is State Treasurer of North Carolina. The State Treasurer is ex officio Director of Local Government. The day-to-day activities of the Local Government Commission are carried on by W. E. Easterling, Commission Secretary, who has held this position for over thirty-four years. Also, Harlan Boyles, Deputy Treasurer, serves as Assistant Director of Local Government, responsible for planning and personnel.*]

by Edwin Gill

How the Local Government Commission Works with Local Units

THE Local Government Commission, as a division the Department of the State Treasurer, functions as financial consultant to the counties, cities, and towns in North Carolina. Its major responsibility involves the authority to approve or disapprove the issuance of bonds or other evidences of indebtedness by the local units. It also involves working with representatives of the local units in planning and issuing bonds. The State Treasurer, ex officio Director of Local Government, through his staff, advises the local units in all fiscal matters including accounting systems and practices, independent audit programs, and the establishment of investment policies and procedures. In addition, the Director maintains records of local government debt and keeps the local units informed regarding the maturity of bond principal and interest.

North Carolina, being one of the thirteen original states, has always had a strong tradition of local self-government going back to our English inheritance. For our General Assembly to have adopted a measure centralizing in Raleigh such unprecedented authority over the financial affairs of all counties, cities, towns and other political subdivisions has therefore naturally aroused interest throughout the country. In fact, North Carolina is among four states—along with Michigan, Louisiana, and Virginia—that assists or oversees the borrowing operations of its local units. The Virginia commission does not offer aid or advice unless requested by the locality, but in North Carolina the units are required by law to proceed through the Local Government Commission. The Commission's supervision assures investors that correct procedures have been followed and that the fiscal data presented

in the offering circular is based upon reliable sources. The local units also benefit through lower interest costs that result from the underwriter's knowledge of Commission standards and the uniformity of the offering procedures.

Creation of the Commission

The creation of the Local Government Commission by the General Assembly of 1931 grew out of the desire of both state and local officials to improve local governmental operations. During the era of progress that followed World War I, heavy demands for such improvements as better streets and highways, better school buildings, water and sewer systems, and many other facilities brought about the need for bond financing.

It was a time of great optimism and no state control. So it is not surprising that some of the bonds were issued for unwise and uneconomical purposes without proper consideration of the unit's ability to make repayment. Many term bonds were issued, payable as much as forty to fifty years from their date and without the maintenance of sinking funds for their retirement.

When the General Assembly convened in January, 1931, the defaults among local governments throughout the nation in the payment of their maturing obligations clearly indicated that a crisis was at hand. As a member of that General Assembly, I served on the Joint Finance Committee that conducted hearings on the financial status of local governments and finally approved the proposed Local Government Act. The act as adopted on March 3, 1931, did not immediately alleviate a situation growing worse as we moved into the depths of the Depression.

By 1933, 62 of our 100 counties, 152 cities and towns, and approximately 200 districts had temporarily defaulted in the payment of their maturing obligations. The act was amended in 1933 so as to permit a comprehensive program of devising and effecting negotiated refinancing plans with the bondholders of the defaulting units. In most instances the program included a mere rescheduling of bond maturities, thus extending the payments of principal into future years. But the important factor is that only two refinancing plans were instituted which called for a reduction of principal, so that by 1942 the situation was for all practical purposes current. In total, approximately $131 million in bonds were involved in refinancing plans representing approximately 36 per cent of the total bonds outstanding at June 30, 1932.

The debt of the counties, cities and towns, and districts totaled approximately $362 million in 1932. Most of this debt was incurred prior to the establishment of the Commission. In 1940 the total debt had dropped to $306 million and to $241 million in 1946; but it increased to $323 million in 1952, to $414 million in 1956, to $552 million in 1960 and to $808 million in 1966. During the two-year period 1964-66, the Commission approved and issued bonds for local units totaling more than $172 million.

Although the current debt of the local units is much greater than it was in 1932, the present debt in relation to the assessed property valuation and available revenue for debt service is much less; which is another way of saying that, although the debt is much larger, the burden of financing it is lighter now than it was in 1932.

The states and local governments throughout the nation rely heavily on sales of bond issues to finance capital improvements. In North Carolina, the state and local governments have generally followed the practice of borrowing for prudent and necessary purposes and at times when borrowing was considered economically wise. A study of the trend of state and local debt shows that North Carolina and its local units of government have followed a well-balanced program—using both pay-as-you-go and borrowed capital. In fact, the per capita state and local debt now stands at approximately $225, which places North Carolina forty-seventh among the several states.

The Procedures for Issuing Bonds

The Local Government Act carefully spells out the procedural requirements to be followed in the issuance of bonds by a local unit. Briefly, the act provides that before any local unit may issue its bonds or notes, the unit's governing board must file an application with the Local Government Commission requesting its approval of the issuance of the proposed bonds or notes. In the event the bond proposal is required by the Constitution or by the statutory law to be submitted to the voters of the unit for approval, such application must be filed at least forty days prior to such election. Notice of the unit's intent to file the application must be published at least ten days before filing the application with the Commission. Upon receipt of the application, the Commission examines into the necessity and expediency of the bonds or notes as proposed, the adequacy of amount, and the ability of the issuing unit to make repayment. The law provides for objections by private citizens and public hearings by the Commission on proposed bond issues, but under the law no bond or note is valid unless it bears a signed certificate to the effect that its issuance has been approved under the provisions of the Local Government Act. The law provides, however, that an order of the Commission refusing approval to proposed bonds or notes may be overridden by the voters of the local unit, provided the proposed debt is within the statutory and constitutional limitations.

All general obligation bonds and notes are required to be advertised and sold by the Commission at its offices in Raleigh at public sale upon the receipt of sealed bids. A representative of the issuing unit may

be present and is privileged to object to an award by the Commission, in which event the Commission is required to reject all bids and start anew the advertising process. Determining the successful bidder—that is, the underwriter proposing the lowest interest cost to the issuer over the life of the loan—requires an exacting computation. In other words, the underwriter is given the opportunity of naming the interest coupon rates for the various maturities of the bonds being sold, so the objective in the computation is to determine the bidder offering the lowest net interest cost to the issuer.

The Debt Limitations

The provisions of Article V, section 4, of the Constitution of North Carolina prohibit a county or municipality from contracting new debt, except for certain specified purposes, in an amount exceeding two-thirds of the amount by which the outstanding indebtedness of the particular county or municipality shall have been reduced during the next preceding fiscal year, unless approved by the voters. The provisions of Article VII, section 6, further require voter approval when the purpose is other than a "necessary expense," regardless of amount. In the case of counties, the term "necessary expense" includes such things as courthouses, jails, and county office buildings, etc.; in the case of municipalities, the term includes water and sewer systems, electrical systems, streets and sidewalks, fire houses and fire-fighting equipment, municipal office buildings and jails, etc. Public hospitals, libraries, airports, and places for public amusement and entertainment are among the expenses that are still eliminated from this special category, and the levy of a tax or the contracting of a debt therefor has always required approval of the voters at an election. The statute contains other limitations that are expressed in terms of a numerical percentage of the assessed valuation of property within the boundaries of the issuing unit—as, for example, 8 per cent for most counties and cities—but again with certain specified exceptions. General obligation bonds of special districts would ordinarily require voter approval.

Bond Characteristics

The bonds issued by the local government units in North Carolina are, unless otherwise clearly denoted, classified as "general obligation" bonds. This means that the bonds are secured by the issuing unit's pledge of its full faith, credit, and taxing power for the payment of such bonds. Excluded from this category are the bonds of a unit classified as "revenue" bonds, which are payable solely from revenues derived from rents or other charges paid by those who use the facilities constructed with the proceeds from the bonds. A good example is a municipal parking facility.

Generally, the face amount of each bond is in the amount of $5,000, although the successful bidder has the opportunity to suggest other denominations.

Under current law, the unit must issue "serial" bonds which mature serially—i.e., some of the bonds mature each year, beginning after the date of the issue on through a maximum maturity of the number of years authorized by the statute for the particular bond issue.

In practice the bonds are issued in bearer form but may be registered as to principal only. If the bonds are registered, they may be reconverted to bearer bonds at the request of the registered owner.

The interest income from the bonds of local units of North Carolina is exempt from federal income taxes. The interest as well as the bonds are exempt from North Carolina income and intangibles taxes. The approximate yield on a taxable bond necessary to produce an after-tax equivalent to the tax-free interest on exempt bonds illustrates the significance of the tax-exempt status of local bonds. For example, tax-free interest of 3.5 per cent is equivalent to taxable interest of 7.00 per cent for a person in the 50 per cent federal tax bracket. Add to this the state income and intangibles taxes, and the spread increases.

Bond ratings have assumed considerable significance in determining the interest cost to the issuer as well as the eligibility of the bonds for investment by certain investors. Rating agencies such as Moody's and Standard and Poor's assign quality ratings to many state and municipal issues. Many bond issues are not rated, however, because the outstanding indebtedness of the issuer is less than the minimum for which the ratings are usually given. The system of rating involves the fiscal history and data of each unit. The chief factors considered in analyzing a unit's credit revolve around the character and attitude of the people of the unit toward its debt in the past, its past payment record, its debt trend, the amount of debt outstanding measured per capita, the amount of debt as a percentage of assessed property valuation, the unit's debt-paying ability, and the contemplated sources of repayment and the extent of the taxing power behind the debt outstanding. Moody's ratings range from *Aaa*, signifying "best quality, carrying the smallest degree of investment risk," which is the rating assigned the State of North Carolina, to lesser ratings such as *Ba*, signifying bonds having various grades of risk and speculative elements. The rating of *Aa* is enjoyed by Charlotte, Durham, Greensboro, High Point, Raleigh, and Winston-Salem, along with several of the more populus counties of the state.

The relationship between ratings and interest rates, with the highest-rated bonds obtaining the lowest interest rates, may be illustrated in the following example: Based on the average new issue re-offering yield on ten-year maturity bonds as reported in *The Weekly Bond Buyer* for the week ending August 18, 1967, bonds with the *Aaa* rating yield—3.55 per cent;

Aa—3.69 per cent; A—3.88 per cent; the corresponding yield on ten-year maturity bonds with *Baa* rating was 4.04 per cent. For twenty-year bonds, the yield on the respective bonds was: 3.75 per cent, 3.88 per cent, 4.10 per cent, and 4.39 per cent.

The Bond Attorney

When a bond issue is offered for sale by a local unit, the bonds are offered subject to an accompanying opinion of independent bond counsel which states in effect that the attorney has examined the proceedings under which the bonds were authorized to be issued and that said bonds are valid and legally binding obligations of the issuing unit. The bond attorney's opinion is one of the principal factors upon which the investor in public securities relies. As a consequence, the attorney selected must be of outstanding reputation in the field of municipal law, having gained the confidence of the investing public throughout the nation. The attorney examines into the constitutional, statutory, and even common law provisions applicable to the unit; the purpose of the proposed bonds; the limitations upon the amount of debt the unit can incur; and the limitation upon the tax-levying authority of the unit. Originally, the bond attorney was employed by the purchaser of the bonds after the bonds had been awarded, but in recent years the states and local governments have retained the attorney and offered the bonds for sale subject to an approving opinion. Actually, it is to the advantage of the issuer to employ the attorney at an early stage in order to secure the attorney's advice from the time the proposal is instituted. Under today's practices, the bond attorney prepares the original drafts of the proceedings preparatory to the adoption of the official bond resolutions or ordinances by the issuing unit. The bond underwriters encourage this practice because it assures them of prompt receipt of an opinion acceptable in the investment market. The issuing unit would, in any event, end up paying the cost of the fee charged by the bond attorney, since the underwriter would take into account this fact when bidding upon the issue. A copy of the legal opinion is printed on the back of the bond.

The Commission makes available to the local units a list of bond counsel who are familiar with municipal law in North Carolina and who have the confidence of the investing public all across the nation. In other words, it is essential that the attorney have an acceptable and established reputation in the bond field. This reputation, of course, must extend beyond the borders of our state to the whole area of the investing public.

The Future

The economists today are saying that in the years to come local governments will be one of the major "growth industries." The demand for increased services will enlarge the scope of local government far beyond today's levels. As we face the growing pains of the future, the role of the Commission should become more important, and its services continue to be essential to the orderly growth of the entire state.

We do not know exactly the form and the structure of the future. However, it is apparent that there will be proposals for the consolidation of city and county functions, the grouping of counties into districts or area authorities. Just recently the nature of the future was forecast in the fact that three communities of our state—Leaksville, Spray, and Draper—voted to consolidate under the name of Eden City.

Whatever the problems of the future may be on the local government level, we are sure that the Local Government Commission will be called upon to participate in financing arrangements that become necessary. It is our purpose to encourage the local units to assume full initiative and responsibility, allowing our part to be mainly that of adviser and counselor.

