



**RESOLUTION TITLE: A RESOLUTION RATIFYING THE UPDATED CHARTER OF CENTRALINA REGIONAL COUNCIL**

WHEREAS, Gaston County is a member of Centralina Regional Council (Centralina), a council of governments serving the needs of the nine-county region that includes Anson, Cabarrus, Gaston, Lincoln, Iredell, Mecklenburg, Rowan, Stanly, and Union counties; and,

WHEREAS, on February 9, 2022, the Centralina Board of Delegates adopted a resolution amending the organization's Charter to add language prohibiting private entities from benefitting from or having an interest in the organization's earnings or assets; and,

WHEREAS, each member government must endorse the Charter as Centralina's governing document.

NOW, THEREFORE, BE IT RESOLVED by the Gaston County Board of Commissioners that Gaston County hereby ratifies the amended Centralina Regional Council Charter.

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	AFraley	BHovis	KJohnson	TKelgher	TPhilbeck	RWorley	Vote
2022-218	07/26/2022	BH	RW	A	AB	A	A	AB	AB	A	U

**DISTRIBUTION:**  
Laserfiche Users



## RESOLUTION AMENDING THE CENTRALINA CHARTER AND BYLAWS

**WHEREAS**, Centralina Regional Council is one of 16 regional councils in North Carolina, authorized by the General Assembly to address regional issues and opportunities by offering planning, coordination, program management, advocacy, and technical assistance services; and

**WHEREAS**, Centralina's Charter notes that the organization was created for the region's local governments to "consult among themselves to act in concert and to jointly exercise the powers of local government with reference to regional matters affecting health, safety, welfare, education, transportation, recreation, economic conditions, regional planning or regional development"; and

**WHEREAS**, Centralina attorneys from Shumaker, Loop, and Kendrick have advised that this statement in the Centralina Charter indicates that the organization performs an "essential government function" consistent with Internal Revenue Code Section 115(1), which specifies tax exemption for income derived from such a function; and

**WHEREAS**, Centralina's income is not exempt from federal income tax under Internal Revenue Code Section 115(1), however, because the Charter and Bylaws do not specifically prohibit a private party from benefitting or having an interest in the organization's earnings or assets; and

**WHEREAS**, Centralina attorneys have advised that Centralina's income will be eligible for a federal income tax exempt status if the organization amends its Charter and Bylaws to explicitly provide that no private party may benefit or have an interest in Centralina's earnings or assets, and that upon dissolution, those assets will be distributed solely to Centralina member governments.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Delegates of Centralina Regional Council amends the organization's Charter Resolution as follows (underlining indicates additions and strikethroughs indicate deletions):

ITEM IX, Section J:

No private party may benefit or have an interest in Centralina's earnings or financial assets.

...

ITEM XII, Section B:

The Council may be dissolved at the end of any fiscal year only (1) upon adoption of a dissolution resolution by three-fourths of the governing bodies of all governmental units, or (2) the withdrawal from the Council of all but one of the member governmental units. ~~If such dissolution is effected by resolution of the member governments, such resolution shall specify the method of liquidating~~



~~the Council's assets and liabilities. If such dissolution is occasioned by withdrawal of all but one member, the remaining governmental unit shall have the power to liquidate all assets and liabilities and it shall then distribute the net proceeds, if any; Upon dissolution, the Council's financial assets will be distributed solely to those members who paid the latest annual assessment and in the same proportion. Any deficit shall be the responsibility of those member governments who would have received the net proceeds, and in the same proportions.~~

**BE IT FURTHER RESOLVED**, that Centralina Regional Council amends its Bylaws as follows (underlining indicates additions):

Article X: Financial

G. Financial Interest and Distribution of Assets: No private party may benefit or have an interest in the Council's earnings or financial assets. Upon dissolution of the Council, its financial assets will be distributed solely to the member governments that paid the latest annual assessment and in the same proportion.

Adopted this 9th day of February, 2022.

Handwritten signature of Bobby Compton in cursive script.

