AGENDA

GRANVILLE COUNTY BOARD OF COMMISSIONERS

Monday, May 2, 2022

Call to order @ 7:00 p.m. .... Chairman Tony W. Cozart
Invocation and Pledge of Allegiance .... Chairman Tony W. Cozart

Consent Agenda

1. Contingency Summary (p. 3)
2. Tax Refunds, Releases and Write-offs (p. 5)
3. Refund of Excise Stamp Tax (p. 6)
4. Minutes (p. 11)

Introductions, Recognitions and Presentations

5. Recognition of Vernell Anderson - Granville Health System Board of Trustees (p. 32)

Public Hearings

6. Public Hearing - CDBG Closeout for Strong Arm Baking (p. 33)

Public Comments

7. Public Comments (p. 35)

Finance Matters

8. FY 2022 Audit Contract (p. 36)

Proclamations, Resolutions and Legislative Matters for Consideration

9. Proclamations, Resolutions and Legislative Matters (p. 53)

County Manager's Report

10. Select Budget Work Session Dates and Times (p. 54)
11. Social Services Office Location Names (p. 56)

County Attorney's Report

12. County Attorney's Report (p. 58)

Presentations by County Board Members

13. Presentations by County Board Members (p. 59)

Any Other Matters

14. Any Other Matters (p. 60)

Closed Session

15. Closed Session as Allowed by G.S. 143-318.11(a)(3) - Attorney-Client Matter (p. 61)

Granville County
Finance
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Steve McNally
Department:	Finance
Date:	April 27, 2022
Title:	**Contingency Summary**

RECOMMENDATION:
Finance Director recommends approval of the Contingency Summary dated 5/2/2022.

ATTACHMENTS:
Contingency Summary - 5/2/22

ACTION TAKEN:

Summary of Contingency and Use of Fund Balance

Contingency Summary
For FY 2021-2022 Budget
May 2, 2022

Use of Contingency Summary - General Fund

General Contingency (10-9910-991):

Date	Description/Action	Adjustment Amount	Balance
7/1/2021	Budget Ordinance		$ 180,000
9/7/2021	Fund balance of GVHD renovation project	$ 51,000	$ 129,000
9/7/2021	COTT Register of Deeds automation project	$ 17,550	$ 111,450
10/18/2021	Fire, Ambulance and Rescue consulting services	$ 60,000	$ 51,450
1/4/2022	Supplies and credit card processing fees for Parks and Grounds department	$ 29,000	$ 22,450
1/4/2022	Adjustment to Workers Comp premium due to audit adjustment	$ 8,450	$ 14,000

Environmental Disaster Contingency (10-9910-993):

Date	Description/Action	Adjustment Amount	Balance
7/1/2021	Budget Ordinance		$ 10,000

School Bond D/S Contingency (10-9910-994):

Date	Description/Action	Adjustment Amount	Balance
7/1/2021	Budget Ordinance		$ 100,000
9/7/2021	Fund replacing fire alarm system an Butner/Stem Elementary, BoCC approved 7/6/21	$ 100,000	$ -

Use of Fund Balance Summary - General Fund

Date	Description/Action	Adjustment Amount	Balance
7/1/2021	Budget Ordinance		$ 5,645,236
9/7/2021	Roll over unexpended FY 21 Reach grant funds	$ 15,000	$ 5,660,236
9/7/2021	Adjust 4H Best funding per initial funding agreement	$ (58,237)	$ 5,601,999
9/7/2021	Adjust funding for FY 22 JCPC programs per PDS funding plan	$ (20,876)	$ 5,581,122
9/7/2021	Carry forward unexpended funds from FY 21 GVHD project	$ 379,000	$ 5,960,122
9/7/2021	Carry forward from FY 21 Engineering services for Triangle North	$ 40,000	$ 6,000,122
9/7/2021	Debtbooks lease accounting software for Finance	$ 9,750	$ 6,009,872
9/7/2021	Carry forward from FY 21 funding for County 275 Anniversary book	$ 6,000	$ 6,015,872
9/7/2021	Additional fee to cover total FY 22 W/C fee from NCACC	$ 44,000	$ 6,059,872
9/7/2021	Carry forward from FY 21 Engineering services for Triangle North	$ 10,496	$ 6,070,368
9/7/2021	Replace vehicle for Emergency Management. Should have been in Ordinance	$ 30,000	$ 6,100,368
9/7/2021	Fire Department stipend.	$ 39,720	$ 6,140,088
10/18/2021	Purchase replacement radios	$ 575,000	$ 6,715,088
10/18/2021	Parks and Grounds administrative position - 9 months	$ 43,350	$ 6,758,438
10/18/2021	Stovall property for future Senio Services North building	$ 92,570	$ 6,851,008
10/18/2021	Fund $200,000 match for the $400,000 One NC Fund Grant for Carolina Coops	$ 200,000	$ 7,051,008
12/6/2021	Animal Control Officer starting 1/16/2022	$ 47,638	$ 7,098,646
12/6/2021	Two Telecommunications Officers starting 1/16/2022	$ 50,143	$ 7,148,789
12/6/2021	carry over FY 21 Supplimental Grant Expense balance and 2020 EMPG grant	$ 73,182	$ 7,221,971
1/4/2022	Adjust annual inmate housing revenue	$ (597,560)	$ 6,624,411
1/4/2022	Additional construction adm/project expenditures for balance of FY 22	$ 70,000	$ 6,694,411
1/4/2022	Fund O/T and additional expenditures for Sheriff's dept	$ 41,000	$ 6,735,411
1/4/2022	Fund O/T and additional expenditures for Detention Center	$ 23,000	$ 6,758,411
1/4/2022	Stovall Senior Center land purchase	$ 81,071	$ 6,839,482
1/4/2022	Transfer funds from LEC construction Fund (Fund 48)	$ (2,318,548)	$ 4,520,934
2/7/2022	Fund repairs to Law Enforcement Center	$ 5,000	$ 4,525,934
2/7/2022	Correct journal entry BE 9913 - rev. duplicate amendment for Stovall land purchase	$ (92,570)	$ 4,433,364
2/7/2022	Salary adjustment and annual leave payout	$ 52,419	$ 4,485,783
	TOTAL	$ (1,159,451)	

Granville County
Tax Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Jenny Griffin
Department:	Tax Administration
Date:	April 27, 2022
Title:	**Tax Refunds, Releases and Write-offs**

PURPOSE:
To approve tax refunds, releases, and write-offs.

BACKGROUND:
Tax releases and refunds are generated according to N.C.G.S. 105-381. According to the resolution adopted May 1, 2003, the Board of Commissioners authorized the Tax Collector to forego the collection for all taxes which do not exceed $2.00.

The following tax refunds, releases and write-offs are recommended for approval:

Refunds	March 2022:	$2,770.68
Releases	March 2022:	$1,676.06
Write-offs ($2 and less)	March 2022:	$ 19.45

A copy of the tax refunds, releases and write-offs are located in the Tax Administrator's Office for inspection.

RECOMMENDATION:
Approval of tax refunds, releases and write-offs for March 2022.

ACTION TAKEN:

Granville County
Register of Deeds
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Taylor, Kathy
Department:	Register of Deeds
Date:	April 20, 2022
Title:	**Refund of Excise Stamp Tax**

PURPOSE:
Refund of excise stamp tax

BACKGROUND:
Deed was recorded in Granville County instead of Warren County so the excise stamp tax was paid in the wrong county.

FUNDING:
10-3240-110 - $551.72
10-3240-113 - $509.28

RECOMMENDATION:
Kathy Taylor, Register of Deeds, recommends a refund of $1061.00 to Cross & Brummitt, LLP.

ATTACHMENTS:
Supporting Documentation

ACTION TAKEN:

CROSS & BRUMMITT, LLP
ATTORNEYS AT LAW

JAMES E. CROSS, JR.
M. WALKER BRUMMITT

135 COLLEGE STREET
P.O. DRAWER 1168
OXFORD, NORTH CAROLINA 27565

TELEPHONE: (919) 693-3131
TELECOPIER: (919) 693-4018
E-MAIL: jcross@crossbrummitt.com
mwbrummitt@crossbrummitt.com
crosscurrinlaw@gmail.com

April 19, 2022

Granville County Commissioners
104 Belle Street
PO Box 906
Oxford, NC 27565

Re: Warren County Deed and Deed of Trust recorded in Granville County

Dear Commissioners:

I am representing Seby D. and Faith Watkins regarding a real estate closing. The Deed and Deed of Trust for said real estate closing were recorded in Granville County and should have been recorded in Warren County.

I specifically call your attention to the matter regarding the reimbursement of Revenue Stamps paid to Granville County in the amount of $1,061.00. I have attached a copy of the receipt to this letter to show that it was paid.

Thank you for your attention to this matter.

Sincerely yours,

CROSS & BRUMMITT, LLP

M. Walker Brummitt

M. Walker Brummitt

MWB/hbs
Enclosure

Doc ID: 003661030003 Type: CRP
Recorded: 04/14/2022 at 01:18:22 PM
Fee Amt: $1,087.00 Page 1 of 3
Revenue Tax: $1,061.00
Granville County, NC
Kathy M. Taylor Reg of Deeds
BK 1898 PG 512-514

This instrument is prepared by Michael E. Satterwhite, a licensed NC attorney. Delinquent Taxes, if any, to be paid by the closing attorney to the county tax collector upon disbursement of closing proceeds.

NORTH CAROLINA GENERAL WARRANTY DEED
[TITLE NOT EXAMINED BY DRAFTSMAN]

Excise Tax:	$1,061.00
Parcel ID:	A2D28
Mail/Box to:	Cross & Brummitt, LLP, 135 College Street, Oxford, North Carolina 27565
Prepared by:	STAINBACK, SATTERWHITE & ZOLLICOFFER, PLLC – Michael E. Satterwhite
Brief description for the Index:	126 Rose Hill Road, Manson, Warren County, North Carolina 27553

THIS GENERAL WARRANTY DEED ("Deed") is made on the **9th** day of **April 2022** by and between:

GRANTOR	GRANTEE
ROBERT KEITH BROWER and wife, ELIZABETH KATHLEEN BROWER 20725 Wood Quay Drive, Unit 245 Sterling, VA 20166	SEBY DONALD WATKINS and wife, FAITH CAMPBELL WATKINS 126 Rose Hill Road Manson, NC 27553

Enter in the appropriate block for each Grantor and Grantee their name, mailing address, and, if appropriate, state of organization and character of entity, e.g. North Carolina or other corporation, LLC, or partnership. Grantor and Grantee includes the above parties and their respective heirs, successors, and assigns, whether singular, plural, masculine, feminine or neuter, as required by context.