The Local Government Act, which was born of necessity in the depths of the Depression, was a revolutionary proposal that has, in time, justified the faith of the General Assembly that enacted it. Through the years, it has aided the local governments in adjusting to changing conditions, and because of its supervision of local government debt, has been worth millions of dollars to our taxpayers because of the resulting lower interest costs. □

WHAT A MODERN LIBRARY CAN DO

by

David Stick

[Editor's Note: The author is Chairman of the Legislative Commission to Study Library Support, created by the 1967 General Assembly, and also immediate past president of North Carolinians for Better Libraries. His article comes from an address given before the biennial conference of the North Carolina Association of Library Trustees in October.]

North Carolina is plagued by the chronic contagion of functional illiteracy—the inability of hundreds of our citizens to read and understand the basic written material with which they are in daily contact.

This is pointed up dramatically in some basic statistics that we sometimes prefer to overlook when we brag about the prevailing climate of progress in North Carolina. I refer to our high percentage of school drop-outs, our even higher percentage of military rejections, and our distressingly low per capita income.

Is there a cure for this contagion of functional illiteracy? Or are the skeptics right in their contention that it is a hopeless situation, brought on by an inbred ignorance and mental lethargy among a vast segment of our citizenry—white and Negro, rural and urban—residing in pockets of poverty and hopelessness across our land from the Great Smokies to the sea?

I can answer that. The skeptics are wrong. There is a cure. And the name of the cure is knowledge.

But the problem is: how do you inject the magic drug of knowledge into the mind of a functional illiterate who dropped out of school, is shunned by his peers, knows no trade, cannot make a living, and nurtures a fear born of frustration and rancor over the very mention of the words education and knowledge.

If you expect me to say that the answer is to bring this person, or any of the hundreds of thousands like him, into the nearest public library, then you are wrong.

- **Records**
- **Film Strips**
- **Computers**
- **Research Facilities**

. . . . can serve North Carolina's needs

Because it is highly questionable whether there is a single public library, among the more than 330 in this state, which is designed, staffed, equipped, and operated in such a way as to be the catalyst in penetrating the functional illiterate's shield of ignorance with the proper dosages of curiosity and interest. For curiosity and interest are the harbingers of knowledge, and unless the library is able to generate both curiosity and interest in the minds of those not already library oriented, then it is falling far short of fulfilling its proper function in the community.

The public libraries of this state, almost without exception, have not coped with North Carolina's needs in the last half of the century. More important, the librarians and trustees who form the nucleus of a small hard core of library supporters not only are not doing the job, but also are incapable of doing it—unless and until they become angry enough and ashamed enough and aroused enough to go back home to start fighting for the kind of library and library services that are already providing the cure of knowledge in other communities in other states.

What Can A Modern Library Offer

Not one North Carolinian in thousands knows what a modern library is, and what it can accomplish in this changing society. Do you?

The modern library is a community information center. It is the headquarters for cultural, educational, and research activities. It is the after-school study and entertainment center for children, a second chance for repentant drop-outs, and a hometown graduate school for adults seeking broader knowledge.

A library is no longer simply a storehouse for books; it is a storehouse for everything man has experienced and recorded, all indexed and computerized for easy

access, and attractively packaged on filmstrips, records, and slides as well as in books, pamphlets, and periodicals.

In a modern library you can have immediate access to hundreds of current periodicals, popular, scientific, and technical. You can have competent assistance in finding almost anything you want to know; and the postwar publishing revolution now makes this information available to you on various comprehension levels—for the novice, student, or authority.

The modern library still checks out books, but it also checks out original paintings, film strips, and records. You can still go there to read and study, but if you need privacy for serious research or contemplation you can have your own room in which to work. You go to the modern library to see an art exhibit, or hear a lecture, or participate in a seminar. And if you can't go to the library, the library will go to you, in a modern bookmobile.

If your library does not have the book you need, the modern librarian will get it for you, through interlibrary loan. If you want to take a correspondence course, the library will send you the textbook and study aids. In short, the modern library is truly "The People's University."

North Carolina Libraries Today

Unfortunately, in North Carolina communities, the modern library is nothing more than a dream locked in a librarian's mind, and the libraries that exist—your libraries—still are little more than aging buildings designed and still used primarily as storehouses for books.

The statistics are grim enough to make a librarian start reading Nancy Drew on her nights off, and if the generally informed citizens of your community are not already aware of them, then it is time you spread the word.

The total combined book holdings of all of the state's public libraries add up to approximately one book per resident. If you eliminate the old encyclopedias, the out-of-date reference books, and the other old dog-eared volumes, there would be only half a book for each citizen.

Though the income of public libraries has more than doubled during the past ten years, the average 1966 per capita income of $1.31 is less than half the amount considered necessary to provide adequate modern library service.

Because a relatively few determined people have worked hard, new libraries are being built annually, yet the need for more libraries and expansion of existing facilities increases at an even greater pace.

The failure to attract an appreciable number of college students to careers in library science, and an even more alarming failure to keep our library science graduates here in North Carolina, results in a continuing shortage of qualified librarians.

Steps Toward Improvement

North Carolinians have an excellent guidebook for public library improvements in the Downs Report entitled "Resources of North Carolina Libraries." As a member of the Governor's Commission on Library Resources, I was privileged to help prepare the foreword and the proposed program of action for the Downs Report. The following brief excerpts are as applicable today as they were when written in 1964:

> In measuring the Commission's findings against present needs, one fact becomes obvious: North Carolina libraries just do not have enough room, enough books, or enough librarians.
>
> As for the future, the rapidly increasing enrollment in public schools and colleges, plus the impact of the great economic and social changes taking place throughout the state, can only mean a greater demand for information and knowledge. Such a demand will call for more library space, more books, and more librarians.
>
> The methods currently employed in financing public libraries in North Carolina have evolved through the years on a piece-meal basis, with insufficient organized effort to formulate a clear-cut and understandable financing plan.
>
> The Commission recommends that continued study be given to the development of a plan for joint local-state-federal responsibility for public library financing.
>
> [The Commission also recommended] the formation of a statewide Citizens Committee for Better Libraries. The Basic responsibility of this committee would be to assist in the organization, in every county and interested community, of a local committee for better libraries; and to coordinate such activities with existing groups such as "Friends of Public Libraries."

Less than three years after these recommendations were prepared they are being implemented.

As you know, a statewide citizens committee, under the name North Carolinians for Better Libraries, is organized and functioning, thanks largely to the efforts of the North Carolina Association of Library Trustees, which sponsored it initially, and the North Carolina Library Association, which provided funds for its organizational expenses.

In addition, at the request of the North Carolina Association of Library Trustees and other concerned groups and individuals, the 1967 General Assembly created a five-member "Legislative Commission to Study Library Support in the State of North Carolina, particularly as regards the financing of Public Libraries; and to make recommendations to the General Assembly of 1969."

These are major steps toward providing modern libraries and modern library service for all North Carolinians.

Intensive Local Effort Needed

As Chairman of the Legislative Commission to Study Library Support, however, I would be remiss if I did not offer words of caution and clarification.

The fact that North Carolinians for Better Libraries has a voting member in each county does not mean that some layman has relieved the librarians and trus-

tees of their responsibility in this matter of educating the public on the current status of their library, on what is needed to upgrade it, and on what must be done properly locally to make it truly a modern "People's University."

The continued effort of dedicated librarians and trustees through the years has resulted in little more than maintenance of the status of mediocrity in which most of our library programs have long been mired. It must now be obvious, therefore, that librarians, trustees, and the handful of library-oriented supporters are fighting a losing battle. You must have help locally, and North Carolinians for Better Libraries can provide it. But at the same time, no citizens group can effectively upgrade your library without your all-out support and guidance.

Money is the basis for our library problems in North Carolina. In the absence of a sound and understandable plan for library support, such as the unique cooperative system under which our public schools operate, the basic responsibility for library construction and operation has been left up to local government. In some instances the response has been heartening. A good example is Charlotte and Mecklenburg County, where there has been a valiant and continuing effort to provide modern library services. Another is my own little county of Dare, with the highest per capita local expenditures for libraries of any county in the state. In many other counties and cities, however, local governing bodies have been very reluctant to provide even minimum financing for public libraries. Thus, some counties and communities are approaching the maximum extent of their ability to provide library funds, while many others have so far made only token efforts toward this end.

Obviously the Legislative Commission to Study Library Support, created by the General Assembly of the State of North Carolina, will be looking closely at the responsibility of the state in this connection. But lest some of you are already entertaining thoughts that the state is now going to take over your local financial responsibilities, I want to emphasize my belief that the Legislative Commission must also work closely with the North Carolina Association of County Commissioners and the North Carolina League of Municipalities as well as with library groups and agencies of the federal government, in the hope of achieving a workable, acceptable and understandable formula for local-state-federal financing of our North Carolina public library program.

The basic objective for all of us, as I see it, is to make modern library services accessible to all citizens of North Carolina. The success of these efforts will depend to a large degree on whether an appreciable segment of the informed and interested population in each city and county becomes sufficiently familiarized with, and concerned about, the inadequate status of our libraries in today's changing society. And in the final analysis it is largely up to the public librarians, library trustees, and the small hard core of library-oriented citizens to spread the facts, generate the interest, and lead the fight for modern library services in their home towns.

. . . A young library user off to an ambitious start

BUILDING A LOCAL GOVERNMENT INVESTMENT PROGRAM

by T. Gregory Morton

[Editor's Note: The author is Assistant Investment Officer in the office of State Treasurer Edwin Gill. This article was adapted from his speech before a meeting of the Public Finance Officers Association held in conjunction with the annual convention of the North Carolina League of Municipalities. Recent legislation has broadened the investment authority of local government in North Carolina, and this speech gives a clear and concise introduction to the mysteries of this field. Individual reprints are available upon request.]

There are *three basic steps* to establishing a sound investment program for local government: (1) determining the amount of money available; (2) becoming familiar with the various investment media that are eligible; (3) learning how to purchase these investments.

Determining Amount Available

Only funds that are temporarily idle can be invested. To establish which funds may be invested, the investment officer must determine the cash currently on hand plus the funds that will be available. From this total of cash available, he must subtract the cash requirements to obtain the amount available for the earning of interest. To determine which investment media will be most suitable, when the funds will be needed must be established. If soon, a very liquid type of investment is called for.

To obtain the largest possible amount of funds for investment, all incoming funds must be deposited as promptly as possible and must remain on deposit as long as possible. This means that you must make sure that all governmental departments and officials deposit funds as soon as they are received and insure that all expenditures are made only when they are due. In other words, pay all your bills when they are due.

In determining the amount of funds you have available to invest, underestimating these funds is better than overestimating them. The funds are there in the first place to meet an expenditure, and it is much better to sacrifice a little yield than not to have funds available when they are needed. A national study indicated that approximately 80 per cent of the average unit's funds were invested. Nevertheless a unit should not weaken its liquidity position to achieve this goal.

This conflict between availability and yield brings us to the two cornerstones of public investment. These are (1) safety of principle, and (2) liquidity. Public funds must be protected from loss, and they must be available when needed. Once these two goals have been obtained, however, local units should attempt to earn the maximum possible return on their investments.

Investment Media

When you have determined the amount of funds to be invested and the length of time for which they will be available, you must decide on the particular investment media to be used. Since the statutes governing local governmental investment virtually eliminate any investments in which there might be eventual loss of principal, the primary criteria in selecting an investment media are liquidity and yield.

• *Bank certificates of deposit* are a common form of investment for governmental units. Certificates of deposit are easily obtained, and their yield is usually higher than the yield on short-term Treasury obligations. Their disadvantage, however, is that funds so employed are "locked in" until the certificate matures. Certificates of deposit usually have maturities ranging from three months to one year.

• *U. S. Agency securities* represent debt that has been issued by agencies of the U. S. Government. These securities are not guaranteed by the U. S. Treasury but are obligations of the specific agencies involved. These securities have the highest credit rating of any securities except those of the U. S. Treasury. For all practical purposes, they are without credit risk.

The five agencies issuing securities that are suitable for investment by North Carolina local governmental units are the Federal Land Banks, Federal Home Loan Banks, banks for cooperative, Federal

Intermediate Credit Banks, and the Federal National Mortgage Association. Most of the financial responsibilities for these agencies are financed by the sale of their own debt. These securities are usually referred to as "Agencies." They usually have yields similar to yields on bank certificates of deposit of equal maturity. Agencies are usually issued at par, but if there is a decline in bond prices, they may decline in market value. Therefore, they are best purchased with the intent of holding them until maturity.

• A *specialized and somewhat unusual* type of agency security is the Federal National Mortgage Association short-term notes. These securities are sold with maturities ranging from 30 to 270 days and can be bought for any specific number of days within that range. These discount notes are similar in form to commercial paper. An unusual feature of these securities is the fact that they can be purchased only from A. G. Becker and Company, which is their exclusive agent.

• *U. S. Treasury securities* have the highest possible credit rating. For practical purposes they involve no credit risk. They can be sold for immediate delivery and are very helpful when a unit's cash needs fluctuate widely. There are many different types of U.S. Treasury obligations, but the only ones that are advantageous to local governmental units are the marketable Treasury bills, certificates of indebtedness, notes, and bonds. Bills are issued on a discount basis, and the other types are issued in coupon form.