\_\_\_\_\_  
Bobby Compton, Centralina Regional Council Board Chairman

ATTEST:

Handwritten signature of Kelly Weston in cursive script.

\_\_\_\_\_  
Kelly Weston, Clerk to the Board

# CENTRALINA REGIONAL COUNCIL CHARTER RESOLUTION

**WHEREAS**, the undersigned governmental units of the State of North Carolina, together with the other county and municipal governmental units in North Carolina or a state adjoining North Carolina hereafter adopting concurrent Resolutions identical hereto, recognize that there is a need for such governmental units to consult among themselves to act in concert and to jointly exercise the powers of local government with reference to regional matters affecting health, safety, welfare, education, transportation, recreation, economic conditions, regional planning or regional development; now therefore, be it

**RESOLVED**, that pursuant to the General Statutes of North Carolina, Chapter 160A, Article 20, Parts 1 and 2, the following Resolution is hereby adopted for the establishment of a regional council of governments and for the joint exercise of any power, function, public enterprise, right, privilege or immunity of local government by and through this regional council and its member governmental units, all to the extent and in the manner authorized or permitted by Article 20 of Chapter 160A of the General Statutes of North Carolina entitled "Interlocal Cooperation".

## ITEM I

**Short Title - Binding Effect:** This Resolution shall be hereafter referred to as the "Charter" of the Centralina Regional Council; and said Charter, together with all amendments thereto, shall be binding upon and shall inure to the benefit of all governmental units who are now or hereafter become its members.

## ITEM II

**Name:** The name of the regional council of governments hereby established shall be the **CENTRALINA REGIONAL COUNCIL** and shall be hereinafter referred to herein as the "Council."

## ITEM III

**Membership:**

- A. The initial membership of this Council of Governments shall consist of the following governmental units who are presently members of the Council and such additional units of local government admitted in accordance with the provisions of this Charter:

Albemarle	Harrisburg	Monroe
Anson County	Huntersville	Mooreville
Ansonville	Indian Trail	Morven
Badin	Iredell County	Mount Holly
Belmont	Kannapolis	Oakboro
Bessemer City	Kings Mountain	Pineville
Cabarrus County	Landis	Ranlo
Charlotte	Lincoln County	Richfield
Cherryville	Lincolnton	Salisbury
Cleveland	Locust	Spencer
Concord	Lowell	Stallings
Cornelius	Marshville	Stanley
Cramerton	Marvin	Stanly County
Dallas	Mathews	Statesville
Davidson	McAdenville	Troutman
East Spencer	Mecklenburg County	Union County
Faith	Midland	Wadesboro
Gaston County	Mineral Springs	Waxhaw
Gastonia	Mint Hill	Wingate
Granite Quarry	Misenheimer	

- B. Any municipal or county government which is not an initial member of the Council, including any municipal or county government in a state adjoining North Carolina (where permitted by the laws of said adjoining state) may join the Council by ratifying or adopting this Charter and upon the majority vote of the existing members. Notice of such application for admission shall be given each member in the manner prescribed by the Council Bylaws at least ten (10) days prior to the date of the meeting at which the vote is to be taken.
- C. All rights and privileges of membership in the Council shall be exercised on behalf of the member governments by their delegates to the Council; and “delegates” as used in this Charter shall, unless otherwise provided, include alternate delegates duly designated by a member government.

#### ITEM IV

**Purpose and Functions:** The Council hereby established shall be a voluntary organization of local governmental units organized and existing to (1) provide a framework within which matters affecting the health, safety, welfare, education, recreation, economic conditions, transportation, water quality and solid waste, regional planning or regional development of and for the citizens within the member governmental units may be studied and discussed, and concerning which solutions or recommendations are proposed; (2) to implement courses of action relating to the matters within contractual exercise by one unit for other units its jurisdiction through the joint exercise or of any power, function, right, privilege or immunity of local government; (3) to promote intergovernmental cooperation, communication and planning; and (4) to review, upon the request of state, federal or local governments, or agencies thereof, applications for grants or funds for projects affecting citizens within the members' jurisdictions.