FOR VALUABLE CONSIDERATION paid by Grantee, the receipt and legal sufficiency of which is acknowledged, Grantor by this Deed does hereby grant, bargain, sell and convey to Grantee, in fee simple, all that certain lot, parcel of land or condominium unit in the City of ________________, **Nutbush** Township, Warren County, North Carolina and more particularly described as follows (the "Property"):

BEGINNING at a stake, which is located South 21-05 East 264 feet from an iron stake designated as U.S. Government Station 8, said beginning point being the northeast corner of the property herein described and the southeast corner of the property of Jon Lamont Waring et ux and running thence South 74-00 West 306 feet along the line of Jon Lamont Waring et ux to a

stake, corner for Jon Lamont Waring et ux and R.Y. Spain heirs; thence along the line of R.Y. Spain heirs South 5-00 West 95 feet to a stake, corner with R.Y. Spain heirs; thence North 74-00 East 345 feet to a stake, corner with U.S. Government property; thence along the line of U.S. Government property North 21-05 West 88 feet to the point of beginning containing 28,400 sq. feet, more or less. For further reference, source and chain of title see deed recorded in Book 185 Page 134, Warren Registry. And being the identical property conveyed by William A. Pulley (widower) to Mike Brady et ux by deed dated November 29, 1972 and recorded in the Warren County Registry in Book 253 Page 770.

It is understood and agreed between the parties hereto, their heirs and assigns, that there is reserved a perpetual right of way easement of 20 feet in width over and across the above-described property running adjacent and parallel to the line of the R.Y. Spain heirs for a distance of 95 feet for purposes of ingress and egress. (the "Property")

ALSO CONVEYED HEREWITH to the Grantee, their heirs, successors and assigns is a perpetual, non-exclusive easement appurtenant of ingress, egress and regress from the Property to and from Rose Hill Road (State Road 1248) as appears in Book 803 Page 821, Warren County Registry. [22-MS-183T/K]

All or a portion of the Property was acquired by Grantor by instrument recorded in Book **1082** page **96**

All or a portion of the Property ☐ includes or ☒ does not include the primary residence of a Grantor.

A map showing the Property is recorded in Plat Book _______ page _______.

TO HAVE AND TO HOLD the Property and all privileges and appurtenances thereto belonging to Grantee in fee simple. Grantor covenants with Grantee that Grantor is seized of the Property in fee simple, Grantor has the right to convey the Property in fee simple, title to the Property is marketable and free and clear of all encumbrances, and Grantor shall warrant and defend the title against the lawful claims of all persons whomsoever, other than the following exceptions:

a. **Existing rights of way for roadways and public utilities of record.**
b. **Agreement, Re: Joint Driveway and Joint Well as appears in Book 259 Page 129, Warren County Registry.**
c. **Easement in favor of Amerigas Propane, L.P., Re: underground storage tank as appears in Book 820 Page 530, Warren County Registry.**
d. **Terms and provisions of all applicable zoning, land use and planning ordinances, statutes and regulations.**
e. **Warren County ad valorem taxes for 2022 et seq. years.**

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above written.

_________________________ (SEAL)
ROBERT KEITH BROWER

_________________________ (SEAL)
ELIZABETH KATHLEEN BROWER

State of **North Carolina**-- County or City of **Vance**

I, the undersigned Notary Public of the County or City of **Vance** and State aforesaid, certify **ROBERT KEITH BROWER and wife, ELIZABETH KATHLEEN BROWER,** personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed. Witness my hand and Notarial stamp or seal this **9th** day of **April 2022.**

____
Signature of Notary Public
MICHAEL E. SATTERWHITE, Notary Public
Notary's Printed or Typed Name

My Commission Expires: **3/25/2023**
(Affix Seal)

MICHAEL E. SATTERWHITE NOTARY PUBLIC VANCE CO, N.C.

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Minutes**

PURPOSE:
To approve minutes of the November 1, 2021 Regular Meeting.

RECOMMENDATION:
Approval

ATTACHMENTS:
Draft Minutes of the November 1, 2021 Meeting

ACTION TAKEN:

OXFORD, NORTH CAROLINA
November 1, 2021

The Members of the Honorable Board of Commissioners of Granville County, North Carolina met in a regular meeting on Monday, November 1, 2021 at 7:00 p.m. in the Auditorium, Granville Expo and Convention Center, 4185 US Highway 15 South, Oxford.

Present via Zoom were:

Chair:	Sue Hinman	
Commissioners:	Tony W. Cozart Zelodis Jay Russ May	Jimmy Gooch Timothy Karan David T. Smith
County Manager: ***County Attorney:***	Michael S. Felts James C. Wrenn, Jr	
News Reporters:	Shawn Taylor – *Butner-Creedmoor News* Ray Gronberg – The Daily Dispatch Donna Perkins – *Oxford Public Ledger* Chris Lovingood - WRAL	

MEETING CALLED TO ORDER

At 7:00 p.m., Chair Sue Hinman called the meeting to order and recognized Commissioner David T. Smith for the invocation and the Pledge of Allegiance.

RECOGNITION OF LEADERSHIP GRANVILLE CLASS

Chair Hinman welcomed the Leadership Granville Class that was present and met informally with the Board at 6:15 p.m. She asked them to come forward to introduce themselves and then presented each of them with a Granville County 275th Anniversary coin. Rosalyn Green and Annette Meyers, Facilitators of the Leadership Granville Class, and Lauren Roberson, Executive Director, of the Granville County Chamber of Commerce were present. The members of the 2021-2022 Leadership Granville Class are:

Keith Adcock	Barry Long
Melanie Baldwin	Jonelle Berky Marable
Gail M. Barnes-Hall	Lisa Mayhew
Cheri Blanchard-Hayes	Donna Ingold Owen
James N. Brown, Jr.	Lauren Piper
Kevon Grant	Shelia Thornton
Tyeisha Hewett	Anita Thomasson
Tiana Jones	

CONSENT AGENDA APPROVED

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Tony W. Cozart, and unanimously carried, the Board approved the consent agenda as follows:

(A) Approved the Summary of Contingency and Use of Fund Balance report that showed the following balances:

General Contingency Balance	$ 51,450
School Bond D/S Contingency	$ 100,000
Environmental Disaster Contingency	$ 10,000
General Fund Appropriated Fund Balance	$ 7,051,008

(B) Approved the *Resolution of Notice to Reduce Salary of Elected Official:*

Resolution
of Notice to Reduce
Salary of Elected Official

Whereas, the Granville County Board of County Commissioners is charged with setting the salaries of elected, salaried department managers; and

Whereas, NCGS 153A-92 provides that during the year of a general election, the Board of County Commissioners may reduce the salary, allowances, and other compensation of an officer to be elected at the general election only in accordance with this statute; and

Whereas, this resolution hereby gives notice of intention to make this change and does so within the 14-day notice period;

Now, Therefore, Be It Resolved, that the salary for the elected Sheriff of Granville County to take effect at the time the person takes office is the minimum of the range, or $76,685.

Adopted, this the 1st day of November 2021.

<u>SPECIAL INVESTIGATION FINDINGS REPORT</u>

Chair Hinman recognized Attorney Jim Wrenn.

Attorney Wrenn announced that there will be no appointment of a Sheriff tonight, but there would be a report of information. He then gave the following presentation and presented a copy to the Clerk:

The indictments last week and this presentation tonight mark the end of the ongoing criminal investigation and internal review. Tonight, we summarize our internal review activities to date. As you know, the internal review I led was authorized by you immediately following the initial indictments of former Sheriff Wilkins.

Before I introduce those who assisted me with this internal review or further describe our work, I would like to thank this Board. You have given me the resources I have needed to conduct this review. Further, you have not constrained my review in any way.

I would also like to thank District Attorney Michael Waters for having the courage to be persistent in bringing the alleged wrongdoing by the former Sheriff Wilkins to the attention of authorities. If he had not been persistent in following up on the issue, I am not sure the significant issues that have been brought to light would have ever been exposed.

I would also like to thank Lorrin Freeman, the Wake County District Attorney who has led the criminal investigation. Her efforts have been tireless and selfless. She answered the call initially due to Mr. Waters' involvement in bringing forward the information leading to the initial indictments. Little did she know that this investigation would take two years to complete. I have heard criticism that her investigation has taken too long. I can assure you she has moved as quickly as possible. She did not have all of the information of alleged wrongdoing when she started. That information has come out at various time throughout this process. One line of inquiry has led to another. The information her team has sorted through has consisted of many thousands of pages of documents and many witness interviews. She has never interfered with or shown any tendency to direct or limit our internal inquiries, but we have taken care to make her team aware of apparent criminal activity when we have come across it and to halt our review when it might in any way interfere with law enforcement activities.

The last two years have given me a lot of time to reflect on the lessons that should be learned from this sad chapter of Granville County history. I have a few thoughts:

- Law enforcement officers must be loyal to the oaths they take to support and maintain the constitutions of the United States and the State of North Carolina and to enforce the criminal laws of this State faithfully and without bias. Their loyalty to this oath must be paramount—it must come before their personal loyalty to their brother and sister law enforcement officers.
- No leader should force his or her subordinates to choose between loyalty to their superior and loyalty to their oath. No law enforcement officer ever has any reason to lie or to violate his or her oath.
- No citizen should ever have to question the integrity of their law enforcement officers. When law enforcement officers engage in or turn a blind eye to things they clearly know are wrong, they lose the trust of those they are sworn to protect.
- Government officials must always faithfully perform the duties of their office. They should never take shortcuts because they trust the person who is asking them to do so or because an elected official asks them to do so. Checks and balances are established for a reason. Without checks and balances, dishonest people can exploit the trusting or those without the resolve to hold them accountable.
- Knowing about wrongdoing and not reporting it perpetuates wrongdoing and allows the wrongdoers to consolidate their power by compromising others they see as threats.
- Sheriffs in North Carolina have a lot of power. Under our system, all deputies serve at the pleasure of the sheriff. As a result deputies fear a change of control. They have a strong incentive to support stability by supporting an inside choice to protect their jobs. This can lead to the problem mentioned earlier—deputies elevating loyalty to those they serve with over loyalty to their oath.
- CELEA certification (Commission Accreditation for Enforcement Agencies, Inc.) would help maintain continuity between administrations and would provide checks and balances.
- The next remarks are not intended to be political. Many people believe the S heriff's election is on the ballot tomorrow. This is incorrect. Our filing period for the Sheriff's election begins December 6 and ends December 17. The primary will be held on March 8, 2022 and the general election will be November 8, 2022.