Treasury bills provide the most liquid form of investment. Bills may be purchased with maturities ranging from a few days to one year. Government securities dealers provide a ready market for these securities. Since they are purchased on a discount basis, Treasury bills increase in value as they approach maturity. Because of the increasing value and their ready marketability, Treasury bills can usually be sold without loss after having been held for only a few days. Because of this extreme liquidity, the concentration can be more on yield and less on maturity in the purchase of bills.

One method of dealing in Treasury bills that will improve the rate of return is known as "riding the yield curve." As mentioned earlier, the value of Treasury bills increases as they approach maturity. This increase does not come in a straight line, however. Most of the increase occurs prior to one month before maturity date. To overcome this lag in yield during the last month, it may be advantageous to sell bills of that particular maturity and to purchase ones of a longer maturity. If there is a decline in bill prices, the original yield can be insured by simply holding the bill until maturity.

Certificates of indebtedness, Treasury notes, and Treasury bonds are all issued in coupon form. Historically, their main difference has been in length of maturity. Certificates of indebtedness have maturities up to one year; notes, from one to seven years; and bonds, more than seven years.

Notes have been used quite extensively by the U. S. Treasury in the past few years, because there is no interest rate ceiling on these securities as on Treasury bonds. In the past twelve months Treasury notes have been offered with coupons as high as 5¾ per cent. Shorter-term notes, maturing within twelve to eighteen months, should prove quite useful to local governmental investors. Likewise, some bonds that are nearing maturity may provide a good yield despite their low coupon rate, since they can be purchased at deep discounts.

• Another type of investment is a *repurchase agreement.* This is an agreement with a securities dealer to buy short-term securities from him for immediate delivery and sell them back to him at the same price at a guaranteed rate of return. For example, you might enter into a $100,000 repurchase agreement with a guaranteed return of 4 per cent. You would purchase the securities from the dealer for $100,000 and sell them back at a fixed date at $100,000 plus 4 per cent interest for the time the repurchase agreement was in effect (for a thirty-day period you would sell back these securities on the above transaction for $100,000 plus $333.33, which you would have earned on your investment.) The securities involved in repurchase agreements are usually short-term Treasuries, but short-term Agencies may also be used.

If you do not know the exact date at which you will need the funds to be invested in a repurchase agreement, the agreement can be made subject to renewal, or it can be made on a demand basis in which either side can cancel the agreement. There is no market risk on repurchase agreements since that agreement is based on a prearranged rate and is not affected by market fluctuations. If a repurchase agreement is to be in effect for more than a day or two, the dealer may request the authority to ex-

How Much Is Available to Invest?

change securities. This exchange is for the dealer's convenience in carrying his portfolio and in no way affects the yield on the investment.

• *Shares of state-chartered or federally chartered savings and loan associations* are also legal investment media for North Carolina local governmental units if those associations have their main office in this state. Units may invest in the shares of these associations up to the amount insured by the Federal Savings and Loan Insurance Corporation. Because of this limitation on the amount of funds that can be so invested, savings and loan shares may not be suitable investments for the larger units despite a fairly attractive indicated yield.

• The statutes also permit local governmental units to purchase *obligations of the State of North Carolina* and *the obligations of most North Carolina local government units.* These securities are exempt from federal and State of North Carolina income taxes and therefore yield considerably less than eligible securities that do not have these exemptions. Since local units pay no income taxes, these securities can only result in a lower yield to the unit that purchases them and should be excluded from local governmental investment programs.

• Another type of securities that is eligible but not considered desirable for local governmental investment is the broad category designated as *obligations of any agency or instrumentality of the United States of America if the payment of interest and principal of such obligations is fully guaranteed by the United States of America.* These securities include, among others, Merchant Marine bonds, District of Columbia Stadium bonds, and Farmers Home Administration guaranteed loans. While these securities certainly have no credit risk, they are not as readily marketable as other eligible securities, and their maturities are usually much longer than that needed for local governmental investment.

Usually the liquidity study will indicate that some funds will be needed shortly and other funds will not be needed as soon. Consequently, the investment officer should invest in several different media to obtain a maximum return while at the same time maintaining a proper maturity schedule and adequate liquidity.

At the State Treasurer's Office we have a "hard core" of funds that will be available for investment for up to several years. These funds are invested in U. S. Treasury notes and bonds and in U. S. Agency notes. We usually limit these investments to bonds and notes that will mature in three years or less, and most of these longer-term investments are limited to eighteen months or less. The yield is considerably higher on these investments than it is on the bulk of our funds that we invest in Treasury bills or bank certificates of deposit maturing in six months or less.

Making the Purchase

Once the investment media and maturity schedule have been decided upon, the next step is to *make the investment.* First, certificates of deposit. Great care should be taken in arranging this type of investment since not all banks pay the same rate on their certificates of deposit. At the State Treasurer's Office we invest in certificates of deposit of six months' maturity and set the rate we demand to compare with that available on Treasury bills of six months' maturity. Since we keep C. D.'s with approximately ninety North Carolina banks, this standard rate greatly simplifies our handling of this type of investment. Local units can simplify their rate determination by referring to the bill rate or to the interest rate the State Treasurer demands on C. D.'s.

Another method that has been used very successfully by some governmental investors is competitive bidding. When a unit has some funds to invest in certificates of deposit, it sends bid forms to several banks. The bank that offers to pay the highest yield is the successful bidder.

When purchasing or selling Treasury bills or other Treasury securities, local units will probably find it advantageous to direct a local bank to handle the transaction. The local bank, in turn, can have the transaction executed through its New York correspondent. Most units will be dealing in relatively small amounts which can best be handled in this manner. Specifically, a unit should be of adequate size to make at least a $100,000 transaction every two weeks before going to a New York government securities dealer. In the case of smaller, less frequent transactions, the unit will do better to deal through a local bank where it maintains an account. Repurchase agreements can also be handled through a local banker by means of his New York correspondent.

Local governmental investment officers should handle the purchase and sale of U. S. Agency obligations in the same manner as a purchase and sale of U. S. Treasury securities—that is, by going through

The Most Advantageous Investment Media?

Chart I

TREASURY DEPARTMENT INVESTMENTS

SALE _____ EXCHANGE _____ TRADE _____

REFERENCE NO. _____ DATE _____

ACCOUNT _____ DELIVERY DATE _____

DESCRIPTION OF SECURITY _____

_____

DEALER _____

BOOK YIELD _____ SALE YIELD _____

DOLLAR PRICE _____

BOOK VALUE:	PRINCIPAL	$ _____
	PREMIUM OR DISCOUNT	_____
	ACCRUED INTEREST	_____
	TOTAL BOOK VALUE	_____
SALE:	PRINCIPAL	$ _____
	PREMIUM OR DISCOUNT	_____
	ACCRUED INTEREST	_____
	TOTAL SALE	_____
	DIFFERENCE	$ _____
	ADJUSTMENT: PLUS	_____
	MINUS	_____
	NET INCOME	_____

DELIVERY INSTRUCTIONS _____

GROSS AMOUNT DUE _____
LESS PURCHASE (IF TRADE) _____
NET AMOUNT RECEIVABLE _____ PAYABLE _____ _____

REMARKS:

Side 1

TREASURY DEPARTMENT INVESTMENTS

PURCHASE _____ EXCHANGE _____ TRADE _____

REFERENCE NO. _____ DATE _____

ACCOUNT _____ DELIVERY DATE _____

DESCRIPTION OF SECURITY _____

_____

DEALER _____

YIELD BASIS _____ DOLLAR PRICE _____

PRINCIPAL	$ _____
PREMIUM OR DISCOUNT	_____
ACCRUED INTEREST	_____
TOTAL AMOUNT DUE DEALER	_____
ADJUSTMENT: PLUS _____ MINUS _____	_____
NET COST	_____

DELIVERY INSTRUCTIONS _____

REMARKS:

Side 2

their local banker who has a New York correspondent. Agency securities could be purchased directly, but the method I have recommended is more suitable because of safekeeping considerations that will be discussed later.

Unless his unit is sufficiently large to maintain daily contact with national government bond dealers, the investment officer may find it difficult to determine whether the rate he receives on his investments is in line with the general market rate. To keep up with the "going rate" on Treasury securities and U. S. Agency obligations, it is good to subscribe to a government bond dealers' quote sheet. These quote sheets usually include a section on U. S. Treasury bonds, notes, and certificates of indebtedness, U. S. Treasury bills, and U. S. Agency securities. By comparing the rate he received with the rates quoted for that day, an investment officer can insure that he is receiving the "going rate." These daily quote sheets should be maintained in a file to show to the unit's auditor and investment committee.

There are several very good quite sheets—among them those put out by First National City Bank of New York, Bankers Trust Company, Discount Corporation, First Boston Corporation, Salomon Brothers and Hutzler, Merrill, Lynch, Pierce, Fenner and Smith, and Morgan Guaranty Trust Company. The quoted prices and information on these sheets are virtually identical, so I would recommend subscribing to only one.

Chart I (page 11) is a form entitled "Treasury Department Investments." It is used by our office as the original entry on most of our debt security transactions. As you will notice, one side is used to record sales, and the other side is used to record purchases. The form is more or less self-explanatory, so I will not go into a detailed description here. In setting up your own investment program, you may find this form or a similar form useful. If you have any questions at that time, please contact me at the State Treasurer's Office.

We at the State Treasurer's Office would also like to have the name, title, and address of the person designated to handle the investment program for your unit. This will help us maintain closer contact with the local investment programs, and also pass on any pertinent information we come across.

Providing for the Physical Safety of Securities

Before initiating an investment program, the investment officer should make adequate provision for the physical handling of securities. The best method I know of is to arrange a *safekeeping agreement* with a local banker who has a correspondent bank in New York City. The local bank will issue a safekeeping receipt to the unit's investing officer, but the securities will be kept in New York City. This agreement will eliminate the prohibitive cost of physical delivery, eliminate problems arising from lack of security facilities at the governmental unit's offices, and expedite delivery in case of sale.

It is very important that all instructions to the safekeeping bank be accurate. Unless specifically changed, the instructions of the investment officer will be binding and final upon the safekeeping bank. While telephone and other verbal instructions are a necessary part of any safekeeping agreement, they will have to be confirmed by letter.

Once the safekeeping account is established, the bank will buy, sell, receive, or deliver securities; will collect interest payments; will collect principal payments from either matured or redeemed securities; and will notify the investment officer as to calls and maturities. Proceeds from sales, maturities, coupons, and redemptions would be credited to the local unit's checking account and purchases of securities would be debited to the unit's account.

Summary

In summary, I will review a few points mentioned earlier. Cash management should be based on safety of principal, liquidity, and yield. To obtain the best return, you should keep as large a percentage of funds as possible invested for as long a period of time as possible. As far as eligible securities are concerned, the most liquid investments are Treasury bills and other U. S. Treasury securities, and the highest yielding are U. S. Agencies and bank certificates of deposit.

When purchasing certificates of deposit, you will get the best return by competitive bidding if the banks in your area do not all pay the same rate on their C. D.'s. U. S. Treasury securities and U. S. Agency obligations will probably be purchased through negotiation, but you should compare the rate you receive with the rate on a government bond dealer's quote sheet.

The most important step you can take in an investment program is the first one—starting it. Even the most simple program is better than none because interest lost is lost forever. □

The Best Way to Make the Purchase?

Book Reviews

SEARCH AND SEIZURE AND THE SUPREME COURT. *Jacob W. Landynski.* Baltimore: The Johns Hopkins Press, 1966.

This is the only book devoted to search and seizure which offers solid, thoughtful analysis of some of the fundamental problems involved in the United States Supreme Court's application of the Fourth Amendment (both directly to federal government, and indirectly, through the Fourteenth Amendment, to the states). Its use as a practical tool, however, would be limited to those lawyers who argue search and seizure cases on the highest constitutional plane, or to draftsmen who seek a philosophic understanding of the policy of the Fourth Amendment before undertaking a major effort in writing a search and seizure law. In addition, it can serve as a comprehensive bibliographic tool for references to Supreme Court cases and relevant articles.

The greatest concern of the book is with the exclusionary rule forbidding introduction into a criminal proceeding of evidence obtained by means of an illegal search and seizure. Landynski carefully traces the use of the rule in federal courts, the problems of the use in state or federal courts of evidence illegally obtained by agents of the other government, and finally the application of the exclusionary rule by the Supreme Court to the states.

Other major concerns are the history of the idea that the Fourth Amendment makes the presence of a search warrant an absolute requirement for the legality of a search except in a few emergency searches (an idea not consistently accepted at present) and the application of the Fourth Amendment to administrative searches and to wiretapping and eavesdropping (both of which applications have been substantially confirmed since the publication of the book).