## ITEM V

### Representation:

- A. Each member governmental unit shall be represented in the Council by one delegate or in the absence of such delegate by a designated alternate, if any. All delegates and alternates shall be elected members of the governing bodies of the member governmental units they represent. The delegates and alternates, as well as their successors, shall be selected by the member governments in any manner consistent with law and the regulations governing such body, and their names shall be certified to the Council in the manner prescribed by the Bylaws of the Council. Each governmental unit may designate any number of alternate delegates.
- B. The term of office of each delegate shall commence upon the selection and certification of the delegate to the Council by the respective member government; and such delegate shall continue to represent the member government until a successor delegate is certified, unless the delegate shall sooner resign, cease to be an elected member of said governing body, or be removed as a delegate by said governing body, in which case his term shall expire on the effective date of such event. Only an individual who has been duly appointed and certified to the Council as a delegate or alternate may be permitted to vote in any matter. The members shall also appoint and certify a successor to fill any vacancy created by the death, removal, resignation, or ineligibility of a delegate (but not an alternate), but an alternate may represent a member until such successor delegate is appointed and certified.

## ITEM VI

### Voting and Quorum Requirements:

- A. Except as provided in paragraph D of this Item, each member governmental unit shall be entitled to one vote on all matters coming before the Council or before any committee to which such member unit is duly appointed. All votes shall be cast by the delegate, or in his absence, by an alternate delegate of the member government.
- B. A quorum shall be present for the transaction of business of the Council at any meeting at which there is representation of either (a) a majority of all the member governmental units or (b) fifty percent (50%) of the county member governmental units and thirty percent (30%) of the total number of member municipal governmental units.
- C. The affirmative vote of a majority of representatives present at any meeting at which a quorum was present shall be required for any action or recommendation of the Council or any committee, unless this Charter or the Bylaws of the Council require a larger affirmative vote on particular matters. Voting shall be by voice, a show of hands or, upon the request of any three delegates, by a poll of the delegates.
- D. Any member governmental unit shall be entitled to request that any matter requiring a vote of the Council be considered by weighted voting in accordance with the following

procedures:

1. A request for weighted voting must be made after the motion is made and before any vote on the motion is taken.
2. The vote on any matter appearing on the written agenda for the meeting, and upon which weighted voting has been requested, must be taken at that meeting unless the vote is postponed by a two-thirds non-weighted vote of the delegates.
3. Each member governmental unit shall be entitled to cast one vote for each 50,000 residents of its jurisdiction (or portion thereof) as determined by the census used in assessing members' dues for the current fiscal year. A simple majority of the votes cast shall be required for passage of any motion unless the Charter or Bylaws require a larger affirmative vote on particular matters.
4. Anything contained in these weighted voting procedures to the contrary notwithstanding, if on any motion utilizing weighted voting any three (3) county member governments shall cast negative votes, the motion shall fail unless the motion would have carried without the use of weighted voting.
5. All votes on issues where weighted voting is requested shall be taken by a poll of the delegates.

#### ITEM VII

**Withdrawal:** Any member may withdraw from the Council at the end of any fiscal year, provided written notice of intent to withdraw is given to each of the other members at least six (6) months prior to the end of the fiscal year.

#### ITEM VIII

**Powers and Duties of the Council:** Within the limits of funds and personnel available, the Council:

- A. Shall have and may exercise, in accordance with its Charter and Bylaws, all of the powers which the General Assembly of North Carolina has authorized, and may hereafter from time to time authorize this Charter to confer upon the Council, including, but not limited to, all of the specific powers enumerate in Section 160A-475 (and any amendments thereto) of the General Statutes of North Carolina, which powers are incorporated herein by reference. Similarly, to the extent applicable, any powers authorized hereafter by the General Assembly of a state adjoining North Carolina may be exercised by the Council with respect to interstate activities or functions.
- B. Shall have, and may exercise, in addition to and not in limitation of the foregoing, the following powers:

1. To create such committees as it deems necessary to exercise the powers granted to the Council herein in dealing with problems or problem areas that do not involve all the members of the Council. At least one delegate from each member governmental unit affected by the problem or problem area to be dealt with by the committee is entitled to be a member of that committee. Any two or more member governmental units shall have the right to have a Council committee formed to exercise the powers of the Council with reference to any problem which affects the petitioning governmental units, unless the Council shall reasonably determine that the problem or problem area in question should be assigned to an existing committee, in which case the petitioning members shall be entitled to be represented on said committee. The subject matter over which any committee has jurisdiction to exercise the powers of the Council shall be specifically defined, but may be enlarged or restricted by the Council from time to time. Unless the right of a member to representation on any particular committee granted hereinabove is asserted, the Chairman of the Council shall designate the membership of all committees.
2. To accept, receive and disburse in furtherance of the duties, purposes, powers, and functions specified in this Charter all member assessments, funds, grants, and services made available by the State of North Carolina, any other state, or any agency thereof, the Federal Government and its agencies, any municipality or county or agency thereof, the Federal Government and its agencies, any municipality or county or other governmental or quasi-governmental unit or agency (whether or not a member of such Council) and private and civic sources. The Council may provide matching funds, grants, or services, received from any source, to or for any governmental or quasi-governmental agencies established by the Council or any two or more member governmental units in furtherance of the duties, purposes, powers, and functions herein contained. None of the powers contained in this subparagraph may be exercised by any committee except with respect to funds budgeted or appropriated for their use by the Council.
3. To meet with, consult with, contract with or act in concert with any county or municipality or any agency of any state, the federal government, any civic organization, or private organization in the furtherance of the purposes and objects within its jurisdiction.
4. To participate, as a unit of local government, in any undertaking with any other unit of local government, whether or not a member of the Council, for the joint exercise of governmental powers in accordance with and pursuant to the provisions of Chapter 160A, Article 20, Part 1 of the General Statutes of North Carolina (and any amendments thereto), entitled "Interlocal Cooperation".
5. To contract with any government entity or agency, or any other person, firm or corporation for goods and/or services when same have been authorized by budget appropriations or by special resolution of the Council appropriating available



funds; and to purchase and own such personal property, equipment, vehicles and furnishings as may be authorized or for which funds may be appropriated.

6. To adopt Bylaws containing such rules and regulations for the conduct of its business as it may deem necessary for the proper discharge of its duties and the performance of its functions, not inconsistent with the Charter or the laws of North Carolina.
7. To create agencies of the Council to act for and on behalf of the Council in the planning and development of particular programs which affect the health, safety, welfare, education, economic conditions or regional development of two or more member governmental units. Such agencies shall have such membership, staff, powers, duties and responsibilities as may be specified in the Council Resolutions pursuant to which such agency is established, consistent with the powers herein granted to the Council. Provided, however, such agency shall at all times be acting for and on behalf of, and shall be responsible to, the Council. The Council may appropriate funds for the use of agency programs which it has received from any source, including member assessments, provided such appropriation is made in accordance with this Charter.
8. To contract with other units of local government, as that term is defined in G.S. 160A- 460, to provide for administrative, planning, procurements or other services, including administration of grants from local, state and federal agencies, in order to promote and encourage interlocal cooperation authorized under G.S. 160A-461.

## **ITEM IX**

### **Financial:**

- A. The general operating expenses of the Council shall be paid from funds paid to the Council by each member governmental unit. The annual contribution of each member governmental unit shall be based upon the duly adopted budget for such year and shall be assessed on the basis of the population for each member. For the purpose of determining the current population of each governmental unit, the Council shall use either (1) the Population Estimates for North Carolina Municipalities and Counties prepared by the United States Bureau of the Census and the North Carolina Office of State Budget and Management and published from time to time or (2) the official 10-year census figures. The current population estimates are the most recent estimates available using either (1) or (2) above, on the date the annual dues for member governments is determined by the Council.
- B. All expenditures of the Council for special projects of the Council or any committee thereof or for performance of contractual services for non-member units of local government shall be made from revenues paid to the Council by the governmental units

directly involved in such projects. All such revenues shall be credited to a special revenue account and all expenditures made at the completion of any project or contract. In no case shall other general fund revenues be used to pay any special project costs which do not reasonably involve or benefit the entire Council. In the event payments made by other units of local government exceed or are less than the actual cost of a special project, the excess shall be refunded to and the deficit paid by the units of local governments affected thereby.