At this point, Attorney Wrenn introduced the following people that helped with the internal review: Chuck Stuber, retired FBI (Federal Bureau of Investigation) Agent and partner at SRS Consulting Services, LLC; Mike O'Leary, former US (United States) Prosecutor and Counsel for Regional Counsel to the Drug Enforcement Administration (DEA); Nick Stone, CPA (Certified Public Accountant) with Cherry Bekaert Accounting Firm; and Rob Bailess, retired DEA Agent. He said that Mr. Stuber, Mr. O'Leary and Mr. Bailess would give reports and efforts that have taken place to implement changes recommended from the report. He noted that while the investigation was ongoing, Former Sheriff Noblin, with the assistance of many in the Sheriff's Office, and Mr. Bailess implemented many of the changes that will be talked about. He said after the *Report to the Granville County Board of Commissioners of Investigation Review of Certain Policies and Procedures Pertaining to the Granville County Sheriff's Office,* he would request an executive session for the Board to receive the report, completed by the Cherry Bekaert Accounting Firm from Mr. Stone, CPA as requested. County

Attorney Wrenn said that following the presentation of the report which is privileged in executive session, he would request that the Board allow the County Attorney to waive the privilege to release the report so the information can be released to the public so they will have full understanding of efforts to date.

At this point, Mr. Mike O'Leary gave a brief overview and then spoke from the report that was presented and included in these minutes. He said the report was organized topically and loosely corresponding to how they moved through the investigation of various topics simultaneously and that their work was directed by County Attorney Wrenn. Information was provided in the form of briefings to District Attorney Lorrin Freeman throughout the investigation. He then spoke from the report section entitled *Initial Efforts – Management Structure.* He reported that a substantial number of interviews with law enforcement and administrative officers in the Sheriff's Office were conducted and they were very cooperative and exhibited an eagerness to seek positive change to the ways things were structured and conducted going forward. The structure and personnel in Sheriff's Office were evaluated to make a recommendation(s) as to who may be a viable candidate to replace Sheriff Wilkins. Several candidates were interviewed, and they reached the conclusion that the Sheriff's Office and County would benefit from bringing in outside experience in managing investigations and implementing policies and procedures with regard to drug trafficking investigations and interdiction. They also felt that there would be value in placing someone in that understood and had a deep understanding and that others would have buy-in. Rob Bailess was recommended as the outside person because of his management, drug investigation, and interagency experience and then Sergeant Charles Noblin, Jr. was recommended to fill the Sheriff's position. He reported that Mr. Bailess has worked for approximately a year and a half in the Sheriff's Office and that he has been well received internally and externally and has substantially improved working relationships.

Mr. O'Leary continued by saying they came into this investigation with the understanding that various law enforcement sources that were involved in the investigation and the initial indictment had expressed concerns about how the Sheriff's Office was being managed. He explained his perspective on the movement of drugs and money in the southeastern United States and talked about highway interdictions, handling of cash, and processing asset seizures by the Granville County Sheriff's Office. He noted that the audit showed a lack of procedures and compliance with federal programs. He said there were also concerns with permits for the purchases of firearms explaining that the Sheriff is considered the gatekeeper of gun permitting to be sure if there are those with a history of prior criminal activity or mental illness and whether they should be given a firearm permit.

Mr. Chuck Shuber then spoke and clarified that they did not necessarily identify Sheriff Noblin but interviewed him and said that they felt he had leadership characteristics that would be advantageous for the Sheriff's Office. He then talked about the firearms permit process at the Granville County Sheriff's Office and spoke from the report sections entitled *Firearms Purchase Permitting and Other Firearms Issues* and *Orders of Destruction of Firearms* that were separately examined by Granville County Sheriff's Office Advisor Rob Bailess.

Mr. O'Leary then gave an overview of an incident on Antioch Road, Oxford that was included in the report in the section entitled *5118 Antioch Road Incident* and reported that issues with training and certification were identified with former Sheriff Wilkins and former Chief Deputy Sherwood Boyd in the section entitled *Training/LEO Certification Process.*

Mr. Schuber then talked about the information included in the report about the certification and training of former Sheriff Wilkins and former Chief Deputy Sherwood Boyd and noted that this was another matter that was referred to the District Attorney for further investigation as a potential criminal matter.

When asked, Mr. O'Leary explained what Brady/Giglio impaired means as referenced in the report. He then said there seems to be a culture that developed in the Sheriff's Office to be selective as to how the entity dealt with state, federal, and constitutional mandates passed on to them. He concluded by saying that more information is included in the report regarding the matters talked about tonight. He noted there were other matters here and there that came to their attention, but they did not have the resources to exhaustively investigate and they were conscious not to interfere with the criminal investigation.

County Attorney Wrenn reiterated that this is a report of the administrative review of the matters and should not be considered conclusive as everyone is entitled and presumed innocent until proven guilty. He said that he wanted the public to know what efforts had been taken on behalf of the County at the Board's request. He said that issues that they ran into that they feared were criminal were referred to State investigative authorities and District Attorney Lorrin Freeman. He said they have not undertaken to try to ascertain anyone's guilt or innocence and said he wanted to be clear on that. He said they reviewed things and found internal controls lacking and found things that concerned them, but the things found appeared to brush up against the line of possibly being criminal so they turned those items over to people who can make the determination whether they warrant criminal charges. He cautioned people to read the report carefully as sometimes it is hard to be as accurate in an oral presentation as it is in writing. He said he wanted to give everyone involved in the matter the benefit of the doubt. He said that the report and other related documents pertaining to the investigation would be put on the County's website tomorrow.

A copy of the report talked about during the meeting was given to the Clerk and follows:

Report to the Granville County Board of Commissioners of Investigation Review of Certain Policies and Procedures pertaining to the Granville County Sheriff's Office

Presented by: James C. Wrenn, Jr., Granville County Attorney, Michael J. O'Leary, and Charles W. Stuber, Jr.
Date: November 1, 2021

Background

On September 16, 2019, the then sitting Granville County Sheriff, Brindell Wilkins, was indicted by a Granville County Grand Jury and charged with two counts of Felony Obstruction of Justice. The indictments alleged, *inter alia,* that on or about August 12, 2014, Wilkins had withheld knowledge of a credible threat to imminently kill former Granville County Deputy Sheriff Joshua Freeman[1]. They further alleged that Wilkins had failed to make reasonable and professional efforts to protect Freeman. The prosecution is being pursued on behalf of the State of North Carolina by N. Lorrin Freeman, District Attorney of the 10th Prosecutorial District, due to the recusal of Michael Waters, District Attorney of the 11th Prosecutorial District which includes Granville County. On or about June 22, 2021, Wilkins was indicted on additional charges including two counts of felony obstruction, as well as two misdemeanor charges, all relating to alleged failure to discharge the duties of his office[2]. Substantial additional criminal charges were also filed against former Sheriff Wilkins and others on or about October 26, 2021.

On September 23, 2019, Granville County Attorney James C. Wrenn, Jr. filed, on behalf of the County, a Petition for Removal of Sheriff Brindell B. Wilkins, Jr. Then Sheriff Wilkins subsequently agreed on that same date to a consent order suspending his service as Sheriff of Granville County, pending resolution of the above-described criminal charges.

In the course of law enforcement officials' investigation into the above-described allegations, concerns surfaced regarding a number of issues pertaining to the management of the Granville County Sheriff's Office (GCSO). Most notably at that time, concerns were expressed pertaining to the GCSO's highway interdiction program in which numerous traffic stops had been made of principally southbound vehicles along Interstate 85 as it traversed through Granville County, with large sums of cash frequently being seized from motorists and/or passengers during such

[1] Joshua Freeman is no relation to N. Lorrin Freeman, District Attorney of the 10th Prosecutorial District.
[2] At the time of the issuance of this report, there has been no resolution of the criminal charges/allegations described in this report. As is true of all defendants in criminal proceedings, the Government bears the burden of proof beyond a reasonable doubt, and any defendant is presumed innocent unless and until convicted in a lawful criminal proceeding.

interdiction stops, based upon suspicions that the cash constituted the proceeds of illegal trafficking in controlled substances.

Thereafter, Granville County Attorney James C. Wrenn, Jr. retained, again on behalf of the County Board of Commissioners, the services of consultants Charles W. Stuber, Jr., and Michael J. O'Leary (collectively the "consultants"). Their mandate was to conduct an administrative investigation to assist the County in assessing the events leading up to the criminal charges against Sheriff Wilkins and his management of various aspects of the Granville County Sheriff's Office (GCSO), and to make recommendations on action to be undertaken to improve the functioning and effectiveness of that office, and the public's confidence with regard to the same. Stuber is a retired Special Agent with the United States Department of Justice (DOJ), Federal Bureau of Investigation (FBI), having served in that capacity for over 28 years in multiple FBI field offices, including 16 years in the Charlotte Field Division, working in the Raleigh Resident Agency. In addition to being trained as a federal investigator, Stuber holds a Juris Doctorate degree from the University of North Carolina and an accounting undergraduate degree from North Carolina State University. He is also a Certified Public Accountant, licensed to practice in North Carolina, and is currently a partner in the firm SRS Consulting Services, LLC. O'Leary is a retired Division Counsel for the Atlanta Field Division of DOJ's Drug Enforcement Administration (DEA). That division managed DEA operations in much of the Southeastern United States (Georgia, North and South Carolina, Tennessee). O'Leary worked in that capacity for over 10 years, having previously worked for approximately 15 years as a federal prosecutor (Assistant United States Attorney), initially in Illinois and then principally in Atlanta, Georgia. He is a principal in The O'Leary Firm, LLC.

On or about July 2, 2020, one of Wilkins' principal GCSO managers, Deputy Sheriff Chad Coffey, was also indicted on two felony obstruction of justice charges related to his utilization of confidential informants in drug trafficking investigations and prosecutions. Coffey was subsequently charged, on approximately November 5, 2020, with additional charges of embezzlement by public officer, obstruction of justice, and altering, destroying, and stealing evidence of criminal conduct, and conspiracy to deliver cocaine which related to his utilization of undercover informants and the improper use of GCSO funds with regard to such utilization, including the use of such funds to buy illegal drugs for one or more informants.

As the consultants began their investigation under the direction of County Attorney Wrenn and spoke with various individuals inside and outside of the GCSO, additional issues surfaced pertaining to the operations and management of the GCSO. The following is a summary of the efforts undertaken by consultants Stuber and O'Leary, and others working with them, and it is intended to identify and discuss issues that surfaced and were pursued to various extents in the course of their work. The summary is organized topically and in many cases the issues were not able to be investigated exhaustively due to resource concerns and other constraints, most notably the ongoing criminal investigations by state authorities. The efforts included substantial document reviews and the interviews of numerous individuals.

During the consultants' work, and particularly in the course of interviews of GCSO personnel, the consultants found the great majority of GCSO employees to be cooperative, dedicated public servants. These employees have repeatedly advised that they are supportive of any efforts to enhance the operations and professionalism of the GCSO, and the quality of the service to the citizens of Granville County.

The consultants operated entirely independent of state and federal investigators and reported directly to County Attorney Wrenn. When information that may have been criminal in nature was discovered, law enforcement authorities were notified by the County Attorney. The consultants assisted County Attorney Wrenn from time to time throughout the course of this matter in informing state and federal investigators regarding certain aspects of the consultants' work and analysis which might potentially have crossover significance to the state and federal investigators' work with regard to existing or potential criminal charges. On a number of occasions, the consultants were requested to stand down on certain aspects of their investigations, in order to give law enforcement personnel the ability to conduct their own investigations in this area without the County's internal work interfering.