What the book does not contain (and this is not a fault, but simply a characteristic of a book not intended as a comprehensive treatise) is detailed analysis of many of the questions on the undeveloped fringe of the law of search and seizure—what degree of understanding of rights must precede a valid consent to search; how much factual data must be written into an affidavit for a search warrant; how extensive may a search incident to arrest be, and so on. Occasionally the author's off-hand references to some of these problems are somewhat misleading in that he accepts with no question rules that have little solid basis – for example, that goods other than the object of a search warrant can never be seized by an officer proceeding under the authority of that warrant.)

The book can be of especially great value to anyone interested in understanding the countervailing policies that characterize the unfolding area of search and seizure.
—D.G. □

TAR HEELS TRACK THE CENTURY. *Pocahontas Wight Edmunds.* Edwards and Broughton Company, Raleigh. 1966. 355 pages.

Some of the flavor and color of their times illuminate these "pen-portraits" of North Carolinians whose contributions in the areas of statesmanship, education, business, and literature have made indelible impressions upon our country's history.

The author makes no pretense at biographical studies in depth, but rather approaches her subjects with a warm and anecdotal style that makes this book a pleasing addition to any informal collection of North Caroliniana. Andrew Johnson, Zebulon Vance, Matt Ransom, Charles Brantley Aycock, William Sydney Porter, James B. Duke, Walter Hines Page, Furnifold Simmons, Josephus Daniels, and Thomas Wolfe are the ten Tar Heels who appear on these pages.
—R.B.S. □

THE POLITICS OF ZONING: THE NEW YORK EXPERIENCE. *S. J. Makielski, Jr.* New York: Columbia University Press, 1966. 241 pp. $6.00.

For students of the zoning process, this book has two big pluses: it gives a play-by-play account of the process by which the first zoning ordinance was enacted in New York City (a historical record unavailable in such detail until now) and a similar account of the struggle to revise this ordinance in the period 1945-1960; and it analyzes (in terms of the political scientist) the participants, the "roles," and the strategies involved in these two campaigns. While the significance of the battle was greater in the setting of New York City, many officials in smaller towns will find the lessons portrayed here useful as they develop their own strategies for achieving similar objectives.
—P.P.G. □

INSTITUTE SCHOOLS and CONFERENCES

The fall began another busy year of schools, meetings, and conferences at the Institute of Government. Below are shown a group of tax officials who attended the school for assessing officers held at the end of November. Below left, Institute staff member Henry W. Lewis, who was responsible for the school, talks with two of the participants.

More Schools and Conferences

Above, a monthly meeting of the North Carolina Section of the American Institute of Planners. Above left, Dexter Watts, the Institute's specialist in wildlife law, has a good moment with the Wildlife Recruitment School, held December 2-21. Lower and lower left, the school attendance counselors were themselves in good attendance at their meeting held December 1 and 2. Lower right, B. J. Campbell, of the Highway Safety Research Center, talks to the Court Reporting Seminar held November 17-18.

. . . advantages and disadvantages of EASEMENTS and ZONING

by Robert E. Stipe

SINCE both "easements and zoning" are subjects on which most lawyers and a few planners could hold forth for hours, I shall try merely to describe the nature, advantages, and disadvantages of each of these devices as it pertains to historic preservation, and to put them into a somewhat broader context.

The subject "Easements *vs.* Zoning" is at once leading and misleading. It is leading, or informative, in the sense of suggesting that both are perfectly good legal tools for preserving the historic character of an area, and especially for protecting and enhancing the *visual* character of an historic area. However, easements *versus* zoning also tends to suggest that there is an "either-or" choice involved, and that one of these legal tools is to be preferred over the other. While each has its advantages and disadvantages in particular preservation situations, it is essential to note that both are but means to the accomplishment of particular ends, and not ends in themselves; their effective use requires not only some understanding of the fundamentally different legal nature of each, but also a context or plan of preservation according to which the "best" legal tool to solve a particular problem may be plucked out of the hat.

The Real Problem: Getting Control

The point needs to be made at the outset that in talking about either zoning *or* easements, we are noting merely two out of a rather large number of approaches that may be employed to "get control" over property in a manner that will tend to insure or enhance its chances of being preserved.

In most preservation situations, we (whether "we" are individuals, a historical society, a foundation, a city government, or something else) will wish to control primarily two things. First, we want to exercise some control over the way in which the property is used—that is, whether as a museum, an office, a residence, store, or otherwise. Second, in most situations, we want to have some control over the appearance of the property—to maintain at least its outward appearance as a historic structure, to provide an attractive setting for it, to prevent incompatible alterations or additions, and so on.

"Control" of these and other kinds can be effected in basically two ways. The first, perhaps the surest and simplest, is to have some degree of ownership of the property itself. For example, the most enduring kind of preservation is likely to result when all of the rights of possession and ownership (the "fee" as the lawyers call it) are in the hands of a preservation-minded individual, a historical society, or some unit of government—assuming, of course, that whoever "owns" also has the financial means of preserving. However, the entire ownership is not necessary. It may be more expedient in some situations in effect to "divide" the ownership by leasing the property to another individual, agency, or unit of government for an extended term, spelling out in the lease the terms by which preservation is to be accomplished. Another way to divide the ownership rights would be to sell the property outright, but to subject it to deed restrictions limiting the uses of the property and requiring

that the desired standard of architectural integrity be maintained, not only by the immediate purchaser but also by any subsequent purchasers or takers from him. This is in fact what happens in urban redevelopment. The redevelopment agency acquires the property, thereafter selling or leasing it to a redeveloper who accepts, as one of the conditions of his tenure, the responsibility of preserving it according to the terms of his deed or lease.

As we shall see later, there are additional means by which control may be exercised through some degree of ownership.

The second basic way in which preservation controls may be imposed is through public regulations—usually by a city or county, but occasionally by the state itself or one of its administrative agencies. Obviously, the regulating agency need not own the property to subject it to control "in the common good." However, the owner who violates the regulations runs the risk of subjecting himself to civil or criminal penalties of one kind or another.

Actually, there are a host of regulations that may, in one way or another, be made to serve the cause of preservation. Zoning or historic district regulations, by controlling the use of property and (more commonly these days) its outward appearance or aesthetics, are merely one of the more significant regulations available as a control device.*

With this extended introduction, let me briefly explain both zoning and easements and outline their major advantages and disadvantages.

Zoning

Zoning is now a widely used legal device by which local governments regulate the use, bulk, height, lot coverage, building setback, and other characteristics of private property. This is done in an ordinance dividing the city into districts, with different regulations applicable to property in each district. Such ordinances are adopted pursuant to enabling acts passed in each state, and they must be enforced strictly according to those acts. Since zoning, like many other regulations, is a delegated exercise of the state's "police" power, the regulations must bear some judicially believable relationship to the public health, safety, morals, and general welfare. In addition, both the "due process" and the "equal protection" requirements of the federal Constitution (and their state counterparts) must be observed.

Most of the traditional aspects of zoning, such as control of the use, height, bulk, and setback of property, are now well accepted by our courts, but a major point of controversy with respect to zoning in recent years has been the extent to which municipalities should be permitted to go beyond these traditional subjects of regulation and to use zoning as a device to regulate the aesthetics or the appearance of buildings as well. For example, the setback of a house from the street bears an obvious relationship to the public safety, but the relationship between the aesthetic appearance of the house and the general welfare is somewhat more tenuous. However, the state courts faced with this question have by and large had little difficulty with it, at least where the aesthetics of an historic area are concerned. Generally, the courts have been extraordinarily sympathetic to the notion that new construction, remodeling, and alterations in such districts must be visually acceptable as well as healthy and safe. While historic commissions can still get into difficulty by straying too far from the procedural mandates established by the state enabling acts, or by acting arbitrarily in a given case, the judicial precedent of reasonable aesthetic regulation in historic areas is now fairly well established in the states that have considered the question. Whether and to what extent the state courts will eventually tolerate the regulation of aesthetics in other, nonhistoric districts, where there exists no such obvious boon to the local tourist trade—and, hence, to the "general welfare," is an open question. A few recent decisions indicate that the traditional limits of the police power are slowly being expanded in some situations to encompass aesthetics, but this is by no means a "sure thing."

Scenic Easements

Now let me talk about easements, and then compare easements and zoning in terms of their relative advantages and disadvantages for preservation.

An easement, in legal terminology, is "a privilege on the part of the person entitled to it to make some use of the land subject to it in derogation of the possessory rights of the owner of the land." More simply, an easement is a very ancient common law device by which the bundle of rights we call "ownership" of property may be shared among a number of people. For example, I "own" my lot. If I wish to share with my neighbor one of my ownership rights (perhaps, the right to keep him and others off it), I may grant him an "easement" over a portion of it through which he (and perhaps his successors in title) may drive to reach his garage more conveniently. In other words, I am sharing some of my rights of owner-

*It should be pointed out that historic district regulations of the kind discussed here may be a part of the local zoning ordinance, or they may be established as a separate ordinance, depending on the enabling legislation. For our present purpose, the distinction is not significant.

• *[Editor's Note: The author's special field at the Institute is city planning. He is a member of the Chapel Hill Community Appearance Commission and was a founder of the Chapel Hill Historical Society. His article comes from an address given before the annual meeting of the National Trust for Historic Preservation in October.]*

ship with him. In somewhat the same fashion, a public or private agency might acquire from X a negative easement over the facade of a historic building to prohibit any change in that facade without its permission. In other words, X would "own" all of the rights to use the building, exclude others, sell it, pay taxes on it, *except* that he would not own the right to change the appearance of the building without permission.

At this point the subject matter of this discussion needs to be broadened somewhat, primarily because "easements," for our purpose of getting control over the visual character of an historic area, are but one of a fairly large number of essentially private approaches to the problem. Thus, what an easement could accomplish could also be achieved (practically speaking) by a long-term lease of the property, assuming substantially the same restrictions were incorporated into the lease. Thus, the Chapel Hill Historical Society might lease an eighteenth-century house to A for 100 years, restricting by the terms of the lease A's right to change the exterior appearance of the house.

A number of other legal approaches to the same problem are also available. To illustrate, the property might be sold subject to restrictive covenants (also called deed restrictions) having the same general effect as the lease mentioned a moment ago. Similarly, the property might be conveyed by deed or will to A "so long as" he maintained the exterior of the property in a manner satisfactory to the Society. Depending on the particular wording used (and here the law becomes very sticky indeed, since hundreds of years of "precedent" are involved), the property may automatically revert to the Society with no further action on its part if the conditions are broken. Or it may obtain merely a (potential) right of re-entry for broken conditions.

Suffice it to say that there are a number of perfectly good legal ways in which such private controls may be set up and enforced. Generally, as indicated earlier, they involve some division of the "ownership" of the property.

Advantages and Disadvantages of Zoning

What are the advantages and disadvantages of each approach? Zoning (regulations) or easements (ownership)? Here, we can evaluate each only in general terms, and I hope you will keep in mind what I have said already about its not being an "either-or" proposition. Choice of the "right" approach depends on the plan of preservation for each area, and usually both public *and* private approaches will have to be employed.

- To take one side of the coin, zoning has a number of distinct advantages. One of these is that through zoning the aesthetics of fairly large areas—whole neighborhoods or districts—can be regulated at one swat. Each property in the historic district or zone becomes subject, at the time its owner decides to build or alter, to the jurisdiction of the reviewing agency established by the ordinance. This is usually a special historic district commission of some kind, with authority to approve or reject the owner's proposals as they relate to exterior views of his property. Typically, such commissions are endowed with a highly protective set of instincts and standards, and as a public agency they will normally have continuing or permanent jurisdiction and control over all properties in the historic district.
- A related advantage of zoning is its widespread political and judicial acceptability, at least where preservation is concerned. For example, the historic zoning provisions for Old Salem have stood without court test for two decades, even though until very recently the city had no authority to adopt the ordinance at all. The ordinance has held up simply because the protection of Old Salem has been widely accepted by property owners in the area covered by the regulations. In other places, the courts have also been friendly. The New Mexico Supreme Court in 1964 upheld the historic district provisions of the Santa Fe ordinance even though no enabling authority for such provisions had been granted by the state legislature at the time the regulations were originally adopted.
- A third and major advantage of zoning is that it "comes free," at least in the sense that the preservation agency need not spend money to purchase or condemn the individual's right to control the appearance of his building. Zoning is an exercise of the police power, and the property owner has given up a right without compensation in recognition of the broader benefits to society as a whole.
- On the other side of the coin, the disadvantages of zoning for preservation purposes are many. A particular city may have no legislative sanction or authority for the adoption of such controls in the first place. (This may or may not be a major problem, as indicated a moment ago.) Or, if it has been given such authority, its jurisdiction may not cover a sufficiently broad geographical area, as when the historic area is located outside the corporate limits.
- Second, as a public control device, zoning is always subject to political influence or abuse, and even the best set of regulations, once adopted, may be amended or watered down at a later date to meet the requirements of a politically influential property owner or owners, thus lowering the quality of the regulations throughout an entire area.
- A third category of problems with zoning relates to the quality of enforcement—or the lack of it. These problems run the gamut from lack of financial resources for adequate inspection personnel, through merely inept performance on the part of the historic district commission, to outright corruption

and graft. In this category also is the traditional reluctance of municipal governing boards to go to court unless they absolutely have to. It might be noted here that enforcement of aesthetic regulations is considerably more complex and time-consuming than the enforcement of the traditional use, height, and bulk requirements of the ordinary zoning ordinance. The latter are relatively simple to check. Aesthetic controls, which may include everything from landscaping and architectural style on the one hand to the color and materials of a doorknob or shutter on the other, call not only for more inspection personnel, but also for better-trained personnel.)