- C. The budget for the Council for each fiscal year and the assessment of each member shall be adopted by the affirmative vote of at least seventy-five percent (75%) of the representatives present at a meeting at which a quorum was present, provided notice of such vote has been given in accordance with the Bylaws, and provided further said notice is accompanied by a copy of the proposed budget and assessment.
- D. The budget for the Council and the assessment for each member governmental unit shall be adopted by the Council no later than April 15th of each year. Provided, the Council shall publish and deliver to the delegates a budget estimate, indicating each member governmental unit's estimated share thereof, on or before March 31st of each year, if the actual budget shall not have been adopted by that date.
- E. The budget, once adopted, may be amended by the affirmative vote of at least seventy-five percent (75%) of the representatives present at a meeting at which a quorum was present, provided notice of such vote has been given in accordance with the Bylaws, and provided, further, said notice shall state in detail the proposed terms of the amendment and the reasons therefor.
- F. The annual assessment for each member governmental unit shall be payable on or before August 1st of each year and shall be delinquent thereafter. Any member of the Council which becomes delinquent in the payment of its annual assessments shall lose all rights and privileges of Council membership during such a period of delinquency. Any new member shall pay the full annual assessment for the current fiscal year regardless of its date of admission.
- G. All revenues paid to the Council by member governmental units and all other sources whatsoever shall be deposited in the general fund of the Council, and separate revenue and expenditure accounts shall be maintained for each phase of operation of the Council to the extent required by sound accounting practices, to include, but not to be limited to, such accounts for the general operating expenses of the Council and each special project undertaken by the Council or any committee thereof.
- H. The general operating expenses of the Council shall include, but are not necessarily limited to: providing meeting and office space or other such physical facilities needed by the Council or any committee thereof; providing compensation for the director and other administrative personnel of the Council; providing the necessary legal and accounting or other professional services; providing furniture, equipment, vehicles and

supplies, paying special consultants, temporary employees and contractors duly authorized by the Council; reimbursing authorized expenses of Council employees.

- I. Unless the Council shall otherwise provided by resolution, any surplus funds in the general operating expense account at the close of any fiscal year shall be credited as additional revenue for budget purposes for the following fiscal year. All other funds shall be held and disbursed as otherwise herein provided or as directed by the contributing source.
- J. No private party may benefit from or have an interest in the Council's earnings and financial assets.

#### **ITEM X**

##### **Compensation and Expenses of Delegates:**

- A. Except for the Chairman of the Council, a delegate, and in his absence, an alternate delegate may receive, if the Bylaws so provide, up to \$40.00 for each regular or special meeting of the Council and Executive Committee attended, not to exceed \$500.00 during any fiscal year. Such Bylaws may also provide that actual travel expenses, not to exceed twenty-five cents (\$.25) per mile, may be paid to each delegate, and in his absence to one alternate delegate, for attending any meeting of the Council or any committee meeting. The Chairman of the Council shall receive \$200.00 per month as compensation for his services to the Council.
- B. For travel on any authorized business of the Council, other than to attend Council or committee meetings, delegates shall be reimbursed for their actual expenses, as approved by the Council.

#### **ITEM XI**

**Severability:** If any Item, paragraph, sentence or phase of this Charter shall be declared by any court of competent jurisdiction to be in violation of the laws of this State or, where applicable, of the laws of any other state, such provisions of this Charter shall be considered to be severable, as to the member or members affected, and the validity of the remaining portion of the Charter shall not be affected.

#### **ITEM XII**

##### **Amendment of Charter and Dissolution of Council:**

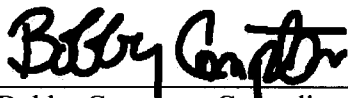
- A. The Council may formally recommend to the member governments a resolution to amend the Charter by affirmative vote of at least three-fourths of the representatives present at any meeting at which a quorum was present, provided notice of such vote has been given in accordance with the Bylaws. Said amendment shall become effective when the resolution has been duly adopted by three-fourths of the member governmental units.