Initial Efforts – Management Structure

The consultants' initial work involved the review of GCSO documents, certain public court filings, and interviews of a number of then current and former GCSO employees, including line level deputy sheriffs, office management personnel, administrative assistants and others. The first objective in this regard was to assist in providing perspectives and making recommendations with regard to the imperative effort of fairly immediately determining the suitability of any candidate to be appointed by the Granville County Board of Commissioners (the "Board") to fill the position of Granville County Sheriff, occasioned by the above-described consent order. By default, Chief Deputy Sherwood Boyd fulfilled the duties of sheriff following Wilkins' suspension pursuant to N.C. Gen. Stat. §162-5, pending the Commission's determination of who should be permanently appointed to fill the position in the wake of Sheriff Wilkins' consent suspension of his service. The consultants concluded and recommended that Chief Deputy Boyd would not be the best candidate for appointment by the Commission at that time, as it became apparent that he was integrally involved in management of the GCSO with regards to many of the rapidly emerging areas under investigation and described below. The consultants ultimately identified to County Attorney Wrenn that the Board could consider GCSO Sergeant Charles Noblin, who at that time was managing the office's civil enforcement statutory duties, to be appointed Sheriff. Noblin had interacted in what was perceived to be an open and straight forward fashion with the consultants, had articulated a strong personal desire to see the GCSO adhere more precisely to state mandates and expectations with regard to policies and procedures, seemed to be well thought of by other GCSO personnel, and there did not appear to be any negative issues making his appointment problematic.

The consultants also advised that notwithstanding the change in management at the top with the appointment of then Deputy Sheriff Noblin, and the likely inevitable change in other middle level management personnel, it would also still be greatly important for an outside advisor to nonetheless be brought in with a deep background in criminal investigation and prosecution policies and procedures, and law enforcement management, particularly as it relates to narcotics matters. The recommendation was that such an advisor should be brought in to work very closely with the appointed Sheriff and other GCSO management for an extended period to reform a number of internal policies and procedures, and to ensure actual implementation of such changes over a mutually agreed upon duration of time.

The consultants assisted in this effort by searching for and reaching out to a substantial number of law enforcement contacts, and ultimately identified certain potential candidates for such a role. Various such interviews and contacts resulted in discussions with possible candidates as a result of these efforts. Robert Bailess was ultimately identified and agreed to begin work in approximately August of 2020. Bailess was to be imbedded nearly full time in the Sheriff's Office for a period of time that would ultimately be mutually agreed upon as the advisory role progressed. Bailess, who retired from the U.S. Drug Enforcement Administration shortly before taking the advisory position, has a deep background in narcotics-related law enforcement management. That background included not only working as a narcotics agent himself at both the local and federal levels, but also as a manager of DEA's operations in the Johnson City and the Eastern Tennessee area; as DEA assistant country attaché in Costa Rica and foreign liaison in Peru; and as an executive manager in the federal agency's Special Operations Division (SOD), focused on interagency cooperation on particularly substantial narcotics investigations and prosecutions nationwide that involved numerous state and federal jurisdictions and, indeed, worldwide, with operations often crossing state and even international political boundaries..

Highway Interdictions/Handling of Cash/Processing Asset Seizures

The consultants received information raising numerous questions regarding a substantial component of the GCSO's work that involved roadside interdictions of suspected drug and, particularly, drug proceeds couriers utilizing the Interstate 85 corridor as a transportation route to and from the Eastern United States. In addition to broad concerns regarding techniques used in the interdictions both from an officer safety and liability perspective, questions arose regarding whether there could have been cash seizures resulting from roadside interdiction efforts in which all or some portion of the cash may possibly have been diverted at some point along the way, or at least whether policies and procedures with regard to such initiatives may create the opportunity for such defalcations. At a minimum, concerns were identified that the manner in which such interdictions were conducted at least created a substantial opportunity for such diversion. As a result, the consultants examined the processes involved in these interdictions and the subsequent handling of cash seized.

Additionally, at the consultants' recommendation, forensic accountants were ultimately retained by the County, and worked with County Attorney Wrenn and the consultants to conduct a reasonably comprehensive analysis of banking and other records related to the processing of the assets, principally cash, seized from such roadside interdictions. County Attorney Wrenn identified the accounting firm Cherry Bekaert, LLP, to undertake such work. Those accountants traced the deposit of millions of dollars in seized funds and the subsequent processing of such funds for turnover to federal authorities for the purpose of administrative forfeiture proceedings, and the ultimate return of some of those funds to the County and the GCSO in the form of equitable sharing proceeds.

As mentioned, the consultants initially reviewed the interdiction efforts, which largely occurred based upon stops of vehicles travelling principally southbound along Interstate 85 as it routed through Granville County. In the review process, the consultants spoke with a number of GCSO personnel familiar with the interdiction process, and also reviewed a substantial number of reports filed in the GCSO Report Management System (RMS) by responding deputies. Based upon this review, the consultants concluded that there were numerous best practices which could and should be instituted by GCSO personnel with regard to such interdictions. They included ensuring that such roadside stops, or at least the ensuing searches and seizures, not be conducted by a single deputy without backup present at the time of the stop and particularly the seizure in question; that additional steps be taken with regard to the handling of cash and the timeliness of the deposit of such interdiction proceeds; and additional improvements with regard to evidence handling (some of which, in fairness, had already begun even before the consultants' review, and particularly with regard to the GCSO's planned move to new facilities then under construction).

The consultants also note that there are substantial ongoing efforts (some even commenced by Sheriff Wilkins and further enhanced under Wilkins management) with the GCSO and other law enforcement entities to ensure the broad and uniform utilization of body and dashboard cameras, the implementation of which has hopefully significantly assisted in providing much greater transparency with regard to the interdiction operations.

The consultants were and are of the opinion that properly implemented policies and procedures are imperative to ensure officer safety, to reduce the possibility of conflict between law enforcement and citizens and to minimize potential financial risk to the County. Such risk can arise as a result of the potential for harm to officers and/or citizens in these particularly dangerous police/citizen encounters; and the potential for constitutional and other litigation being commenced against the County arising from such encounters and the ensuing asset seizures, often of large amounts of cash in possession of vehicle drivers and other occupants.

Upon review of a substantial number of the reports filed in the GCSO's Records Management System (RMS) pertaining to interdiction stops between approximately February of 2012 to approximately November of 2014, it became readily apparent to the consultants that a large number of these interdiction activities occurred while only the reporting officer was apparently present. As noted above, the consultants concluded that this scenario created a very substantial opportunity for some or all of the cash to be seized from citizens and thereafter diverted. (Or, for that matter, a driver or passenger may readily have the opportunity to claim, in light of no accompanying deputy and quite possibly problematic body camera and/or dashboard camera imaging, that all or some portion of their cash or other valuables had been unlawfully taken by the officer initiating the stop and/or not accounted for in subsequent administrative processing.) With regard to this particular and substantial concern, the further efforts of the consultants were made difficult due the inability of the consultants, for various reasons including most notably the ongoing criminal investigation, to interview a number of key individuals who would have substantial information regarding internal details about the processes, and applicable policies and procedures, as well as the adequacy of training with regard to such roadside interdictions.

In the process of investigating such interdictions, the consultants also gained a more thorough understanding of a serious rift that had developed over time in which the District Attorney's Office had grown increasingly unwilling to prosecute criminal offenses that had been investigated by GCSO personnel, particularly with regard to drug trafficking investigations. These conflicts were purportedly a result of problems that prosecutors had encountered on numerous occasions in specific cases with regard to evidence storage, confidential informant utilization, and other related matters[3]. Along these lines, the consultants also reviewed a copy of a court order that had been entered by Superior Court Judge G. Wayne Abernathy, in the case of *State v. Oakley,* 16 CRS 50629. Judge Abernathy ruled that key evidence obtained in that case with the participation/assistance of a certain confidential informant, was to be excluded from use in the prosecution of the defendant. The ruling was based upon a hearing highlighting the general inadequacy of the GCSO's record keeping system pertaining to the utilization and payment of such confidential informants generally, and the ability of the prosecution to comply with its legal obligations, established by the United States Supreme Court in *Brady v. Maryland* (1963) and subsequent rulings in federal and state courts. Judge Abernathy's ruling essentially eliminated the ability to successfully prosecute the defendant in the *Oakley* drug trafficking case, and also cast considerable doubt on the viability of other drug trafficking prosecutions initiated by the GCSO in which confidential informants had been utilized.

The consultants also found that the documentation maintained with regards to funds utilized for payments to confidential informants for their assistance and for their purchase of drug evidence from suspects was inadequate. Again, further complete investigation with regard to this specific concern was largely curtailed principally due to the pending criminal charges against GCSO Deputy Chad Coffey, the individual perhaps most integrally involved in the use of funds for payments to cooperators.

Many of these issues with regard to GCSO/District Attorney coordination have been and continue to now be addressed by the new management structure put in place at the GCSO, and the assistance being provided by Advisor Bailess, with regard to reforms to office policies and procedures. It appears that great strides have been made in this regard. The consultants have conducted follow-up interviews with the District Attorney and members of his staff, who have uniformly articulated a greatly improved working relationship with the GCSO, with much more communication occurring between investigators and prosecutors on an ongoing basis, and much more transparency regarding GCSO processes. District Attorney's Office managers and GCSO personnel as well, describe a much better culture of cooperation that exists currently, when compared to the culture under the former GCSO administration.

The efforts undertaken by the consultants and the Cherry Bekaert accountants also revealed a quite substantial lack of financial controls with regard to the handling, management and documentation of cash seizures. These controls were the responsibility of both GCSO managers and County management, and there appeared to have been failures by both groups to appropriately implement

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[3] As reported by area media sources, District Attorney Michael Waters had acknowledged that his office felt compelled, in 2017, to dismiss over 100 pending drug cases due to perceived problems with regard to the GCSO's investigations.

the requirements of the federal equitable sharing programs. These conclusions were reached after a substantially exhaustive review of incident reports, bank records, and the GCSO, County and many (but certainly not all) federal government documents pertaining to equitable sharing transactions related to the roadside interdictions. Such financial control issues are documented and separately addressed in considerably more detail in the separate report prepared by the accounting firm.

The lack of financial controls with regard to the asset forfeiture/equitable sharing program was also identified by auditors with The U.S. Departments of Justice and of Treasury, who in 2021 issued highly critical reports identifying numerous violations of federal equitable sharing program mandates. These findings of the government auditors are also discussed in substantial detail in the Cherry Bekaert report. Responses to the audits were prepared with input from various county officials, with the effort largely spearheaded by Advisor Bailess. That effort appears to have been successful in satisfying federal authorities that the County and new GCSO management have implemented reforms sufficient to permit the County's continued participation in these important programs.

