

# STATE OF NORTH CAROLINA

OFFICE OF THE STATE AUDITOR

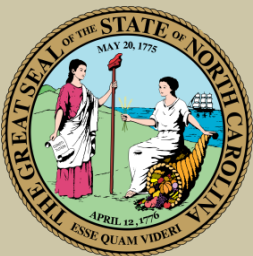
BETH A. WOOD, CPA



## TOWN OF PLYMOUTH

PLYMOUTH, NORTH CAROLINA

INVESTIGATIVE REPORT  
AUGUST 2021



**NC OSA**  
The Taxpayers' Watchdog

# EXECUTIVE SUMMARY

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## **PURPOSE**

The Office of the State Auditor (OSA) received eight allegations concerning the Town of Plymouth (Town) through its Hotline and initiated an investigation of these allegations.

## **BACKGROUND**

The Town was established in 1787 and is the county seat of Washington County, North Carolina.<sup>1</sup> The Town operates as a council-manager form of government. The Mayor is the official head of the Town and performs the duties prescribed by state law for mayors of municipalities having a council-manager government.<sup>2</sup> The six-member Town Council acts as the legislative branch of the Town, as well as its policy-making body.<sup>3</sup>

## **KEY FINDING**

The Town Council did not maintain meeting minutes for some of its meetings held during 2020.

## **KEY RECOMMENDATION**

The Town Council and Mayor should implement proper oversight procedures to ensure complete and accurate meeting minutes are maintained for all Council meetings.

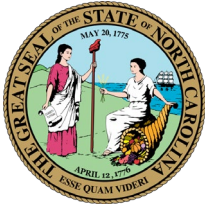
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<sup>1</sup> [https://en.wikipedia.org/wiki/Plymouth,\\_North\\_Carolina](https://en.wikipedia.org/wiki/Plymouth,_North_Carolina)

<sup>2</sup> Town's *Title III: Administration Ordinance*

<sup>3</sup> [www.visitplymouthnc.com/council](http://www.visitplymouthnc.com/council)

STATE OF NORTH CAROLINA  
**Office of the State Auditor**



**Beth A. Wood, CPA**  
State Auditor

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## AUDITOR'S TRANSMITTAL

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The Honorable Roy Cooper, Governor  
Members of the North Carolina General Assembly  
Vershumn Hawkins, Mayor, Town of Plymouth

Ladies and Gentlemen:

Pursuant to *North Carolina General Statutes §147-64.6(c)(16)* and *§147-64.6B*, we have completed an investigation of allegations concerning the Town of Plymouth. The results of our investigation, along with recommendations for corrective action, are contained in this report.

Copies of this report have been provided to the Governor, the Attorney General, and other appropriate officials in accordance with *G.S. §147-64.6(c)(12)*. We appreciate the cooperation received from the management and employees of the Town of Plymouth during our investigation.

Respectfully submitted,

A handwritten signature in cursive script that reads "Beth A. Wood".

Beth A. Wood, CPA  
State Auditor

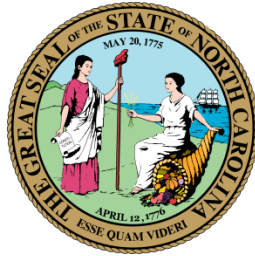


**Beth A. Wood, CPA**  
**State Auditor**

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# BACKGROUND

The Office of the State Auditor (OSA) received eight allegations concerning the Town of Plymouth (Town) through its Hotline and initiated an investigation of these allegations.

Our investigation included the following procedures:

- Review of *North Carolina General Statutes* and the Town's Ordinances
- Examination and analysis of available documentation related to the allegations
- Interviews with Town officials and Town former and current personnel

This report presents the results of the investigation. The investigation was conducted pursuant to *North Carolina General Statutes §147-64.6(c)(16)* and *§147-64.6B*.