- B. The Council may be dissolved at the end of any fiscal year only (1) upon adoption of a dissolution resolution by three-fourths of the governing bodies of all governmental units, or (2) the withdrawal from the Council of all but one of the member governmental units. Upon dissolution, the Council's financial assets will be distributed solely to those members who paid the latest annual assessment and in the same proportion. Any deficit shall be the responsibility of those member governments who would have received the net proceeds, and in the same proportions.

### ITEM XIII

**Effective Date:** The effective date of this amended Charter shall be February 9, 2022, as to the current membership; and as to all subsequent members, this Charter shall be effective on the date of its adoption by the governing body of such governmental unit or the date such member's application was approved, whichever shall be later.

Amended January 1, 1972  
Amended July 1, 1989  
Amended February 9, 2022



\_\_\_\_\_  
Bobby Compton, Centralina Chair

Attested by:



\_\_\_\_\_  
Kelly Weston, Clerk to the Board



## MEMORANDUM

**TO:** Centralina Member Governments

**FROM:** Geraldine Gardner, Executive Director

**DATE:** June 17, 2022

**RE: Request to Ratify Centralina Regional Council's Amended Charter**

---

Earlier this year, Centralina management identified an unresolved issue with the organization's tax status. Legal counsel determined that Centralina qualifies for federal income tax exempt status because the organization performs an "essential government function" consistent with Internal Revenue Code Section 115(1), which specifies tax exemption for income derived from such a function. Specific sections of the Centralina Charter and Bylaws needed to be amended to prohibit any private party from benefitting from or having an interest in the organization's earnings and assets, however.

At the February 9<sup>th</sup> Centralina Board of Delegates meeting, the Board adopted a resolution to amend the Charter and Bylaws to resolve this issue. To finalize the Charter amendment process, the governing body of each Centralina member government must ratify the updated Charter.

At your governing body's upcoming July or August meeting, I ask that you include the attached resolution on your Consent Agenda. A copy of the amending resolution adopted by the Centralina Board of Delegates and the updated Charter are also attached for reference. Centralina staff are available if you have any questions about the process. Once your council or board has ratified the Charter, please send a copy of your adopted resolution to Connor Choka at [cchoka@centralina.org](mailto:cchoka@centralina.org).

We greatly appreciate your membership in Centralina and thank you for your support of this request.



704-372-2416 | [info@centralina.org](mailto:info@centralina.org) | [www.centralina.org](http://www.centralina.org)  
9815 David Taylor Drive, Suite 100 | Charlotte, NC 28262



# Gaston County

Gaston County  
Board of Commissioners  
www.gastongov.com

## County Attorney

### Board Action

File #: 22-284

Commissioner Hovis - County Attorney - To Approve a Resolution Ratifying the Updated Charter of Centralina Regional Council

#### STAFF CONTACT

William T. Stetzer - County Attorney

#### BUDGET IMPACT

N/A

#### BUDGET ORDINANCE IMPACT

N/A

#### BACKGROUND

On February 9, 2022, the Centralina Board of Delegates adopted a resolution amending the organization's Charter to add language prohibiting private entities from benefitting from or having an interest in the organization's earnings or assets. Gaston County is a member of Centralina Regional Council (Centralina), a council of governments serving the needs of the nine-county region that includes Anson, Cabarrus, Gaston, Lincoln, Iredell, Mecklenburg, Rowan, Stanly, and Union counties. Each member government must endorse the Charter as Centralina's governing document.

#### POLICY IMPACT

N/A

#### ATTACHMENTS

Resolution; Centralina Signed Resolution; Amended Charter; Centralina Ratification Memo

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	AFraley	BHovis	KJohnson	TKeigher	TPhilbeck	RWorley	Vote
2022-218	07/26/2022	BH	RW	A	AB	A	A	AB	AB	A	U

#### DISTRIBUTION:

Laserfiche Users