More recently, the consultants have discussed with Granville County finance personnel, including the County Manager, County Finance Director, and County Internal Auditor, reforms that have now been put in place with regard to the programs, and the oversight over the GCSO's handling of these programs moving forward. These reforms even include participation by the County's external auditors in scrutinizing the programs more closely. A significant item with regard to the federal agency partners' audits was the identification of a lapse in oversight over the GCSO's activities in this regard by county management.

Firearms Purchase Permitting and Other Firearms Issues

In the course of their work, the consultants received information indicating that the GCSO had, for quite some time, been circumventing certain laws that had been put in place by the North Carolina legislature in an effort to curb the purchase of firearms by certain individuals deemed potentially dangerous. Specifically, these laws called for background screening of applicants prior to the issuance of such permits, to ensure that permits were not being given to individuals who might present undue risks due to mental health issues and other concerns. In response, the consultants conducted a number of interviews regarding GCSO permitting processes and reviewed a large volume of records pertaining to permits that had been issued by the GCSO.

More specifically, effective in 2015 the North Carolina General Assembly passed legislation pertaining to handgun purchases in the state. The legislation required North Carolina sheriffs, who were statutorily authorized and obligated to approve or deny handgun purchase applications, to work with the respective Clerks of Superior Court in their jurisdictions to conduct mental health records checks for individuals who applied for permits to purchase handguns, based upon a review of any existing court orders with regard to mental health issues. A process was established to enable them to do so. In order for the sheriff's offices to get access to mental health records, applicants for handgun purchase permits were required to sign a state form entitled "Release of Court Orders Concerning Mental Health and Capacity for Pistol Purchase Permits." Language in the form concerning the authorization by the applicant reads as follows:

I hereby authorize and request any and all Clerks of Superior Court of North Carolina to inform the Sheriff of the county named above whether or not the clerk's files or records contain any court orders concerning my mental health or capacity. If so, I authorize the clerk to reveal to the sheriff the court orders within any confidential court files or records that the sheriff may reasonably require in order to determine whether or not to issue a pistol purchase permit to me.

This Release may be treated as a motion in the cause for disclosure pursuant to G.S. 122C-54(d), which disclosure is necessary to enable the sheriff to determine my qualification to purchase or possess a handgun. I stipulate that a clerk may reveal to the sheriff any court orders pursuant to any specific or standing order entered in response to or anticipation of this motion.

I understand that further disclosure or redisclosure by the sheriff of any information disclosed to the sheriff pursuant to this Release is prohibited without my further written consent unless otherwise provided for by state or federal law. I understand that I may revoke this authorization at any time except to the extent that action has already been taken in reliance on this Release. Even without my express revocation, this Release will expire upon the satisfaction of the request or one year from the date below, whichever occurs first.

I authorize the sheriff to photocopy this Release after I sign it, and I authorize any clerk to whom a photocopy of this Release is presented to rely on the photocopy as being as effective as the original.

The consultants were advised by witnesses that Sheriff Brindell Wilkins regularly ignored these laws which required that criminal and mental health checks be conducted and documented before issuing permits to citizens for handgun purchases. Purportedly, Wilkins had stated to other GCSO employees that he did not want to make the citizens of Granville County have to wait for their handgun purchase permits to be approved. Accordingly, Wilkins subsequently directed that applications for handgun purchases be approved in many cases before the requisite mental health checks had been received by the GCSO. GCSO employees expressed that they were uncomfortable with the refusal to comply with state law mandates on the topic, and were unwilling to execute applicable paperwork by signing their own names. As a result, internal processes were altered with the paperwork signed off by Wilkins directly or, at the direction of the sheriff, GCSO administrative personnel simply utilized a rubber signature stamp bearing the sheriff's signature for those occasions when the sheriff himself was unavailable to sign.

The mental health background check process worked as follows. Per the request by the GCSO, personnel from the office of the Clerk of Court would research their records for the applicant and respond to the sheriff's office with the results of the mental health checks. In Granville County, results were received by the GCSO for two periods of time. A declaration would be provided for "Mental illness record checked for 12-2-1968 through 1-1-1986" and "Incompetency record checked from 12-2-1968." Another certification would be furnished for "Record checked from 1-1-1986 for mental illness." An example of these record checks and certifications is as follows:

MENTAL ILLNESS RECORD CHECKED FROM 12-2-1968
THROUGH 1-1-1986.
INCOMPETENCY RECORD CHECKED FROM 12-2-1968.
NO RECORD FOUND.
DATE: 12-15-15

RECORD CHECKED FROM
1-1-1986 FOR MENTAL ILLNESS.
NO RECORD FOUND.
DATE: 12-21-15
Deputy Clerk

The GCSO also performed criminal records checks on applicants for handgun purchase permits. Included in disqualifying factors for applicants that might be revealed during the criminal checks are scenarios such as the individual being a convicted felon, being a wanted person, being the subject of a domestic violence protective order, and being dishonorably discharged from the military. Pursuant to the law, sheriffs have a 14-day window of time to act on handgun purchase permit applications.

Approximately 150 firearms purchase applications were reviewed by the consultants for compliance with applicable laws regulating gun purchases in North Carolina. Findings from the review of the handgun purchase permit applications filed from 12/1/2015 (when the new law went into effect requiring mental health checks) through 10/11/2017 are as follows:

- Over 100 handgun purchase permits were identified as having been issued by the GCSO before receiving complete (both 1968-1986 and post-1985) mental health and incompetency checks.

- Of the over 100 handgun purchase permits issued before the GCSO had received complete mental health checks, approximately 90 of these permits were issued less than 14 days after the applicants filed their handgun purchase permit applications with the GCSO.

- Handgun purchase permits were issued by the GCSO to at least 13 applicants on the same day they filed their handgun purchase permit applications with the GCSO. Required mental health information had not been acquired for any of these applicants at the time their permits were issued.

- Handgun purchase permits were issued by the GCSO to an additional 7 applicants one day after they filed their handgun purchase permit applications with the GCSO.

Required mental health information had not been obtained on any of these applicants at the time their permits were issued.

Other troubling items were noted during the review of the GCSO handgun purchase permit applications. Several applicants had, in fact, been previously involuntarily committed for mental health issues, or at least had references to mental illnesses.
A review of the applications also revealed that several other handgun purchase permits were issued to individuals with questionable criminal history issues.

This topic is a matter that was turned over to state and federal criminal authorities to conduct such further investigation as they deemed appropriate. With such referral of the matter, the consultants' further efforts to comprehensively examine this issue was suspended. The issue, to the consultants' understanding, was reviewed by United States Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") agents.

In addition to issues involving handgun purchase permits, the consultants' inquiry has considered several other matters involving firearms. For example, employees of the GCSO advised that Sheriff Wilkins had directed firearms to be returned to convicted felons (who under the law were not permitted to possess firearms) and that seized firearms had been given to other individuals despite the absence of court orders or other authorizations to return the weapons. Concerns with GCSO evidence collection procedures and the administration of the GCSO evidence storage room appear to have impacted the seizure, storage, inventory, and chain of custody of firearms seized by GCSO deputies. The operation of the evidence room has received substantial attention following Wilkins' suspension from the Sheriff's Office, particularly in light of the move to the new GCSO facilities. The consultants are aware that this is also an issue in which the GCSO Advisor has had substantial input.

North Carolina sheriffs are given certain statutory duties designed to keep firearms out of the hands of individuals deemed ineligible by law to purchase or possess a firearm. The consultants reviewed certain information that called into question whether Sheriff Wilkins faithfully discharged this statutory duty and, as a result, County Attorney Wrenn made state and criminal investigators aware of the issue.

Orders of Destruction of Firearms

During the pendency of the investigations being undertaken by the consultants, information also surfaced that court orders had been issued for the destruction of numerous seized firearms that had been seized in the course of law enforcement activities. When cases involving seized firearms are concluded, the court typically issues orders directing what is to be done with the seized weapons. The court has several options, including destruction of the firearms, returning them to their owners, authorizing the sale of the firearms, or authorizing them to be put in service by law enforcement agencies. When a destruction order is issued, the sheriff's office is responsible for carrying out the actual destruction of the weapons, with participation/observation by a representative of the county clerk's office to witness the process. Since 2011, approximately 42 disposal orders were issued directing that firearms be turned over to the GCSO for action. However, preliminarily it was determined that no firearms had been destroyed by the GCSO since 2011.

This issue was separately examined by GCSO Advisor Bailess. Mr. Bailess attempted to determine the disposition of the firearms that were the subject of the 42 court orders mentioned above. The investigation has concluded that dozens of the firearms ordered for destruction by the court appear not to have been destroyed and the current whereabouts of many of the missing firearms could not be ascertained. Of the 42 firearms in question, 11 were located in GCSO custody, 3 were determined to be in the custody of the Oxford Police Department awaiting transfer to the GCSO, 1 firearm was determined to be in the custody of the Oxford Police Department but could not be located by that agency, and 4 are believed to be in the custody of other law enforcement agencies. It was determined that the other 23 firearms should still be in the custody of the GCSO, but the firearms cannot be located and remain unaccounted for. One of the firearms that cannot be accounted for by the GCSO was documented as having been signed for by GCSO Deputy Sheriff Boyd on 3/11/15, when the weapon was purportedly transferred from the Oxford Police Department to the GCSO.

Problems with regard to the handling and documenting of evidence (discussed above) are believed to be substantial contributors to the inability to reconcile the ultimate handling of these firearms and their current location. Additional details and a more in-depth analysis of the missing firearms is contained in the separate report prepared by Advisor Bailess.

5118 Antioch Road Incident

The consultants also learned that on June 15, 2011, a fire occurred at a rural residence located at 5118 Antioch Road, largely destroying the residence. When a volunteer fireman responded to a 911 call regarding the fire, the fireman discovered the driveway gate locked and a rifle lying in the driveway of the residence. The occupant of the house was not present. There were various other suspicious circumstances that were observed on the property indicating that quite possibly the location had been used in some fashion in furtherance of drug trafficking activity.

Various GCSO personnel ultimately responded to the scene to investigate. A search warrant was subsequently obtained to conduct a thorough search of the property. A police canine was also brought to the scene that alerted on a bag containing a large quantity of cash. Deputies were in the process of completing their investigation pursuant to the search warrant when, ultimately, Sheriff Wilkins arrived at the scene. At some point after he arrived and was briefed regarding the cash that was discovered, Sheriff Wilkins took possession of the bag of cash, instructed one of the deputies to take pictures of him with the cash, and ultimately placed the bag of cash in the vehicle that he had driven to the location and eventually left the scene with that cash. There is no indication that the large amount of cash was ever processed for deposit into the GCSO's evidence vault. A substantial amount of cash (over $160,000) was deposited the next day into a GCSO bank account. But a number of law enforcement witnesses questioned whether the amount that was deposited constituted all of the cash that was taken into evidence there at the scene, as no formal count was conducted prior to Sheriff Wilkins taking possession of the cash.