• A fourth disadvantage with the zoning approach has to do with the uncertainties that are likely to be encountered in regulating the nonmuseum type of area, or where the architectural character of the area to be regulated is mixed. Where, for example, a significant number of authentically valuable historic buildings are located compactly in a relatively clear-cut area, high standards of conformity may be written into the ordinance with relative ease, and the desired standards of architectural compatability can be spelled out with some precision. However, in the nonmuseum area, where historic properties sit in isolation or in small groupings here and there throughout an area composed predominantly of later buildings of little or no historic merit, quite another problem is presented. In this situation, the political facts of life will usually dictate that the regulations be watered-down initially. In addition, there is undoubtedly a point, quickly reached, at which a court might say that the proportion of buildings of real historic merit in the area is so low that there is no substantial benefit to the public welfare (in terms of enhanced tourist trade) in the enforcement of aesthetic standards. Careful attention must therefore be paid at the outset to the rather critical problem of where to draw the historic district boundaries.

• Finally comes the problem of design standards and their use and interpretation. In general, the courts have tended to accept very general statements of standards and thereby have avoided the legal problems involved in delegating legislative authority to a nonlegislative body.

However, some practical problems remain. Is it better to employ general standards, such as those in use in Charleston, South Carolina, in which the objective is to "prevent developments which are 'not in harmony' with the prevailing character of Charleston, or which are 'obviously incongrous' with this character"—or is it better to provide specific guidance in terms of architectural detail in the fash-

ion of the ordinances in Santa Fe, Santa Barbara, and St. Augustine? Recalling, as Carl Feiss tells us, that "[a] return to the womb of time is neither physically possible or psychologically healthy," and acknowledging that our purpose is to encourage well-designed, adaptive contemporary buildings and uses within the historic district as well as to preserve what is already there, at what point in prescribing standards do we inhibit the good designer of contemporary buildings and encourage mere imitativeness? I assume that by now most of us would scorn mere imitation as a legitimate preservation objective.

Advantages and Limitations of Easements

We turn next to the relative advantages and limitations of easements as a preservation tool.

The acquisition of architectural easements to protect the outward view of a building seems to hold much potential for effective control, although I suspect that, like zoning, it will turn out to be a mixed bag of blessings.

• The first consideration is cost. While scenic easements will often be obtained "for free" through the gift or will of a preservation-minded individual, in many (if not most) situations the easement represents a property right that must be bought or condemned. Usually, it will cost cash money. In this sense, its cost advantage is a purely relative one, in that the scenic easement will presumably cost less than the whole fee, or the whole bundle of rights that constitute complete ownership. A not inconsiderable advantage from this standpoint (assuming that you are the property owner) is that it provides compensation to the owner for whatever rights are given up. This, of course, is not true of zoning.

• A second advantage to the "easement" approach is its flexibility in terms of geographical coverage. Through the use of easements, effective architectural control can be obtained against properties located elsewhere in the city than in the more compact districts in which historic zoning provisions might reasonably be made to stick. In this sense, the easement is "good anywhere."

• A third advantage stems from its potential flexibility in dealing with individual situations. Whereas the zoning regulation must deal impartially or uniformly with all properties within a given district, the easement can be tailored to meet particular problems. (Bear in mind, again, that this is also true of reverters, conditions, leases, deed restrictions, convenants, and other private approaches.) For example, suppose the case of property A, whereon sits a historic structure and for which the major preservation objective is the maintenance, unaltered, of the structure's present facade. Specific easements could be written to obtain this objective. But if property A is adjoined by properties B and C, perhaps the most these properties can offer is a "setting" or an enhanced view of property A. In the case of B and C, easements to insure the preservation of a view of A, or restrictions against any alteration or change of the landscape of B and C, would be more appropriate.

Against these advantages of relative low cost and flexibility, what are the problems?

• First, it must be remembered that here we are dealing with individual properties and not whole districts. Thus, the time involved in acquiring the necessary easements and the complexities of dealing with many individual property owners become obvious. In addition, unless the preservation agency has the authority to condemn the easements (as well as to buy or to have them bestowed by gift, etc.), one hold-out property owner may wreck the preservation plan for an entire block or neighborhood.

• A second problem with the private approach stems from what will seem to many people to be mere "legal technicalities." The creation of various interests in land—easements, leaseholds, deed restrictions, rights of reverter, and so on—is based on hundreds of years of common law tradition, both here and in England. Both statutory and judicial modifications of the common law of real property among the fifty states require the highest skill in legal draftsmanship to create and sustain such interests.

In the case of easements, for example, one legal tradition that still exists in a number of states would draw a distinction between an easement "in gross" and an easement "appurtenant." This kind of distinction immediately raises questions about who can enforce the easement, what are the rights of subsequent purchasers, and so on. There is, indeed, some lingering question whether "new" or novel easements of the kind we are discussing here may even be legally established in some states. Without dwelling on the legal details, or upon the pitfalls resulting from a careless choice of approach or inadequate draftsmanship, let me refer the lawyers among us to the study *Private Approaches to the Preservation of Open Land*, by Russell L. Brenneman, published this year by the Conservation and Research Foundation.

• Legal problems aside, there are also practical problems with easements. Clearly, when a historic building is to be used for museum purposes, the whole title, the "fee," is required to make the property available for use by the public. But if you merely wish to preserve the building whole and prevent its alteration via easements attached to the facade, the impact of divided title or ownership becomes immediately apparent. Here, for example, is owner A, enjoying some of the rights in his bundle—using the building, renting it, keeping others out, paying taxes, and so on. B and his scenic easement over the unaltered facade lurk more or less unnoticed in the background. But what happens, or

what *should* happen, when A's right to remodel the building inside for use as an office or store clashes head-on with B's right to have the outside unaltered—when for structural or other reasons A can't change the inside without having some exterior change, objectionable to B, become apparent?

- Another point to be mentioned is that by dividing title to the present possessory estate, you may be setting up rights that are difficult to alter at a later date if preservation objectives change. It is not impossible that the presence of such easements may also muddy the waters with respect to subsequent purchasers, cutting down opportunities for the sale of the property, upsetting established property values, and so on.
- Related to this is the problem of the cost or value of scenic easements, mentioned earlier as a relative advantage. When all that is to be acquired is the easement or right to an unaltered or preserved facade, the value of the easement is whatever the owner of the fee can get for it based on free and open negotiations. (The same would be true when the entire fee was purchased and sold subject to restrictions against change; the value or cost of the easement would be the difference between the acquisition cost of the fee and the amount realized on the subsequent sale of the property subject to the restrictions on alteration.) However, these are in-

ANNOUNCING—A Course in Planning for Preservation of Historic Buildings and Areas

The Institute of Government of the University of North Carolina, with the cooperation of the North Carolina Department of Archives and History, will sponsor a one-week, intensive short course in Planning for the Preservation of Historic Buildings and areas, March 10-16, 1968.

The course is designed to provide an introduction to preservation planning for city planners, urban renewal administrators, historical society and museum directors, architects, historians, government officials, private citizens and others who are professionally involved in public and private preservation programs.

The course will cover a broad range of preservation subjects, including the identification and evaluation of historic areas and resources, the preparation of plans for historic sites and areas, and the implementation of such plans through historic area zoning, private covenants, urban renewal, and other strategic legal and administrative devices. Considerable emphasis will be placed on the new federal preservation legislation. A major goal of the course is to identify the points at which urban planning and development programs can provide support for public and private preservation efforts. The course will be taught by members of the University of North Carolina faculty, supplemented by professionals in the preservation and planning fields.

Most of the course will be taught in the Joseph Palmer Knapp Building, home of the Institute of Government, in Chapel Hill, N. C. However, the last two days will be conducted at Winston-Salem, N. C., in the town of Old Salem, an eighteenth century Moravian settlement adjoining Salem College. There lectures, demonstrations, and field trips will be sponsored by the professional staffs of Old Salem, Inc., and the Winston-Salem-Forsyth County Planning Board.

The tuition and fee schedule for the course has not yet been definitely established. There will be a supplies and materials fee of approximately $40-$50 for all students to cover the cost of text materials and other supplies, and there will be a tuition fee for all non-residents of North Carolina.

Some text materials, with reading assignments, will be mailed to students several weeks in advance of the course. Appropriate deductions will be made for those accepted who already possess or have access to the required materials.

Housing in rooms with twin beds and connecting bath will be available at the Institute of Government for $3.00 per night, Sunday through Thursday, to the first 15 applicants who request it upon receiving acceptances. Other accommodations, at higher rates, are available at local hotels and motels in the Chapel Hill area. All transportation and living costs, including the trip to Winston-Salem on Friday and Saturday, will be in addition to the tuition and materials fees charged by the Institute of Government.

Since enrollment in the course will be limited to a total of 25 students, applicants are advised to write immediately for application blanks and more detailed information about the course to Professor Robert E. Stipe, Institute of Government, University of North Carolina, P. O. Box 990, Chapel Hill, North Carolina 27514. □

stances of cost set on the basis of negotiations between buyer and seller. The problems of cost or value may become much more complicated when the easement is condemned, i.e., taken from the owner by a public or quasi-public agency upon payment of "just compensation" in an eminent domain proceeding authorized by statute. Normally, what constitutes "just compensation" when the entire ownership is acquired is based on the property's market value; here the condemning agency can look at the value of comparable sales. But a more difficult question arises in the case of easements. How do you put a fair value on the owner's right to control the appearance of the facade? How is this to be determined in the absence of "similar" transactions by which to judge? What constitutes a "similar" transaction?

We can only speculate at present about other problems of cost and valuation. For example, in the case of so-called "open space" easements, intended to provide Green Belts, or "breathing space" around cities, it has been found in a number of situations that the value of the easement is as great as the value of the fee and that the private approach is not necessarily more economical. However, in the case of scenic easements adjoining certain Wisconsin highways (acquired for highway beautification purposes), the easement approach has been relatively inexpensive.

● A final question regarding scenic easements, one that must eventually be settled by the state legislatures, is who should be given the authority to acquire such easements for preservation purposes? And how much authority should they be given? Should they be authorized merely to purchase these interests, or should they be allowed to use the power of eminent domain? It has been suggested that if such rights are indeed cheap, their acquisition by private groups should be restricted, since too many agencies will tend to acquire too many of these rights, thus creating complicated problems of ownership. Related to this problem are the traditional state constitutional requirements of a "public purpose" to underlie the expenditure of public funds and of a "public use" as the basis for the exercise of eminent domain powers. In general, the acquisition of interests in historic property have been held by the courts to be a valid public purpose for which public money may be spent. Obviously, however, as the property (or interest therein) becomes less and less significant from a historical standpoint, there is a danger of crossing the line beyond which the courts may be reluctant to find that a "public purpose" exists. The question of "public use," which comes up with respect to the condemnation of property, is subject to the same pitfall, and may, indeed, be treated even more strictly by the courts.

Conclusion

On balance, how do easements come out versus zoning? How do they stack up against one another?

As a practical matter, there will probably be a continuing tendency to rely on zoning or similar historic district regulations as the major means of architectural control in historic areas in spite of the drawbacks mentioned. The judicial precedent for these regulations is well established, and I suspect that we will see considerable refinement of existing techniques in both the substance and procedure of zoning rather than any wild rush to embrace scenic easements as a substitute device. At present, however, zoning is still a relatively crude approach to the problem.

Nevertheless, historic preservation through zoning still provides us with a forced opportunity to view our preservation plans within the context of over-all community and neighborhood development objectives. In addition, and most significantly, the urban planners (who are also the traditional custodians of the zoning machinery) are beginning to develop an increased interest and awareness of the problems of preservation. The transfer value of the planners' skills to the preservation setting is very real, if we will but take advantage of it.