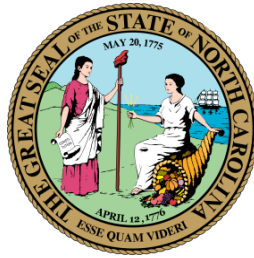
The Town was established in 1787 and is the county seat of Washington County, North Carolina.<sup>4</sup> The Town operates as a council-manager form of government. The Mayor is the official head of the Town and performs the duties prescribed by state law for mayors of municipalities having a council-manager government.<sup>5</sup> The six-member Town Council acts as the legislative branch of the Town, as well as its policy-making body.<sup>6</sup>

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<sup>5</sup> Town's *Title III: Administration Ordinance*

<sup>6</sup> [www.visitplymouthnc.com/council](http://www.visitplymouthnc.com/council)



# **FINDING AND RECOMMENDATION**

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**THE TOWN COUNCIL DID NOT MAINTAIN MEETING MINUTES FOR SOME OF ITS MEETINGS HELD DURING 2020**


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The Town of Plymouth's (Town) Town Council did not maintain meeting minutes for some of its meetings held during 2020. As a result, Town residents were not informed of Town Council's discussions and actions. The Town Mayor was unable to provide sufficient evidence to support why the meeting minutes were missing and incomplete. However, state law requires public entities to maintain full and accurate minutes for all official meetings.

**Missing and Incomplete Town Meeting Minutes**

The Town Council did not maintain written or complete audible meeting minutes.

Specifically, from January through December 2020, minutes were not maintained for 32 of the 51 Town Council meetings. These meeting minutes included regular session, closed session, and special meetings.

Further, audio recordings existed for three of these meetings but were not audible or were missing portions of the meeting.

**Resulted in Lack of Information to Town Residents**

As a result of missing and incomplete meeting minutes, Town residents were not informed on the discussions and actions taken by the Town Council. This increased the risk that actions not in the best interest of the Town would go undetected.

For example, during the June 2, 2020 special meeting, the Town Council allegedly discussed and approved an \$8,000 moving allowance for the incoming interim Town Manager.<sup>7</sup> However, this approval could not be verified due to the Town not having the minutes of this meeting.

**Town Unable to Provide Evidence Regarding Missing and Incomplete Minutes**

The Town Mayor was unable to provide sufficient evidence to support why the meeting minutes were missing and incomplete. Further, the Town was unable to provide sufficient evidence that meeting minutes were ever prepared and/or maintained.

The Mayor provided the following excuses for why the meeting minutes were missing and incomplete:

- Town Clerk failed to complete her work - In 2020, the former Town Clerk<sup>8</sup> had a backlog of work. This backlog caused the former Town Clerk not to complete the meeting minutes before her departure.
- Ransomware - In September 2020, the Town suffered a ransomware virus attack on its electronic system which caused a loss of data, including the meeting minutes. The Mayor stated that the Town did not have a backup for their system.

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<sup>7</sup> According to a July 7, 2020 memo from the Town Payroll Clerk to the Interim Town Manager, Finance Officer, and Town Clerk.

<sup>8</sup> The former Town Clerk's last employment date was December 18, 2020.

## FINDING AND RECOMMENDATION

- “Vanishing” minutes - In December 2020, meeting minutes went missing upon the departure of the former Town Clerk. The Mayor stated, “I don’t have evidence of what I’m about to say, it’s just speculation. But we’ve had issues with our previous employed Town Clerk...and mysteriously upon her exiting, everything kind of vanished.”

The Mayor also stated, “in combination of our previous Clerk...exiting and then the virus that had come, a lot of information had been lost.”

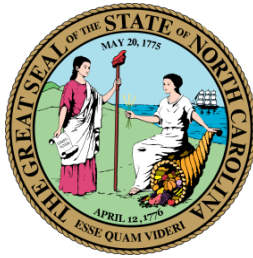
Further, missing and incomplete minutes were not detected because, according to the Town Mayor, the Town Council was accustomed to not approving meeting minutes timely. Therefore, the approval of the meeting minutes “fell off the Council’s radar.” For example, the Town Council did not approve meeting minutes for its meetings held from January 2020 to March 2020 until July 13, 2020.