Additionally, a number of witnesses have advised that there were also various items of personal property that the Sheriff Wilkins subsequently took possession of from this location where the search warrant was executed and/or directed the relocation of such seized property by GCSO personnel to his personal residence. Much of the seized materials, which included a riding mower, a trailer, numerous pieces of lawn maintenance equipment and a large number of other tools, fitness equipment, and firearms and ammunition, were removed from the crime scene by Wilkins in a trailer that he brought to the location. Reportedly, much of it was never logged into the GCSO's evidence logging system.

Subsequent research by Granville County Sheriff's Office (GCSO) investigators identified the owner of the house at 5118 Antioch Road, Oxford, NC. The owner was interviewed and advised that he rented the house to a man whom he identified. The renter then told investigators that an individual, identified here as AR, was staying in the Antioch Road house. During the search of the residence, more than 200 grams of cocaine were also found on the premises. On 6/20/2011, an arrest warrant was taken out for AR by GCSO Sergeant Chad Coffey. Coffey charged AR with several drug offenses, including trafficking, possession with intent to sell, manufacture, and deliver 244 grams of cocaine, and maintaining a dwelling as a place to sell cocaine. AR had apparently fled and was not able to be arrested at the time the arrest warrant was issued on 6/20/2011. Coffey entered the arrest warrant for AR into the National Crime Information Center (NCIC). On 2/3/2015, AR was located. Coffey was contacted and ultimately advised that the GCSO did not want to extradite AR back to Granville County to face the charges against him. The investigating GCSO deputy at the Antioch scene stated in an interview his belief that Coffey certainly would have spoken with Granville County Sheriff Brindell Wilkins, and the decision not to extradite AR would have been made by Wilkins. Another NCIC entry on 3/20/2015 informed that the GCSO had received a call from the Texas Border Patrol that AR had again been located. A notation in the NCIC entry said, "per Chad," the GCSO would not extradite AR. On 8/24/2015, AR was stopped yet again. The NCIC entry for that encounter stated that, "Per S1 (the call sign for the sheriff)," the GCSO would not extradite AR back to Granville County to answer to the charges against him. On that date, Border Patrol also advised that AR was living in Mexico. All three NCIC notifications about AR were related to border stops. The investigating GCSO deputy commented that he did not understand why AR was not extradited, in light of the seriousness of the matter, and stated that he had seen the GCSO extradite individuals for less serious offenses. The investigating deputy also stated that he doubted that Wilkins consulted the Granville County District Attorney's office about whether to extradite AR. The District Attorney's Office would be integrally involved in any extradition efforts. The deputy simply stated that Wilkins was the sheriff and felt he could do whatever he wanted to do without input from the District Attorney's Office.

Due in large part to the passage of time since the events in 2011, and other concerns, the consultants determined that it would be difficult, if not impossible, to adequately reach any meaningful and comprehensive determination of whether all of the seized money was subsequently deposited and seized equipment properly accounted for, and why prosecution of the charged individual was not pursued. But all these scenarios raise serious questions regarding the adequacy of policies and/or procedures pertaining to the documentation and storage of evidence, as well as the handling of cash, and non-prosecution decisions. However, due to a number of factors, including most notably the passage of time since this 2011 event, and indictments of key participants on other charges, it was apparent to the consultants that it would be inefficient from a resource allocation perspective for the consultants to endeavor to completely run to ground these concerns.

Training/LEO Certification Process

The consultants received information about issues involving the training program for law enforcement officers in the GCSO. The consultants learned that the North Carolina (NC) Sheriff's Education and Training Standards Commission of the NC Department of Justice, Sheriffs' Standards Division, mandates that those law enforcement officers in NC sheriff's offices receive at least 24 hours of in-service training each year, including firearms training, to maintain their law enforcement certification. This certification is necessary for officers to carry weapons and have the legal authority to execute many of their job responsibilities. Failure to obtain the annual 24 hours of training and required firearms training could readily result in a deputy losing his or her certification and eligibility for employment as a law enforcement officer in the State of North Carolina.

Substantial questions were raised by witnesses interviewed by the consultants regarding whether former Granville County Sheriff Brindell Wilkins and former Chief Deputy Sherwood Boyd, who were documented as having attended such classes/training, in fact never (or at least virtually never) attended such in-service classes or firearms training conducted for GCSO personnel. Witnesses stated that he/she had not observed Wilkins or Boyd at any training classes over a period of many years. They commented that they believed most of the deputies in the GCSO would have the same perspective, that they never saw Wilkins or Boyd participate in GCSO training.

The consultants were aware that technically under North Carolina law the sheriff himself was not legally required to maintain such law enforcement certification. (Although the same cannot be said for then Chief Deputy Boyd.) Nonetheless, maintaining such certification provided substantial bona fides to the sheriff, as well as providing him opportunities in the future to work elsewhere in law enforcement. Most importantly, any determination that such certification was fraudulently obtained would also adversely impact public confidence in the functioning of the critical law enforcement agency.

Witnesses provided documents, including sheets that GCSO Firearms Instructor Chad Coffey had posted in the office showing the scores of all GCSO deputies who participated in firearms training from highest to lowest. The names of Wilkins and Boyd were not on any of the lists provided that Coffey had allegedly posted following firearms training days.

The consultants were advised that firearms records, including the scores achieved by deputies on qualification courses of fire, are documented on Form F-9As. These forms require signatures of the deputy participating in the training, the firearms instructor conducting the training, and the head of the agency employing the deputy attending the training. The consultants were further advised that Wilkins and Boyd maintained their law enforcement certifications despite never being observed at firearms training (perhaps with the exception of joining in cook-outs attended by many of those who had earlier in the day undergone the training/certification process). These witnesses also stated that Wilkins and Boyd were by and large never seen at any of the other in-service training courses, such as legal updates, simulated firearms training, or other training classes that were part of the GCSO program to comply with training required to maintain law enforcement certification, and to maintain their skills with regard to the use of deadly force.

A review was conducted of numerous records provided by the GCSO Training Coordinator, in response to requests made by the consultants. Of note were purported signatures of Wilkins and Boyd on sign-in sheets that were typically filled in by the participating law enforcement officer. In the case of Wilkins and Boyd, these signatures often appeared to be forgeries (with the caveat that these signatures have not been examined by handwriting experts). Furthermore, the names of Wilkins and Boyd were frequently written in as the last two names on class rosters and sign-in sheets (sometimes on rosters that were otherwise in alphabetical order), and in some cases there were sign-in sheets with only Wilkins and Boyd's names inserted between sheets containing the names of several GCSO deputies taking a training class.

The consultants also learned that the Sheriff's Standards Division would conduct annual audits of the GCSO training records to assess compliance with the in-service training requirements. During these audits, GCSO deputies would be randomly identified, and the GCSO would have to provide documentation of the deputies' training history for the year in question to confirm that the deputies were in compliance with the standards required for retention of their law enforcement certification. The records analysis showed that on at least one occasion (audit of the 2014 training records) Andy Stone, the Central Field Representative for the NC Department of Justice, Sheriffs' Standards Division, selected Chief Deputy Boyd as one of the GCSO deputies whose training records would be audited. Boyd's Form F-9A firearms qualification record was in the package of documents provided to Stone for his review. The Form F-9A indicated that Boyd had completed all his firearms training requirements for that year, and the form was signed by Coffey as the GCSO Firearms Instructor, and Wilkins as the Agency Head for the GCSO. Additional GCSO training records for that year (class rosters, sign-in sheets, etc.) purportedly indicated that Boyd participated in enough training to satisfy Stone that Boyd had completed the required training in both firearms and other subjects to maintain his law enforcement certification. There was no indication in the records reviewed that Stone questioned the authenticity of training records for Boyd or suspected that the records may have been falsified to cover up the fact that Boyd did not attend the training.

The review of related records revealed that Wilkins regularly signed In-Service Compliance Reports, Form F-2100s, certifying that all officers listed had satisfactorily completed the in-service training program and had "done so consistent with the minimum requirements established by the Commission." Wilkins and Boyd were listed on the In-Service Compliance Reports and shown to have completed all in-service training and firearms requirements necessary to maintain their law enforcement certification.

Substantial additional investigative work was undertaken by the consultants with regard to these allegations, revealing significant possible evidence of impropriety with regard to attendance by certain executive managers, and the handling of certifications pertaining to law enforcement continuing education and proficiency assessment. However, these matters are not being further detailed in this report because the issue was turned over to state law enforcement authorities for their consideration and the determination of appropriate action, if any.

At a minimum, the alleged fraudulent activity, if substantially established, would create so-called "*Brady/Giglio* problems" for individuals involved (named after United States Supreme Court precedents requiring certain disclosures by prosecutors to defendants, and creating the potential to wreak havoc in criminal prosecutions of matters investigated by the GCSO, due to the potential impeachment of law enforcement witnesses).

Finally, an affidavit filed in the course of state criminal proceedings on April 30, 2021, confirmed evidence that fraudulent documents had been created affirming attendance at training programs when such was not the case. On that occasion, State Bureau of Investigation (SBI) Assistant Special Agent in Charge Scott Faircloth stated in his affidavit that, in the course of the SBI's investigation, an interview had been conducted of an individual who worked with former deputy Chad Coffey during 2012 and 2013 with regard to GCSO training. The witness, who assisted in teaching so-called In-Service Training, had acknowledged that he had created documents necessary to show that Wilkins and Boyd had attended various in-service training courses, when in fact they had not. As set forth in the Faircloth affidavit, according to the witness "Coffey informed him that was how their participation in training was to be handled."

An additional substantial problem with regard to the practice of top managers circumventing training certification processes is that it creates a culture of selective compliance with state mandates within an organization. Subsequent to the commencement of further investigation with regard to this issue by state authorities after referral of the Consultants' findings, the County has been advised by District Attorney Freeman that a number of other GCSO deputies have become "*Brady/Giglio* impaired" because it appears that they had participated, to varying degrees, in fraudulent activity regarding training certification. That group includes former Sheriff Charles Noblin, who has acknowledged that he also signed a Form F-9A attesting that he had attended firearms training that he himself had not attended. Noblin has recently resigned his position as sheriff. Indictments have been issued in connection with the training matter against former Sheriff Wilkins (fourteen felony counts), former Chief Deputy Boyd (fourteen felony counts), former Deputy Chad Coffey (twenty-eight felony counts), and Deputy Keith Campbell (four felony counts).

Readers are cautioned that this report is simply intended to advise the Granville County Board of Commissioners with regard to processes and facts developed in the course of this internal investigation, as well as to discuss recommendations and actions taken to remedy certain identified control weaknesses. All citizens carry a presumption of innocence until proven guilty beyond a reasonable doubt through established legal processes.

