

Emergency meeting of the Hoke County Board of Commissioners at 8:00 am on Thursday, February 23, 2017 in the Commissioners Room in the Pratt Building. The purpose of the meeting was to discuss issues related to the SBI investigation relating to the County of Hoke.

**MEMBERS PRESENT:**

James Leach, Chairman  
Harry Southerland, Vice Chairman  
Tony Hunt  
Robert Wright  
Allen Thomas, Jr.

**OTHERS PRESENT:**

Letitia Edens, County Manager  
Grady Hunt, County Attorney  
Gwen McGougan, Clerk to the Board

Chairman Leach called the meeting to order with a quorum present and welcomed everyone. The Chairman, on behalf of the Board, commended the County staff for their commitment, hard work and great job that they do.

Commissioner Robert Wright led the Pledge of Allegiance and Chairman James Leach gave the invocation.

**Motion: Vice Chairman Southerland made a motion to enter into Closed Session, seconded by Commissioner Hunt.**

The motion was withdrawn in order to restate the motion using the necessary NCGS reference.

**Motion: Commissioner Thomas made a motion to go into closed session for the purpose of discussing an Economic Development matter, North Carolina General Statutes §153A-98 & §143-318.11(a)(1)&(6), seconded by Commissioner Hunt.**

**Action: The motion passed unanimously.**

No action was taken during Closed Session.

**Motion: Commissioner Hunt made a motion to return to Open Session, seconded by Commissioner Wright.**

**Action: The motion passed unanimously.**

**Motion: Commissioner Hunt made a motion to adopt a Resolution authorizing the County Manager, on behalf of the County, to negotiate and engage one or more firms to support County staff in connection with reviewing the County's internal control and anti-fraud practices, investigating allegations of impropriety involving the County, and other matters relating to the pending investigation of the County by the SBI, seconded by Commissioner Wright.**

**Action: The motion passed unanimously.**

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HOKE, NORTH CAROLINA,  
AUTHORIZING THE COUNTY MANAGER TO NEGOTIATE CONTRACTS WITH ONE OR MORE FIRMS  
TO SUPPORT COUNTY STAFF IN CONNECTION WITH REVIEWING INTERNAL CONTROL AND ANTI-  
FRAUD PRACTICES AND OTHER MATTERS RELATING TO THE PENDING INVESTIGATION OF THE  
COUNTY BY THE NORTH CAROLINA STATE BUREAU OF INVESTIGATION**

WHEREAS, the North Carolina State Bureau of Investigation ("SBI") is investigating potential unlawful activity relating to certain matters addressed in certain legal documents served upon the County of Hoke ("County"); and

WHEREAS, the Board of Commissioners of the County ("Board") has a responsibility to investigate allegations of impropriety involving the County and to identify deficiencies in internal control that might be material weaknesses or significant deficiencies; and

WHEREAS, the Board desires to strengthen the County's internal controls and improve the efficiency of its operations.


NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF HOKE, NORTH CAROLINA, AS FOLLOWS:

That the County Manager is authorized, on behalf of the County, to negotiate and engage one or more firms to support County staff in connection with reviewing the County's internal control and anti-fraud practices, investigating allegations of impropriety involving the County, and other matters relating to the pending investigation of the County by the SBI.

This resolution has been PASSED upon motion by Commissioner Hunt  
seconded by Commissioner Wright by vote of 5 to 0 and is  
effective this 23<sup>rd</sup> day of February, 2017.

HOKE COUNTY BOARD OF COMMISSIONERS

  
James Leach, Chairman

ATTEST:  
  
Gwen McGougan, Clerk

Vice Chairman Harry Southerland made the following statement:

**"This statement is for the Citizens of Hoke County, the media and all concerned. This will be the last statement that we make as a Board. I want to be very clear that we are serious about this matter. We are very serious about what is going on in our County and what is reported in the media, including statements made by persons who do not have the information. What I'm giving you today are facts.**

**First, we had a Human Resources employee that resigned. Next, there was a Sheriff employee that was terminated by the Sheriff Department. At this time there is nothing else that has been determined.**

**This investigation is pending and ongoing. Any information that you receive other than what I just told you is bad information. This Board is aggressively going to maintain the integrity of this investigation.**

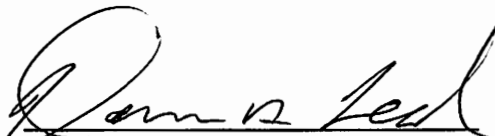
**We are considering a firm, Cherry Bekaert, that specializes in forensic accounting. We have authorized the County Manager to enter into negotiations with them. One of their primary partners, Michael East, retired from the SBI after 28 years. Their staff has excellent credentials. We plan to have them come in and help us maintain this investigation.**

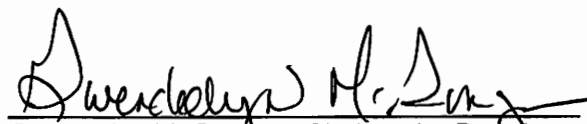
**This is a serious matter. We are not going to discuss this matter further because it is ongoing and pending. Those are the facts right now as we see them."**

**Motion: Commissioner Thomas made a motion to adjourn, seconded by Commissioner Hunt.**

**Action: The motion passed unanimously.**

**The meeting adjourned at 9:00 am.**

  
James A. Leach, Chairman

  
Gwendolyn McGougan, Clerk to the Board