### **General Statutes Require Full and Accurate Minutes**

*North Carolina General Statutes §143, Article 318 states, “Every public body shall keep **full** and **accurate** minutes of all official meetings, included any closed sessions.” [Emphasis Added]*

### **RECOMMENDATION**

The Town Council and Mayor should implement proper oversight procedures to ensure complete and accurate meeting minutes are maintained for all Council meetings.



# **RESPONSE FROM THE TOWN OF PLYMOUTH**



## Town of Plymouth

124 EAST WATER - PLYMOUTH, NORTH CAROLINA 27962

TELEPHONE: (252) 793-9101

FAX: (252) 793-6738

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July 28, 2021

Beth Wood, CPA  
State Auditor  
NC Office of the State Auditor  
2 South Salisbury Street  
20601 Mail Service Center  
Raleigh NC 27699-0601

RE: Response to Plymouth, North Carolina Audit Report

Dear Ms. Wood:

In response to the Town of Plymouth failing to meet the ***General Statute requiring full and accurate Minutes of the Mayor and Town Council***, please be advised that:

Although it is the responsibility of the Mayor and Town Council to approve meeting minutes in a timely fashion, we unfortunately depended on the Town Clerk to alert us as to approval of the minutes in a timely fashion. Unfortunately, her failure to alert the council to approve the meeting minutes fell off the Mayor and Council's radar. For example, the Town Council did not approve meeting minutes held from January 2020 to March 2020, until July 13, 2020.

To further exacerbate the situation, the town clerk unexpectedly departed, leaving a backlog of work; and the town suffered a Ransomware virus attack on its electronic system in December, which ultimately caused a further loss of data, including the December 2020 meeting minutes.

Please be advised that the Mayor and Town Council accept responsibility for these problems and have taken necessary steps to avoid them in the future (please see attached remedy).

Respectfully,

Vershumn "Shawn" Hawkins  
Mayor

O | 252-793-9101 ext. 227

C | 252- 741-0102

E | [mayorhawkins@visitplymouthnc.com](mailto:mayorhawkins@visitplymouthnc.com)

### REMEDY FOR FINDINGS – FULL AND ACCURATE MINUTES OF THE MAYOR AND TOWN COUNCIL

All meeting minutes will be prepared and made available to the members of the Town Council as part of their agenda packet for the next scheduled monthly meeting so that they can be approved and filed for the record. Once the minutes are approved, they will be signed by the Mayor and the Town Clerk. All approved, executed minutes will be stored at the Plymouth Town Hall in the office of the Town Clerk. Closed session minutes will be provided to the members of the Town Council as part of their closed session agenda packet for the next scheduled closed session meeting. Once the minutes are approved, they will be signed by the Mayor and the Town Clerk and remain closed, redacted and released, or released, as appropriate. Closed session minutes will also be stored at the Plymouth Town Hall in the office of the Town Clerk. Additionally, all approved and executed open meeting minutes will be uploaded to the Town of Plymouth's website. All approved and executed closed session minutes that have been released will be uploaded to the Town of Plymouth's website as well.

# ORDERING INFORMATION

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## COPIES OF THIS REPORT MAY BE OBTAINED BY CONTACTING:

Office of the State Auditor  
State of North Carolina  
2 South Salisbury Street  
20601 Mail Service Center  
Raleigh, North Carolina 27699-0600

Telephone: 919-807-7500  
Facsimile: 919-807-7647  
Internet: <http://www.auditor.nc.gov>



To report alleged incidents of fraud, waste or abuse in state government contact the  
Office of the State Auditor Fraud Hotline:

**Telephone:** 1-800-730-8477

**Internet:** <http://www.auditor.nc.gov/pub42/Hotline.aspx>

For additional information contact the  
North Carolina Office of the State Auditor at:  
**919-807-7666**