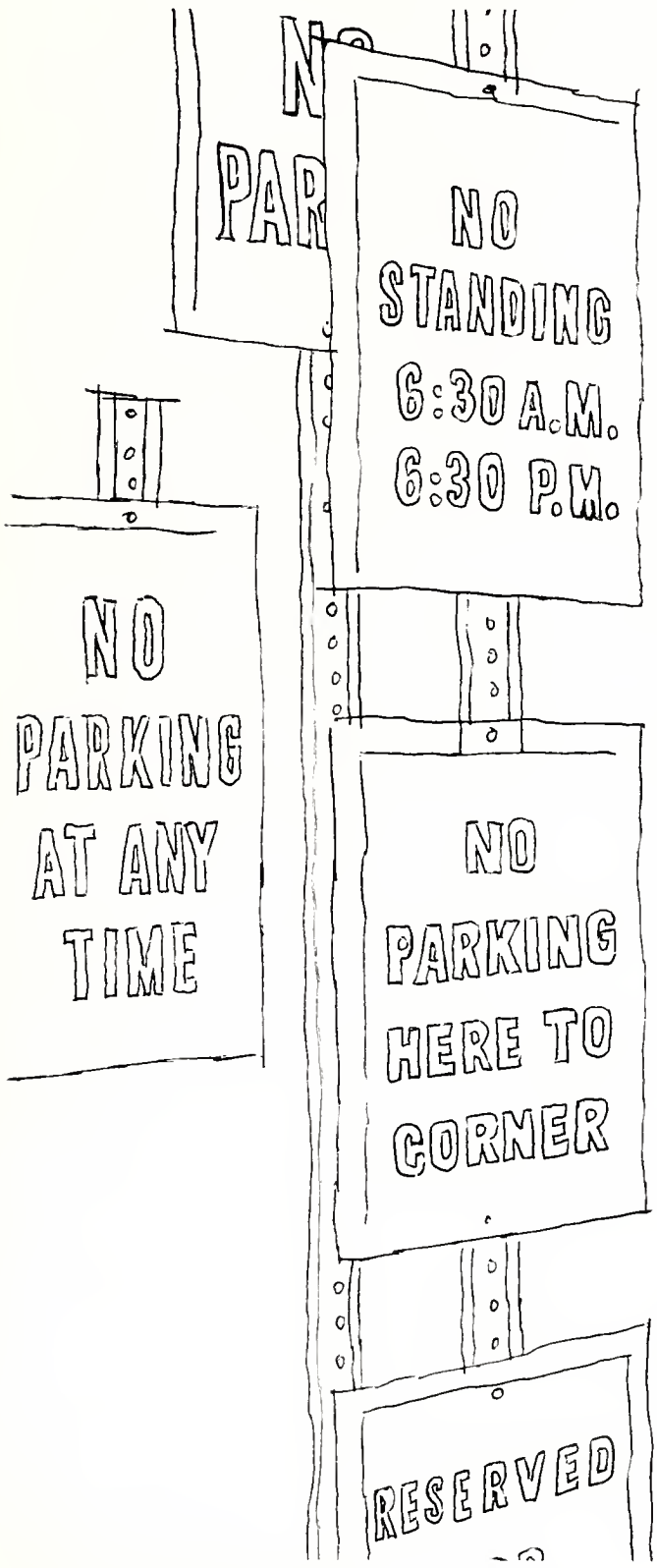
Having said this, let me also hazard the opinion that more extended use of scenic easements for preservation will come in relatively short order. Much is being learned about the use of this tool in such other fields as highway beautification and resource conservation. While there will undoubtedly be problems in obtaining complete judicial acceptance of easements as a means of achieving architectural controls, careful legal draftsmanship preceded by thoughtful consideration of the most appropriate approach to varying and highly complex situations should tend to overcome this problem.

The political problem of securing adequate legislative authority for the use of scenic easements by private groups is likely to be a more significant obstacle. One wonders whether, in this case, the preservationist will be found riding the coat tails of the conservationist.

So it is not a matter of zoning on one hand against easements on the other. What we must do is give more purposeful attention to the wide range of incentives already available to encourage people to do what is right in planning and preservation and to the disincentives we have to prevent people from doing what is wrong. These include such gentle measures as mere persuasion and "listing" of historic properties at one end of the scale to tax relief and the outright denial of a building permit at the other. All of the numerous approaches need to be looked at in context, with each tool selected for the job it can most appropriately and effectively do, and each viewed as the means to an end and not an end in itself. □

MUNICIPAL PARKING: REGULATION and ENFORCEMENT

by David G. Warren



Parking is every motorist's problem. It is also city hall's problem.

With the growth of North Carolina cities and towns vehicular crowding in the central business districts has increased. For city officials, the mounting problems of traffic flow, curb parking, off-street parking facilities, and pedestrian safety demand constant attention. The regulation of municipal parking is a frequent topic of discussion—and sometimes heated debate—at city council meetings. It is an object of considerable public concern, as evidenced by the many news articles and editorials.

While each municipality must assess its own parking needs in terms of street layout and design, parking space inventory and usage, enforcement personnel availability, and budget capability, solutions must be checked against the prevailing legal principles affecting municipal parking.

North Carolina statutory and case law in this area is surprisingly complex. Many city attorneys have discovered ambiguities in the law and have raised questions of case law interpretation. In recent sessions of the General Assembly, clarifying amendments have been made to some of the parking statutes. But uncertainty on some points still remains, particularly on the matter of financing off-street facilities.

The purpose of this article is to outline some of the settled legal principles affecting the regulation and control of parking by municipal governing bodies. (*Financing of parking facilities is not discussed in this article.*) For clarity and because of important legal distinctions, curb parking and off-street parking are treated separately.

A. Regulation of On-Street Parking

1. The word "park" as used in motor vehicle regulations means "the permitting of such vehicles to remain standing on a public highway or street, while not in use" [State v. Carter, 205 N.C. 761, 763 (1934)].

2. Authority of municipalities to regulate the use of streets for parking of motor vehicles is granted by G.S. 160-200(11), which empowers cities to adopt ordinances for the regulation and use of the streets generally, and by G.S. 160-200(31), which empowers cities "to regulate and limit vehicular parking on streets and highways in congested areas." Thus, con-

siderable discretion is granted city governing bodies in controlling parking, subject to the test of reasonableness as imposed by the courts [see State v. Carter, 205 N.C. 761 (1934)].

3. The State Highway Commission is authorized by G.S. 136-18(5) to adopt rules and regulations governing parking upon any streets that form a link in the state highway system and are maintained with state highway funds. Where SHC regulations are in effect, they supersede the municipal parking ordinances for those streets.

4. Regulations must be set out in ordinances adopted by the governing body. "No parking" zones may not, for example, be designated by the Chief of Police [Attorney General's letter to W. R. Poole of May 7, 1952].

5. By ordinance, free or unlimited parking spaces on public streets may be specially designated for public officials, public conveyances (taxis, buses), and other purposes where there is a reasonable public justification therefor, but not for private individuals (such as doctors, merchants) [Attorney General's letter of January 21, 1955; see also *Guano Co. v. Lumber Co.*, 168 N.C. 337 (1915)].

4. By ordinance, curb parking can be modified to meet the changing needs of the city—for example, to require either angle or parallel parking, or to prohibit parking altogether or during certain hours or in certain locations [see State v. Carter, 205 N.C. 761 (1934)].

7. An abutter (e.g., a merchant, theater, church) has the right of reasonable ingress and egress, but he has no special privilege to use or deny use of the curb of a public street for parking [see *Crotts v. Winston-Salem*, 170 N.C. 24 (1915)].

8. A municipality may prohibit the use of streets for private business or other purposes detrimental to the public convenience or safety. For example, one case upheld an ordinance requiring taxi depots on private property rather than permitting taxi stands on the public streets [*Suddreth v. Charlotte*, 223 N.C. 630 (1943)].

9. By ordinance, the city probably can control parking on a private street when it is used extensively for public traffic.

10. The city can make provision for towing away vehicles which are illegally parked. Towing may be performed directly by city trucks and employees, or may be contracted for with a private concern.

B. Enforcement with Curb Parking Meters

1. The use of coin-operated meters as a device for regulating parking is authorized by G.S. 160-200(31) on the basis of "public convenience and safety" and has been upheld by the N. C. Supreme Court in *State v. Scoggin* [236 N.C. 1 (1952)]. An earlier decision *Rhodes, Inc. v. Raleigh* [217 N.C. 627 (1940)], which disapproved parking meters, is therefore superseded. The *Scoggin* case is the controlling court decision on parking meters. It held, in brief, the following:

(a) It is not unlawful for a municipality to use multiple-coin parking meters in enforcing on-street parking regulations, but there are limitations imposed on their use.

(b) Parking spaces can be designated with maximum time limits by ordinances which can be enforced with penal provisions, but shorter *time limits* within the maximum cannot be so enforced (i.e., no 12-minute meter within a one-hour zone); therefore, when a motorist stays 15 minutes in a one-hour space, without depositing either any money or insufficient money in the meter, he is not guilty of *overtime* parking.

(c) "Feeding the meter" beyond the maximum time limit does not extend the lawful limit.

(d) An ordinance can require the meter to be activated by a coin deposit as a condition precedent to lawful parking; therefore, a motorist who parks 15 minutes in a one-hour space can be found guilty of violating such an ordinance if he does not start the meter running with a coin.

2. Relying on *Scoggin*, an ordinance might require *continuous* meter activation or operation up to the specified maximum limit if a car remains parked there; therefore, a violation of this type of ordinance with criminal liability *would* occur when a motorist parks longer than the twelve minutes registered by his deposit of one penny in a multiple-coin one-hour meter [Attorney General's letter of September 14, 1956, to Lawrence A. Stith].

3. Parking meter rates may not be set at more than 5 cents per hour [G.S. 160-200(31)].

C. Curb Parking Penalties

1. Violation of curb parking regulations could be prosecuted under G.S. 14-4 (criminal penalty) or sued against under G.S. 160-52 (civil penalty).

2. G.S. 20-162.1 provides a prima facie rule of evidence to assist in prosecution of parking offenses: the name of the registered owner of the vehicle parked in violation of statute or ordinance shall be considered prima facie evidence of the violator. When this section is used, a $1.00 penalty (i.e, fine) is prescribed by the statute. In *State v. Rumfelt*, [241 N.C. 375 (1955)], the Court upheld this section and declared the $1.00 fine to be a criminal punishment for a misdemeanor. It is doubtful that this rule could be used in connection with *off-street* parking-lot violations.

3. The criminal penalty or fine collected upon *conviction* of an on-street parking violation is directed by Article IX, section 5, of the N.C. Constitution and by G.S. 115-98 to be applied to the local public school systems. The voluntary payment of the parking

penalty (usually $1.00) collected by the municipality *without* a court action does not seem to come under the classification of "criminal penalty, forfeiture or fine" and therefore probably can be placed in the municipality's general fund [see *Board of Education v. Henderson*, 126 N.C. 689 (1900), and *State v. Rumfelt* [241 N.C. 375 (1955)]. Further discussion of this point may be found in ASHMAN, ENFORCING MUNICIPAL ORDINANCES IN NORTH CAROLINA (Institute of Government, 1966).

D. Municipal Off-Street Parking Facilities

1. Authority for municipalities to own and operate and to regulate off-street parking facilities and to make a "reasonable charge" for the use of such facilities is granted by G.S. 160-200(31). There is no other restriction or limitation on how the charge may be made. Therefore, it may be collected by meter, attendant, gate machine, or other device; it may be charged by the hour or fraction thereof, day, week, or month; it may be a higher rate than for on-street parking [Attorney General's letter to Cecil J. Hill of July 18, 1962].

2. Municipal off-street parking facilities are considered by the Court generally to be a public purpose and therefore a permissible municipal function. The city council must first find and declare them to be a public purpose [*Henderson v. New Bern*, 241 N.C. 52 (1954)]. They are, however, considered as proprietary or commercial in nature, and subject to the legal restrictions on financing ordinarily attached to that type of function [*Britt v. Wilmington*, 236 N.C. 446, 450-51 (1952); *Horton v. Redevelopment Commission*, 259 N.C. 605 (1963), 262 N.C. 306 (1964); 264 N.C. 1 (1965)].

E. Off-Street Parking Penalties

1. A municipality cannot regulate its parking facilities by ordinances carrying criminal penalties for their violation. In *Britt v. Wilmington*, [236 N.C. 446, 453 (1952); see also Attorney General's letter of September 2, 1965, to Fred G. Morrison, Jr.], the Court said: "A regulation adopted in connection with and in furtherance of an undertaking which is purely proprietary in nature may not be enforced by criminal prosecution."

2. Municipalities nevertheless commonly do give "tickets" to motorists when meters on municipal lots register overtime parking; such a ticket serves as an indication to the motorist that he has parked in violation of the lot's rules and conditions. While no court rulings have been made on them, various enforcement practices have been suggested.

(a) the violation may be considered the basis for a civil action of debt against the motorist;

(b) the violation may be considered as criminal trespass under G.S. 14-126 on the basis that one who remains after being told to leave is a trespasser [see *State v. Clyburn*, 247 N.C. 455, 462 (1957)];

(c) the violation may be considered as common law civil trespass, with at least nominal damages [see *Lee v. Stewart*, 218 N.C. 287 (1940)];

(d) the violation may be the basis for indictment under G.S. 14-108 (obtaining property or services from slot machines, etc. by false coins or tokens); the Attorney General's letter of January 8, 1954, to Lawrence A. Stith expressed doubt about this procedure, but noted that some cities are in fact using it and the Court has not ruled on it.

3. Other ideas which have been suggested in order to discourage misuse of off-street lots are these:

(a) establish rules and regulations under G.S. 160-52 governing the facilities but attach no penal provisions (in order to comply with the *Britt* case), only civil penalties;

(b) post stipulations for use of lot, including notice of rates and a tow-away notice;

(c) use attendants;

(d) install automatic toll gates.

