





LOCAL GOVERNMENT COMMISSION State and local government finance division Sharon Edmundson, deputy treasurer

TOWN OF EAST LAURINBURG – INFORMATION FOR RESIDENTS

There have been many questions about the impact of recent actions taken by the Local Government Commission (LGC) on the operations and status of the Town of East Laurinburg. The information provided below is meant to answer the Town residents' questions and address their concerns. If you have questions or concerns not addressed here, please email <u>SLGFD@nctreasurer.com</u> or call 919-814-4300.

TIMELINE OF EVENTS

- October 6, 2020: LGC issued a warning to the Town of East Laurinburg stating that it will take control of the Town's finances if circumstances do not change.
- April 13, 2021: LGC unanimously approved a resolution requesting that the General Assembly dissolve the charter of the Town of East Laurinburg.
- October 20, 2021: The Office of State Auditor issued a report on its investigation into the finances of the Town of East Laurinburg, with findings that Town funds had been expended for personal use by a former finance officer of the Town, and that other financial transactions were not documented properly such that the business purpose of the expenditure could not be determined.
- November 2, 2021: The LGC adopted a resolution to assume control of the financial affairs of the Town of East Laurinburg, pursuant to its authority under N.C.G.S. 159-181(c).
- November 2, 2021: Department of State Treasurer staff members were named as the Town's Finance Officer and Deputy Finance Officer:
 - Finance Officer: Ann Cutler
 - Deputy Finance Officer: Tiffany Anderson



IMPACT ON TOWN OPERATIONS

- Residents should expect minimal impact on the day-to-day services and operations of the town.
- Taxes will continue to be levied and collected.
- No disruption in town garbage service is anticipated and the contract for those services is still managed by the Town of East Laurinburg.
- Water and sewer services will continue to be provided by the City of Laurinburg.
- Streetlights will continue to operate and be paid for by the Town of East Laurinburg.

ROLE OF THE LGC AND ITS STAFF

Following the LGC resolution to assume control of the financial affairs of the Town of East Laurinburg, the LGC and its staff will perform duties related the financial management of the Town and will make financial decisions on behalf of the Town.

- LGC staff is responsible for all aspects of financial management of the town.
- LGC staff will work with Town staff to access and review financial records.
- All Town bills are being forwarded to, approved, and paid by LGC staff.
- LGC staff will file all necessary financial reports with local, state and federal agencies (IRS, NC Department of Revenue, NCDOT, etc.).
- The LGC will approve any necessary amendments to the Town's budget.
- The LGC and its staff are committed to making financial decisions in the best interest of the town and the community.

STATUS OF THE TOWN'S CHARTER

The actions of the LGC to assume control of the financial affairs of the Town of East Laurinburg has no impact on the Town's charter. Although the LGC requested that the General Assembly dissolve the charter of the Town of East Laurinburg, the General Assembly has taken no such action (as of the date of this document) and the LGC has not exercised its authority to adopt a resolution to dissolve the Town's charter pursuant to N.C.G.S 160A-848(b). If such an action does move forward, efforts will be made to continue Town services, such as streetlights and trash pickup as feasible. In addition, a Town property tax would no longer be levied, providing property and automobile owners a 30 cents tax cut.