REPORT BY ROB BAILESS ON EFFORTS MADE AT SHERIFF'S OFFICE

Rob Bailess spoke on efforts taken to rectify problems found in the investigation. Mr. Bailess said he is a retired Special Agent with Drug Enforcement Administration (DEA) with 23 years of experience, his wife is from Granville County, and they reside here. He then talked about the review policies and procedures to bring the Asset Forfeiture Program into compliance and help rebuild relationships and trust within the department and with other agencies. He noted that former Sheriff Noblin has been gracious and open to implementing initiatives and saw the need for change. He talked about the rebuilding process that has taken place over the last 13-14 months as they worked on rebuilding the culture and foundation at Sheriff's Office. He reported that the Asset Forfeiture Program has been brought into compliance by implementing protocols and standard operating procedures for asset forfeiture and interdiction, and relationships have been rebuilt with state and federal agencies and others. He said he had received support throughout the program and worked extensively with Finance Director Steve McNally and Internal Auditor Monique Heggie. He also talked about leadership development and law enforcement partnerships and how they are working to rebuild confidence and trust and also about the process of acquiring National Accreditation. He said he believes the Sheriff's Office is in a good place and the County and its citizens will benefit from these efforts in the years to come. He thanked the Board for support of the efforts made.

After the presentation by Mr. Bailess, County Attorney Wrenn reiterated that everything negative that was heard tonight happened before Sheriff Wilkins left office, the major issues have been addressed, and the issues are historical and not current.

BOARD WENT INTO CLOSED SESSION

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Russ May, and unanimously carried, the Board went into closed session as allowed by G.S. 143-318.11(a)(3) for a matter of attorney-client privilege to receive the Cherry Bekaert report.

Upon a motion by Commissioner David T. Smith, seconded by Commissioner Zelodis Jay, and unanimously carried, the Board returned to regular session at 9:53 p.m.

BOARD APPROVED WAIVING ATTORNEY-CLIENT PRIVILEGE FOR THE CHERRY BEKAERT, LLP REPORT OF FINDINGS REGARDING THE INVESTIGATION OF THE GRANVILLE COUNTY SHERIFF'S OFFICE

County Attorney Wrenn asked for a motion to waive the attorney-client privilege associated with the Cherry Bekaert report.

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Jimmy Gooch, and unanimously carried, the Board waiving the attorney-client privilege with respect to, and to release, the Cherry Bekaert, LLP report of findings titled *Risk Advisory Report, Internal Review and Assessment of Financial Activities Related to Drug Interdiction Operations Conducted by Granville County Sheriff's Office*

County Attorney Wrenn said that reports and related information will be posted to the Granville County website tomorrow and made available to the public.

The following reports were placed on the County's website on November 2, 2021:

County Investigation Report

- Review of Certain Policies and Procedures Pertaining to the Granville County Sheriff's Office

Risk Advisory Report by Cherry Bekaert, CPA

- Internal Review and Assessment of Financial Activities Related to Drug Interdiction Operations Conducted by the Granville County Sherriff's Office

United States Department of Justice

- Department of Justice Notice of Restrictions Regarding Equitable Sharing Program
- Granville County Sherriff's Office Response to Department of Justice Notice
- Department of Justice Release from Restrictions Regarding Equitable Sharing Program

United States Department of Treasury

- Department of Treasury Notice of Restrictions Regarding Equitable Sharing Program
- Granville County Sherriff's Office Response to Department of Treasury Notice
- Department of Treasury Release from Restrictions Regarding Equitable Sharing Program

PUBLIC COMMENTS

Baba Kerr, 7089 Bayberry Drive, Oxford, NC, urged the Board to put out their best efforts to reach failing students in the public schools. He said as a teacher of 40 years, he was flabbergasted by the failing rates. He asked the Board to fund programs such as after school to help students. He urged the Board to have more public sessions with parents and teachers to ensure that these voices are heard and also mentioned an Academy for Parents so parents are taught and can help their children. He asked that parents and teachers meet more in public meetings to discuss and get to the root of the problem of failing students.

Reverend Gerald Latta, 1979 Sadler Avenue, Creedmoor, NC, thanked the Board for allowing him the opportunity to address the concern about the office of the Sheriff. He said he heard the report of findings given tonight and is aware of what was said and as the President of the Granville County NAACP (National Association for the Advancement of Colored People) Chapter, and that his address was not political. He said he stood on behalf of some of the concerned citizens of Granville County. He commended the Board for efforts to resolve the ongoing decision-making of the appointment of the next Sheriff. He quoted Albert Einstein, "Insanity is doing the same thing over and over again and expecting a different result." He referred to the last three years as insanity and asked the Board to listen to the whole community of Granville County and not some and urged them to do what is best for the whole community for a fresh start and new beginning. He then yielded his remaining time to LaHoma Romocki.

Dr. LaHoma Smith Romocki, 2625 Brassfield Road, Creedmoor, NC, said she is a longtime resident of Granville County and thanked the Board for the resolution for her father for his 90th birthday. She said tonight she was present as Chair of the Democratic party and asked to what extent should the political party of the Sheriff factor into the discussion of who should be appointed to the seat. She said in 2018, Granville County elected a Democrat to a seat and when he was indicted, Sheriff Charles Noblin Jr., a Democrat who had worked in the Sheriff's Office for 18 years, was appointed as Sheriff. She noted that they were told we did not want to give an unfair advantage to an incumbent and then in July 2021 former Sheriff Noblin made a mockery by changing political party and the news made front-page headlines. She expressed her concerns and asked that if the political party of the Sheriff does not matter, then why is the Granville County Republican party now saying it does matter. She asked the Board to carefully consider our candidate's party affiliation for a partisan race.

Scotty Brooks, 104 Smith Street, Oxford, NC, expressed his concerns regarding the Office of Sheriff, noting that our small town has been the subject of ridicule and scandal and referred to it as an episode of Dukes of Hazard. He said that after hearing the report tonight, it seemed we were hearing a crime drama and the situation is worse than he thought. He said that in regard to those that pick a Sheriff, the picker is broke. He referred to the process as picking from an apple tree and that not all trees yield good fruit, rotten apples have been picked, and one bad apple spoils the rest. He urged the Board to pick someone that was not working at the Granville County Sheriff's Office during what he called "recent criminal activity" as the next appointed Sheriff.

EMERGENCY SERVICES COMMITTEE APPOINTMENTS PULLED FROM AGENDA

County Manager Felts requested that the Emergency Services Committee appointments be pulled and put on a future agenda.

BOARD APPOINTED CYNTHIA YANCEY (DISTRICT 4) TO THE JUVENILE CRIME PREVENTION COUNCIL

Upon a motion by Commissioner Tony W. Cozart, seconded by Commissioner Timothy Karan, and unanimously carried, the Board appointed Cynthia Yancey (District 4) to the Juvenile Crime Prevention Council.

BOARD PRESENTATIONS

Commissioner May said that November 11, 2022 is Veterans Day and there are a few events in the County and asked everyone to remember our Veterans.

Chair Hinman thanked those that stayed the duration of the meeting.

COMMISSIONERS ADJOURN

Upon a motion by Commissioner Zelodis Jay, seconded by Commissioner Jimmy Gooch, and unanimously carried, the Board adjourned at 10:14 p.m.

Respectfully submitted,
Debra A. Weary, NCMCC, CMC
Clerk to the Board

APPROVED BY: ______________________________
Sue Hinman, Chair

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Recognition of Vernell Anderson - Granville Health System Board of Trustees**

PURPOSE:
To recognize Vernell Anderson for her 18 years of service on the Granville Health System Board of Trustees.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	David Hartigan
Date:	April 27, 2022
Title:	**Public Hearing - CDBG Closeout for Strong Arm Baking**

PURPOSE:
To hold a public hearing to close out the Community Development Block Grant for Strong Arm Baking.

BACKGROUND:
Back in 2019, Granville County sought and received a Community Development Block Grant (CDBG) for Economic Development in the amount of $300,000. These funds were loaned to Strong Arm Baking to assist in the renovations of a 9,000 square foot building located at 117 Main Street in downtown Oxford. To bring the building to the standards needed to operate Strong Arm Baking, extensive renovations were necessary. Those renovations will included Electrical, Plumbing, HVAC, Sprinklers, Painting, Exhaust Doors, Ceiling, Flooring, Tile, Countertops, Stairs, Framing and connected exteriors such as Canopies and Stairs totaling approximately $605,000. Strong Arm Baking contributed $305,000 towards the renovations.

Strong Arm Baking contributed another $185,000 toward machinery and equipment and grant administration. All totaled, Strong Arm invested $1.6 million into the overall opening of the business. As a result of the CDBG project, 23 new, full time jobs were created. Sixty five percent of those jobs are held by persons residing in households of low to moderate income.

It should be noted that Strong Arm Baking received an Award of Merit from the North Carolina Main Street program.

RECOMMENDATION:
After holding public hearing, authorize closeout of the CDBG for Strong Arm Baking.

ATTACHMENTS:
Public Hearing Notice

ACTION TAKEN:

GRANVILLE COUNTY
NOTICE OF PUBLIC HEARING

Granville County will hold a public hearing to obtain a Closeout Report on the County's 2019 Community Development Block Grant (CDBG) for Economic Development for Strong Arm Baking. The County received a $300,000 CDBG grant to assist in the renovations of a 9,000 square foot building located at 117 Main Street in downtown Oxford. To bring the building to the standards needed to operate Strong Arm Baking, extensive renovations were necessary. Those renovations included Electrical, Plumbing, HVAC, Sprinklers, Painting, Exhaust Doors, Ceiling, Flooring, Tile, Countertops, Stairs, Framing, and connected exteriors such as Canopies and Stairs totaling approximately $605,000. Other project costs include $150,000 for equipment, $5,000 for environmental review and planning, and $25,000 for grant administration. Strong Arm Baking contributed $485,000 toward the project. As a result of the project, 23 new jobs were created. Sixty-five percent of the jobs are held by persons residing in households of low to moderate income.

All interested persons please take notice that a public hearing will be held by the Granville County Board of Commissioners pursuant to North Carolina General Statute 158-7.1. The public hearing will be held on Monday, May 2, 2022 at 7:00 PM or shortly thereafter in the auditorium of the Granville County Expo and Convention Center, located at 4185 US Highway 15 South. Written comments received prior to the opening of the Public Hearing will be considered and may be sent to Michael Felts, County Manager, 141 Williamsboro Street, Oxford, NC 27565.

This information is available in Spanish or any other language upon request. Please contact Debra Weary at 919-603-1307 for accommodations for this request.

Esta información está disponible está disponible en español o en cualquier otro idioma bajo petición. Póngase en contacto con Debra Weary at 919-603-1307 de alojamiento para esta solicitud.

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Public Comments**

PURPOSE:
Public comments are limited to 3 minutes.

ACTION TAKEN:

Granville County
Finance
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Steve McNally
Department:	Finance
Date:	April 23, 2022
Title:	**FY 2022 Audit Contract and Engagement Letter - Thompson, Price, Scott, Adams & Co., PA**

PURPOSE:
To review and award a contract for the FY 2022 Independent Audit for Granville County.