F. Regulation of Private Parking

1. Some other jurisdictions permit local authorities to regulate and control the use of private off-street parking lots, but North Carolina statutes do not specifically authorize such regulation.

2. By zoning ordinance a city may establish requirements for hotels, theaters, restaurants, and other businesses to provide off-street parking facilities for employees and patrons—for example, one space for every three hotel beds, or one space for every four theater seats. Also, private parking lots may be restricted or prohibited in designated zones, with preexisting lots becoming nonconforming uses. [See a publication of the N. C. State Department of Conservation and Development, Division of Community Planning, entitled, "Off-street Parking for North Carolina Cities" (November, 1964; $1.00) for a summary of zoning requirements].

3. A city may impose a privilege license tax on private parking lots but no standards of operation can be enforced in this manner.

4. G.S. 14-401.9 makes it unlawful to park a vehicle in a private parking space without permission, when the space is so designated by a sign; the penalty is a $10.00 fine.

• *Editor's Note: The author is an Institute staff member whose primary field is health law. However, he has also consulted with several cities on their municipal parking problems.*

Administration--
A Necessary Evil?

by S. Kenneth Howard

[*Editor's Note: This article was adapted from a speech given before the Public Health Section of the American Physical Therapy Association last summer. The author's fields at the Institute are public administration and finance.*]

Not infrequently a good administrator is described as one who can "really push the paper." Taken lightly, this description implies that administration as a function or a process is simply a matter of keeping in motion all the related paper flow so common in today's modern bureaucracies, whether public or private. Viewed somewhat more deeply, it acknowledges, justifiably, that the job of the administrator is basically to facilitate the *real* work of the organization. Organizations are formed to accomplish objectives, not simply to be administered; administration, then, is a means to the end of improving organizational accomplishment of objectives. The most tangible organizational accomplishment, however, occurs not from the work of administrators, but from that done by the employees concerned directly with operations—those dealing with the clients, patients, customers, public, or what have you. In this context, the administrator is to be the facilitator, the expediter, of the essential work of the agency. A rather folksy definition current in my own organization calls the director the "hewer of wood and the drawer of water."

There is a tendency among college faculties to downgrade the importance of administrators in higher educational institutions, to accept them, if at all, as no more than necessary evils. Nevertheless, that viewpoint is not accepted when accolades, renown, and professional prominence are distributed throughout a given profession. If asked to name the leading people in the country in your field, whom would you select? In academic circles, those most often named would be researchers who have done historic break-through work and have published their findings widely, and those who administer the larger programs that are the most successful in professional terms. Certainly one of the quickest, although perhaps not easiest, routes to professional prominence is through administration. Yet there remains a strong undercurrent of sentiment within the professions that denigrates administrators; that assumes that those who enter such work over time lose their touch with the heart of the work and the purpose of the profession; that feels that administrators are turncoats on the profession, or else did not really have the talent to succeed in the line of fire anyway!

Be that as it may, while philosophers suggest to the individual: know thyself, for the administrator, it helps if he knows his substantive field. This means normally that he should come up the ranks of his chosen profession and have been well schooled with experience in that area before becoming a top administrator. Obviously I do not believe that administrators *must* come from this kind of background or that administrative skills cannot be trained; if I believed those things, I would be out of a job. However, generally the men who seem to make the best administrators are those who possess administrative skills and either significant experience in a given field or an enormous capacity to learn the central aspects of a field rapidly.

Frequently administrators of professional programs "back" into this work; they do not set out to be administrators. They seem to recognize that administrative work is necessary and they figure *someone* has to do it, so they take it on. Thus, even the program administrators themselves consider administration to be a necessary evils and certainly they do not conceive of it as a positive contributor to the success of the program or organization.

The Attraction of Administration

Why do men enter such work and where are the satisfactions? There are, of course, many answers to these questions depending upon individual situations and psychology, but some causes for the desire to become an adminis-

trator can be suggested. One has already been mentioned—prestige and greater professional visibility. Also, customarily, administrators of programs are paid more than those who work in the actual operations of the agencies. Among professional people, money is probably not the sole motivator of men, but it is an important one and we might as well admit it. Administration is where the money is, and many go into it for this reason. Again, this view of the administrator's role represents no concept of administration *per se* as a positive force in an organization.

The great triumvirate of administration's attractions—prestige, money, and power—has a third leg, power, to which we can now turn. Top administrators are assumed to have power because of the high position they occupy within the organization. In this society we are trained from youth to defer to authority, whether it be in the form of a parent, school teacher, policeman, or boss. This pre-conditioning of deference toward administrative superiors is a real source of power for administrators.

Nevertheless, while an administrator's primary objective is to affect the behavior and actions of others in his organization, his ability to have this kind of impact—that is, his power over other individuals—is quite limited. He can rarely command. He must rely on far more subtle techniques and approaches—leadership, persuasion, personal friendship, bargaining, and his own personal characteristics and charisma. The inter-personal dealings in this administrative environment require great agility and finesse. It would be naive to contend that an administrator does not have power and ability to affect importantly the actions of his administrative subordinates, but we should not overestimate the amount of power such a man holds. Harry Truman once observed about the Presidency: "I sit here all day trying to persuade people to do the things they ought to have sense enough to do without persuading them. . . . That's all the powers of the President amount to."[1] If the holder of what is reputed to be the most powerful job on earth can have this view, comparable circumstances probably surround the even less powerful administrative jobs that abound in our society.

If power, prestige, and money are the glittering gold of administrative positions that prove to be something less than pure upon close examination, where do the satisfactions lie in administration? Many forces motivate individuals. Those in the health field, for example, are professionally oriented and psychologically accustomed to deriving their greatest personal satisfactions and feelings of reward from the direct contact they have with those they help—from seeing improvement, however slight, in those worked with over a long time, or from seeing any improvement in an individual who needs their professional help. Administrators have little opportunity for this kind of satisfaction and its consequent feelings of having made a worthwhile contribution to the welfare of mankind. But for the professional who attains a high level of responsibility, it is important to feel that he is making a positive and definite contribution to a worthwhile endeavor. He wants to feel that he is engaged in a battle that is worth fighting and that the side in this struggle for which he has labored is better off for his having engaged in the struggle. Like most men who attain positions in which basic subsistence and safety are assured, administrators want to make a positive and perceptible contribution to their chosen field. How can an administrator find this kind of satisfaction?

Why Do People Enter Administration?

The Administrator's Contribution

This returns us to a very basic point: what does the administrator contribute to the success of an organization? Does he merely facilitate, or are there aspects of his responsibilities that are uniquely or significantly his own through which he can make the kind of contribution he needs to make to be satisfied?

The first element of an administrator's task is that he must provide the wherewithal for organizational functioning—men, money, and material. Rare indeed is the organization that can be stronger than the people who make it up. It is comparable to the proposition about the weakest link in a chain, although an organization may be able to reduce the strain on a particular point in a way that a chain cannot. In organizations heavily built upon personal abilities—such as teaching, research, and health care—great judgment must be exercised in determining what kind of talents are required for the future, and how such talent can be attracted, motivated, and retained. Attention must also be given to determining the type of continuous training required to keep professionals abreast in their field.

You may argue that these problems should be handled by the personnel agency or department rather than the top administrator. Certainly a good personnel agency has a viable and vital role to play,

1. Richard Neustadt *Presidential Power* (New York: John Wiley and Sons 1960), p. 10.

but too often in public life the definition of personal activities has been excessively narrow and has not had nearly as positive an orientation as these concerns would suggest. This is not the place to lament or document the failings of public personnel administration, but these shortcomings and difficulties do not reduce the vital concern the administrators should feel about basic personnel considerations. Even vice-presidents of some of the world's largest banks take time to interview and evaluate MBA graduates. Admittedly, the ones seen by the highest administrators have already been screened and are the most likely prospects for the organization. Nonetheless, these executives feel that what they offer to their customers is essentially personal talent and that virtually nothing is more important to their successful operation than having the right talent. Bankers supposedly deal with an impersonal commodity, money. Could the need to be concerned about these questions be even less among those who may deal more broadly in areas that directly affect people?

Administrators are also expected to know how to play the fund-raising game, whether that takes grantsmanship, budgeteering, political maneuvering, or hat-in-hand begging. All organizations require financial support if they are to command the other resources essential to their work. The administrator is also expected to provide the right material at the right time and in the right place. In general, he must make available the physical necessities of organizational activity—from carpeted and air-conditioned buildings to the latest piece of exotic equipment for use in the office or laboratory.

However, all that we have said about the administrator and men, money and material arises from perceiving the administrator as the provider and facilitator. The vital nature of these functions does not negate the essentially passive quality of the administrator's role seen in this way. It is unlikely that many professionally trained individuals except, perhaps, those trained in administration *per se* will derive much satisfaction from feeling that they have provided well in these terms, even if such results do in fact require rather consummate skill. Despite the necessity of these elements that must be provided, this view of administration is limited in its basic definition and conception, and in its ability to provide a motivating rationale for the executives themselves.

I would like to suggest five areas in which a much more positive approach to administration can be perceived. In these areas the administrator has a unique personal responsibility, and in them he may derive the personal satisfaction not afforded professionally by power, prestige, and money alone. He has the opportunity to (1) infuse, (2) plan, (3) interrelate, (4) innovate, and (5) evaluate.

Infusion

Administration is essentially a process or a means to an end, but the ends or goals of an organization are often indefinite and undeclared; goals, if thought about at all, are usually accepted blandly rather than challenged. There are times, particularly in public life, when it is perhaps best strategically not to emphasize achievement of particular goals too strongly or explicitly. However, human beings are distinguished by their capacity to think, and administration is a thinking man's game. The decision to participate in an organization at all is a fundamental and vital one. The organization must provide the individual with some return or benefit that justifies and supports his continuing to participate. Ultimately an organization must provide its employees with a rationale for their work. Work must have a purpose or seem purposeful to the worker. The objective of earning money is not sufficient in the long run, particularly among highly trained and mobile professional people.

It is up to the top executive to infuse an organization with meaning—to give it a viable rationale for existence. This ability to infuse a cooperative venture with purpose may separate the organizational administrator from the institutional leader. An organization can be viewed as becoming an institution only after it has been infused with purpose—and the top executive must see that this infusion occurs and continues. Organization without purpose is as wasteful as life without purpose. In both cases a sense of direction or a goal is required, and in an organization the top administrator not only is in a unique position to fulfill this need but bears the primary responsibility for seeing that it is filled.

To infuse an organization with purpose, the administrator must possess judgment, wisdom, experience, intellectual agility, and a variety of other highly desirable attributes. To say the least, this process is highly creative and imaginative. The requisite talents are required not solely at the outset or when an organization is first established, but more or less continually as an organization seeks to adapt to its constantly changing environment. Simple organizational survival may not require the kind of infusion with purpose discussed here, but successful institutional and personal achievement probably do. No task more vital or challenging faces the top executive.

Planning

Today it is virtually impossible to be against planning. Many people are already so committed to planning that they tend to assume rather than prove its desirability. Today, special planning units are encountered in almost all fairly large and well-managed organizations. Planning apparently has joined motherhood, the flag, education, and apple pie among the unassailable "good" things in our so-

ciety. Among the "goods," however, planning is probably the least honored with practice. Planning as a concept is a generalization covering a multitude of different approaches: long-range, short-range, physical, financial, social, and comprehensive, to name just a few.

A semantic discussion of planning is not appropriate here. Instead, let us focus on its function—anticipating and preparing for change by looking toward the future and making projections in a systematic way. An organization plans in order to avoid living from crisis to crisis, or from project to project, thereby accepting the assumption that greater accomplishment of goals will be achieved in this way. Planning obviously relates closely with the ideas previously discussed about goal setting and infusing with meaning. In looking to the future, questions are likely to arise about what is being done and why and about what *should* be done in the future. Proper answers to these questions depend upon the purposes and goals of the organization. Involvement of top administrators in determining these matters, probably the basic ones to be encountered in any planning effort, is obviously vital if the resultant plans are to be more than futile academic exercises.

The organization that plans contrasts with the organization that lives from day to day—although many of the latter scarcely live from hand to mouth. The economic sphere issues no assurance that the organization that plans will succeed or that the unplanned will fail, although the increasing complexities of modern life may tend to shift the probabilities in this direction.

Public agencies are sometimes ridiculed for doing emergency planning: an emergency by definition suggests an occurrence for which there are no plans. Nevertheless, if a crisis is met in a planned way and everything works out according to the plans, much of its emergency nature fades. Within limits, the test and importance of planning does not require that matters work out according to proposed plans. Rather, an organization probably has to have a unit experienced in working together in data gathering and analysis if it is to go forward in the face of crises. Progress will be far more difficult if planning has not occurred prior to the emergency.

These comments have been couched in terms of emergencies, but few organizations may feel dominated by this kind of situation. If planning does facilitate the accomplishment of organizational objectives, an organization cannot afford to wait until a crisis necessitates planning. The organization that lets daily events dominate its functioning not only fails to reap the continuous operational advantages of planning, but at the same time is unable to react effectively when a major threat to its existence, such as a budget cut or loss of a grant, suddenly looms. Routine activities tend to drive out time that is essential for planning. For this reason, many organizations create special planning units and free them from daily operating responsibilities. From the viewpoint of the top administrator, it is entirely proper that planning activities be delegated in such a manner. Nonetheless, neither the importance of the administrator's personal attention to seeing that such planning is being done nor the potentialities of using this process as a vehicle for infusing the organization with meaning and directing it toward the accomplishment of its primary objectives should be underestimated.

As a concern for public administrators, planning has burst upon the scene as a full-grown giant. Federal programs requiring planning on a comprehensive basis, covering not just metropolitan but statewide areas, are now a reality—even if the plans *per se* are not.

The following conclusions about planning as it relates to public administrators now seem apparent:

1. Planning will become an increasingly important, expected, and specified responsibility of administrators in all fields of public work.
2. Planning cannot be done adequately by persons directly or primarily involved in the active line operations of public agencies.
3. Administrators must devise the organizational arrangements that will make planning possible, see that planning is in fact done, and become involved in the planning process at crucial junctures to assure that plans lead to goals and objectives commensurate with the organization's needs and the values of the administrator and those to whom he is responsible.
4. Planning needs to be done simultaneously on a number of different scales ranging from national and statewide to specific for one individual or piece of property.

Interrelating

The third field that requires top-executive creativity is interrelating activities and people. We are not so much concerned here with the problem of matching people and jobs in the most effective way—that is, avoiding putting square pegs in round holes — as with the administrative opportunities arising from the interrelationships and interdependencies that are a natural consequence of the complexity of modern life, based as it is upon the advantages of specialization. It is no great insight but a simple truth that an adequate program today in almost any field requires a variety of specialists.

The administrator must be concerned about a number of interrelationships. It is perhaps the breadth of his concerns in this area that sets him apart from most individuals in his organization who need not span such a broad spectrum of concerns to be professionally successful in their particu-

lar endeavors. To simplify the discussion, these interrelationships can be arbitrarily divided into two categories: those within the organization and those external to it.

Initially and fundamentally, interrelationships within an organization are shaped by the organization structure itself. The current vogue is to downgrade the importance of structure in understanding behavior within organizations. However, organizations must be given some kind of shape or pattern, and it is up to top administrators to determine what this will be. Interrelationships in a human social system will not be neatly controlled by formal structure, but organizational form may have a greater impact upon the resulting patterns of relationships and contacts than is often acknowledged. The administrator must be concerned about these patterns.

However, simply organizing the agency, assigning individuals to its various parts, and then trying to coordinate those parts is not enough. Teamwork is also needed. This idea may make you shudder as you conjure up pictures of a pep talk, but there are sound administrative reasons for developing teamwork. In the first place, this kind of spirit usually raises morale and productivity. Second, this approach is increasingly important as specialization grows and comprehensive attacks upon given problems require the talents of a variety of specialists who are organizationally separated. A willingness to cooperate with others in a teamlike effort depends, of course, upon many things, including salary, proper classification systems, personal psychology, and many, many other factors.

Teamwork and a cooperative spirit within an organization can be enhanced by developing loyalty to common goals and objectives. If such loyalty permeates an organization, individuals are more likely to defer to these goals or objectives if and when they conflict with sectional or specialist interests. It is very hard to develop this attitude in some professional fields, in which professional specialities are more jealously guarded than comprehensive approaches to meeting common problems are respected. Again, the top administrator is in the most advantageous position to stress broader objectives and to curb specialist and separatist tendencies in order to advance productive team efforts in agency activities.

One final aspect of teamwork among professional people deserves note. Frequently an administrator finds it much easier to let highly trained and competent professionals go more or less their own way within the organization, exerting minimal coordinative controls to focus total group efforts in a reasonably discernible direction. The program of such an agency then becomes simply the summation of the individual preferences and activities of its members. This kind of every-man-for-himself approach may have a positive effect upon individual staff members who thrive on such independence, but it scarcely renders the sense of direction, sharing of common objectives, and willingness to cooperate to achieve those objectives that ought to permeate any fully successful organization.

By definition, organization and administration connote something more than a very loose confederation among professional men who are essentially each going his own way. In many ways professional men are the hardest to coordinate, or bring to heel in this sense, but they are also the very members of our society most likely to share a common background of training and a code of conduct toward their field of specialization.

Interrelationships outside the organization are a particular concern of high-level administrators. Others in the organization normally have neither the responsibility nor the contacts that bring this subject into sharp relief. Comprehensive attacks upon large social problems require a variety of talents that are not contained within a single discipline or a single agency. Increasingly, public employees of all kinds are being called upon to cooperate with those of other agencies or with officials of major subunits within the same agency. In this latter sense, the problems of internal teamwork discussed previously are again relevant, although at a higher organizational level.

However, agencies are now increasing their contact with other agencies outside their discipline. Public health, for example, now deals with welfare, police, water and air pollution, poverty programs, and many, many others. The positions to be adopted in dealing with these other agencies, the tone of the interrelationships, and indeed their very productivity will be tremendously influenced by the administrators themselves.

What Does an Administrator Really Accomplish?

In many areas there is a strong tradition of close working relationships among professionals employed by different levels of government. Observers and many generalist administrators such as mayors, city managers, and governors have decried the tendency of functional specialists like those in the health field (again to use an example) to deal directly with their counterparts at other levels of government and thereby minimize the coordinative efforts of central executive officials. This practice of direct relationships is probably not going to decrease, nor is the involvement of more than one gov-

ernmental level in public programs likely to decline, unearmarked grants notwithstanding. Direct relationships along professional channels are highly productive and efficient for most purposes, but functional specialists will need to give increasing attention to their use and their implications for the continued success of their programs.

Finally, mention must be made of the interrelationships that extend outside the executive branch of government—those with elected officials and organized clientele groups. Concern for these interrelationships is a specific if not sole responsibility of agency administrators, because these contacts are so crucial to agency survival. Clientele groups must be curried and handled with care in the hope that they will provide political support when needed. At the same time, the agency must not lose its freedom and become merely a puppet of particular clientele interests. The picture becomes even more complex, of course, when the concerned clienteles are multiple in number and divergent in objectives.

In this political context the elected official—whether local water commissioner, city councilman, mayor, governor, state legislator, congressman, President, or what have you—plays a crucial role. This is not the time to discuss the kinds of strategies, plots, and relationships used or other factors encountered in this volatile setting, but concern for external relationships of all types probably provides the most challenging, exciting, stimulating, and frustrating aspects of public administrative positions. This is no arena for the meek, mild, or thin skinned. Those who play this game well and successfully deserve high praise. They make an indisputable contribution to the success of the organization by enabling continued survival and, hopefully, growth. Challenging opportunities for creativity abound in this area, too. Administrators are not simply in a position to exploit this situation; they are *expected* to do so.

Innovating

The idea of innovation in public programs has been very popular since space exploration and the War on Poverty were undertaken. Few persons will dispute the need for innovation. Problems are constantly changing and their degree of complexity (or is it perhaps just our understanding of their complexity?) seems to be ever increasing. New approaches, new ideas, new combinations, and new schemes are encouraged in the effort to improve the impact of governmental activities.

Does this mean that the administrator must be a creative genius? Scarcely. If one accepts the stereotype in popular literature about government bureaucrats, they are a highly uncreative and dull lot. Like most stereotypes, this one is not particularly true. It does suggest, however, that men who are not themselves extraordinarily creative can effectively administer innovative organizations.

Most public administrators are idea brokers rather than idea men as such. They deal with ideas; they trade in them, so to speak, far more than they create them. In our age of specialization, we have even institutionalized creativity, looking particularly to our universities and various other research facilities and laboratories to provide new ideas. New ideas do not all come from these sources, and many of the ideas that do are worthless, but these particular parts of our society have a basic responsibility to be creative. This is less typical in public programs of an operational nature—at least it is less central to the function of other public agencies.

Nonetheless, innovation and creative thinking are vital in any public program. Realistically, therefore, the administrator should not normally expect to be *the* idea man or innovator in his organization. He should, however, create and encourage an environment in which creativity and innovation can flourish. He can do this by being fair and open minded about new ideas, by being experimental in his own orientation and willing to run some risks when appropriate. The administrator's practices and attitudes, far more than his own creative brilliance, will affect how imaginatively the agency reacts to and overcomes the problems it faces.

Evaluating

Evaluation is the fifth area in which the administrator has an opportunity to make a distinct contribution to the success of an organization. Some analysts might contend that planning assumes evaluation, since review of present programs, or feedback about them, is part of the data that is vital to proper planning. This is quite true as it relates to organization evaluation and organizational planning, but the emphasis here will be upon personnel evaluation.

Before we leave organizational evaluation, one common assumption deserves comment. Public administrators frequently bemoan their inability to evaluate their operations in the objective way available to a businessman through his profit-and-loss statement. Profit-and-loss statements, to be sure, tell something about the general management. High profits today are heavily affected by management decisions made five, ten, and fifteen years ago or even longer. They are much less influenced by decisions made within the last fiscal year. The real quality of the current decisions being made by management will not be reflected until some years in the future. Profit-and-loss statements, good and helpful as they may be, are not really a very good indicator of the *current* state of management performance.

The administrator too often passes over his responsibility for personnel evaluation, and this neg-

lect costs him the positive opportunities that the evaluative process can afford. People want to know where they stand, and how their work is being judged. They also want to feel that there is some concern for their personal development. Individual evaluation activities provide a fine opportunity to deal with both of these needs, and at the same time give the administrator highly useful feedback about his own performance. Individual conferences can be used to get the subordinate, under the guidance of the administrator, to evaluate his own strengths and weaknesses, and to set targets for himself for the next period. In addition, the administrator can obtain ideas about changes he can make that will enable the subordinate to perform better in his particular responsibilities.

The administrator who shows his sincere concern with these matters by practicing this kind of evaluative approach should generate some highly productive and positive attitudes throughout his agency. Here again he has an opportunity to infuse the work with meaning and to build attitudes that will foster teamwork and creativity.

The administrator is in a strategic position to make both organizational and personnel evaluations; consequently he bears a great responsibility for doing so. His location in the organization and his specific concern for interrelationships between his agency and the rest of society give him access to information not available to the typical organization member. This is the kind of information with which evaluations can be made. He must personally appraise, sift, and sort all of this data, and then utilize it within his agency in the most constructive way possible.

Summary

An administrator must be more than the bureaucratic expediter for an organization or the provider of the wherewithal for getting the work done. While the stipend assigned to administrative positions may be somewhat larger than that granted for other types of organizational work, the power and prestige often assumed to be possessed by holders of these positions may be more illusory than real. Yet the administrator is in a unique position to make a distinct and positive contribution to his organization, a contribution that both promotes the work of the organization and gratifies his own need for worthwhile personal accomplishment. Most importantly, he can infuse the organization with purpose and give it definite direction and meaning. His success at this endeavor will facilitate all of his other actions, particularly the development of teamwork. He can stimulate planning and direct it along the most productive lines. He can handle external interrelationships in such a way that agency survival and growth are abetted. He can establish and foster a climate in which innovation can flourish, and he can use the evaluative process to facilitate organizational and individual development along the most productive lines. The administrator surely can and should be more than a paper pusher. The opportunities to make a positive and distinct contribution are great, and so are the challenges. Administration is much more than a necessary evil; it makes its own active contribution. □

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THE INSTITUTE CALENDAR

FEBRUARY

County ABC Officers	January 30-February 1
	6-8
N. C. Section of the American Institute of Planners	2
Highway Patrol Management	5-9
City and County Managers	7-9
Highway Patrol In-Service Schools	12-14
	19-21
	26-28
Training Impact Project	15-17
County Attorneys	23-24
Sheriffs School*	21-23
Assistant Probation Supervisors	21-23
Wildlife Investigation Techniques	19-24
School Board Attorneys	23-24
Utility Management	26-29

MARCH

Highway Patrol In-Service School	4-6
	18-20
	25-27
Wildlife Supervisors School	4-8
Public Finance Officers	6-7
Local Government Purchasing School	7-8
N. C. Section of American Institute of Planners	8
County Accountants	11-13
Highway Patrol Management School	11-15
	18-22
Wildlife Basic School	11-16
Personnel School	13-14
Historic Preservation Seminar	11-15
School Board Members	15-16
Bench-Bar-Press-Broadcasters Committee	16
Public Welfare Supervisors	18-20
N. C. Tax Collectors Association	20-22
Wildlife Patrolmen's School	25-29

CONTINUING SCHOOLS

Building Inspectors	February 2-3
	February 16-17
	March 1-2
	March 15-16
	March 29-30
Police Administration	February 13-15
	March 11-14
Municipal and County Administration	February 16-17
	March 1-2
	March 22-23

*Tentative