BACKGROUND:
During their regular meeting on April 20, 2020, the Granville County Board of Commissioners approved contracting with Thompson, Price, Scott, Adams (TPSA) and Co. to provide financial audit services for Granville County for fiscal years 2019-2020, 2020-2021 and 2021-2022. Attached is a copy of the audit contract for the fiscal year ended June 30, 2022 as well as the corresponding engagement letter. The contract amount is in line with the price proposed during the RFP process.

Annual audit contracts are required by General Statutes.

FUNDING:
Annually funded in the budget.

RECOMMENDATION:
The Finance Director recommends approving the contract with Thompson, Price, Scott, Adams (TPSA) and Company, as well as the corresponding engagement letter, for the fiscal year ended June 30, 2022.

ATTACHMENTS:
FY 2022 Contract and Engagement letter

ACTION TAKEN:

CONTRACT TO AUDIT ACCOUNTS

The	Governing Board BOARD OF COMMISSIONERS
of	Primary Government Unit GRANVILLE COUNTY
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)

and	Auditor Name THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.
	Auditor Address 1626 S MADISON STREET WHITEVILLE, NC 28472

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/22	Audit Report Due Date 10/31/22
		Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)[G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved 'with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards,2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: ☑Auditor ☐Governmental Unit ☐Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name:	***Title and Unit / Company:***	***Email Address:***
STEVE MCNALLY	Finance Officer/ Granville County	steve.mcnally@granvillecounty.org

OR Not Applicable ☐ *(Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)*

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

Primary Government Unit	GRANVILLE COUNTY
Audit Fee	$ 37,500
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$ 3,850
All Other Non-Attest Services	$
75% Cap for Interim Invoice Approval *(not applicable to hospital contracts)*	$ 31,012.50

DPCU FEES (if applicable)

Discretely Presented Component Unit	N/A
Audit Fee	$
Additional Fees Not Included in Audit Fee:	
Fee per Major Program	$
Writing Financial Statements	$
All Other Non-Attest Services	$
75% Cap for Interim Invoice Approval *(not applicable to hospital contracts)*	$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* THOMPSON, PRICE, SCOTT, ADAMS & CO, P.A.	
Authorized Firm Representative (typed or printed)* ALAN W. THOMPSON	Signature*
Date* 04/20/22	Email Address* alanthompson@tpsacpas.com

GOVERNMENTAL UNIT

Governmental Unit* GRANVILLE COUNTY	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	
Mayor/Chairperson (typed or printed)*	Signature*
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).
Not applicable to hospital contracts.

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* (typed or printed) Steve McNally	Signature*
Date of Pre-Audit Certificate*	Email Address* steve.mcnally@granvillecounty.org

CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS

Thompson, Price, Scott, Adams & Co, P.A.
P.O. Box 398
1626 S Madison Street
Whiteville, NC 28472
Telephone (910) 642-2109
Fax (910) 642-5958

Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA

April 20, 2022

Granville County
PO Box 1286
Oxford, NC 27565

To Management and Those Charged With Governance:

We are pleased to confirm our understanding of the services we are to provide the Granville County for the year ended June 30, 2022. We will audit the financial statements of the governmental activities, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the Granville County as of and for the year ended June 30, 2022. Accounting standards generally accepted in the United States provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Granville County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Granville County's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's discussion and analysis.
2. Law Enforcement Officers' Special Separation Allowance Schedule of Total Pension Liability (Asset) and Schedule of Total Pension Liability (Asset) as a Percentage of Employee Payroll
3. Schedule of Changes in the Total OPEB Liability and Related Ratios
4. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions – LGERS
5. Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Schedule of County Contributions – ROD

We have also been engaged to report on supplementary information other than RSI that accompanies the Granville County's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statements as a whole:

1. Schedule of Expenditures of Federal and State Awards.
2. Combining and Individual Fund Financial Statements, Budgetary Schedules, and Other Schedules

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1. Introductory and Statistical Schedules (prepared for Comprehensive Annual Financial Report presentation)

Our responsibility for other information included in documents containing the entity's audited financial statements and auditors' report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether such other information contained in these documents is properly stated.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on-

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards.*

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Commissioners and management of Granville County. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Audit Procedures-General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories (if material), and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures-Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Test of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards.*

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards,* and the Uniform Guidance.

Audit Procedures-Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Granville County's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. Accordingly, we will express no such opinion. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards.*

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Granville County's major programs. For federal programs that are included in the

Compliance Supplement, our compliance and internal control procedures will relate to the compliance requirements that the Compliance Supplement identifies as being subject to audit. The purpose of these procedures will be to express an opinion on Granville County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal and State awards, and related notes of Granville County in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards.* We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal awards, and related notes services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and State awards, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review by May 1, 2022.

You are responsible for identifying all federal and State awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and State awards. You also agree to make the audited financial statements readily available to intended users of schedules of expenditures of federal and State awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. With regard to using the auditors' report, you understand that you must obtain our prior written consent to reproduce or use our report in bond offering official statements or other documents. With regard to electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedules of expenditures of federal and State awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, (Steve McNally), who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing. We will schedule the engagement based in part on deadlines, working conditions, and the availability of your key personnel. We will plan the engagement based on the assumption that your personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If for whatever reason your personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate. We will not undertake any accounting services (including but not limited to reconciliation of accounts and preparation of requested schedules) without obtaining approval through a written change order or additional engagement letter for such additional work.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' report or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the Board; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Thompson, Price, Scott, Adams & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request in a timely manner to Oversight Agencies (or its designee), a federal agency provided direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Thompson, Price, Scott, Adams & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parities may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal cognizant agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit by approximately May 1, 2022 and to issue our reports no later than October 31, 2022. Alan Thompson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, should not exceed $41,350. Also, any excessive additional fees incurred in obtaining required audit evidence (i.e. bank confirmations) will be billed directly to the Board. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit.

If additional programs are required to be tested that have not been identified as major programs for testing in previous years, additional fees may be charged at standard hourly rates. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. However, we believe our contract as it is will be sufficient to cover but we do want to reserve the right to discuss this issue.

We appreciate the opportunity to be of service to the Granville County and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Alan W. Thompson

Alan W. Thompson, CPA
Thompson, Price, Scott, Adams & Co., P.A.

RESPONSE:

This letter correctly sets forth the understanding of the Granville County.

Management signature: ______________________________

Title: ______________________________

Date: ______________________________

Governance signature: ______________________________

Title: ______________________________

Date: ______________________________

CC: Board of Commissioners

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Proclamations, Resolutions and Legislative Matters**

PURPOSE:
This item on the agenda will be used for the introduction of proclamations, resolutions, or legislative matters. It can also be used for the general discussion of related matters.

ACTION TAKEN:

Granville County Administration
104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	April 27, 2022
Title:	**Select Budget Work Session Dates**

PURPOSE:
To select dates and times for the fiscal year 2022-23 budget work session(s).

BACKGROUND:
Granville County Administration and Finance anticipate presenting the fiscal year 2022-23 Manager's Recommended Budget during the Granville County Board of Commissioner's regular board meeting to be held on May 16, 2022. The County Manager will request to hold the required annual public hearing on the fiscal year 2022-23 budget during the Granville County Board of Commissioner's regular board meeting on June 6, 2022.

As part of the annual budget process, the Board of Commissioners holds one or more budget work sessions to review the recommended continuation budget details and to consider possible service expansion items submitted during the budget process. This year, the County Manager is recommending the Board consider holding two 3-hour budget work sessions due to the complexity of the various budget decisions facing the Board of Commissioners. Below is a list of dates and times which the Granville County Expo & Convention Center is currently available for the possible work sessions.

Tuesday, May 31st	Anytime from 8:00 a.m. to 9:00 p.m.
Wednesday, June 1st	Anytime from 2:00 p.m. to 9:00 p.m.
Tuesday, June 7th	Anytime from 9:00 a.m. to 9:00 p.m.
Wednesday, June 8th	Anytime from noon to 9:00 p.m.

Other dates and times may be available at other meeting locations within the County; however, we do not currently have any additional venues held at this time.

FUNDING:
Not Applicable

RECOMMENDATION:
The County Manager recommends scheduling two 3-hour budget work sessions.

ACTION TAKEN:

Granville County Administration

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Michael Felts
Department:	Administration
Date:	April 27, 2022
Title:	**Social Services Office Location Names**

PURPOSE:

To select or provide site location names for marketing and administrative use for the Granville County Department of Social Services.

BACKGROUND:

As we prepare to occupy the new offices located in Butner, it is important that we establish site location names that will help staff and the public better identify where they can access services. We will need to precisely describe the office locations and services in directories, on websites, social media, etc.

The Department of Social Services has worked with key stakeholders and staff to develop several options. Below are some options for consideration.

The **bold** with * are the Social Services Director's recommendations.

Granville County Department of Social Services now has 3 locations to serve the community:

Location 1 – Main Office (administration, full service except child support) address: 410 West Spring Street Oxford, NC 27565

- ***Granville County Department of Social Services – Oxford Office**
- Granville County Department of Social Services – Main Office
- Another name as determined by the Board of County Commissioners

Location 2 – Satellite Office (full service, including child support) address: 2531 E. Lyon Station Rd. Creedmoor, NC 27522

- Granville County Department of Social Services – Creedmoor
- ***Granville County Department of Social Services – Butner-Creedmoor Office**
- Granville County Department of Social Services – South Branch (may not be descriptive enough for customers to find it)
- Another name as determined by the Board of County Commissioners

Location 3 – Child Support Office (child support services only)

- ***Granville County Department of Social Services – Child Support Office** address: 122 Williamsboro Street Oxford, NC 27565 (moving to 143 Williamsboro St)
- Another name as determined by the Board of County Commissioners

FUNDING:

Not Applicable

RECOMMENDATION:

The Social Services Director and County Manager recommend selecting the names marked in Bold with * as the official site location names for the three Social Services locations.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**County Attorney's Report**

PURPOSE:
Any matters as needed by the County Attorney.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To: Board of Commissioners
From: Debra Weary
Department: Administration
Date: May 2, 2022
Title: **Presentations by County Board Members**

PURPOSE:
Board members will make comments.

- Commissioner Smith
- Commissioner Hinman
- Commissioner May
- Commissioner Karan
- Commissioner Gooch
- Commissioner Jay
- Chairman Cozart

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Any Other Matters**

PURPOSE:
Any other matters as needed.

ACTION TAKEN:

Granville County

104 Belle Street
Oxford, NC 27565
(919) 693-5240

To:	Board of Commissioners
From:	Debra Weary
Department:	Administration
Date:	May 2, 2022
Title:	**Closed Session as Allowed by G.S. 143-318.11(a)(3) - Attorney-Client Matter**

PURPOSE:

To consult with an attorney employed or retained by the public body in order to preserve the attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged.

ACTION T AKEN: