Belmont ABC Board

Performance Audit Report

Alcoholic Beverage Control Commission
400 East Tryon Road, Raleigh, NC 27610
p: 919-779-0700 | f: 919-661-5927 | http://abc.nc.gov

TABLE OF CONTENTS

ABC
COMMISSION
NORTH CAROLINA

Alcoholic Beverage Control

CHAIRMAN:
Hank Bauer

COMMISSIONERS:
La'Tanta (L.T.) McCrimmon
Raleigh

David Sherlin
Raleigh

DEPUTY COMMISSIONER:
Mike DeSilva

LOCATION:
400 East Tryon Road
Raleigh NC 27610

MAILING:
4307 Mail Service Center
Raleigh NC 27699-4307

PHONE: (919) 779-0700
http://abc.nc.gov/

November 3, 2025

Belmont ABC Board
Jonathan Wilson, Chair
6425-L Wilkinson Blvd
Belmont, NC 28012

Chairperson Wilson,

On the following pages, you will find the performance audit report conducted by the staff of the ABC Commission reviewing the operations of the Belmont ABC Board. The report consists of an overview of the objectives & background summary, financial analysis and findings, and a summary of actions recommended based upon your board's performance and related findings. Additional considerations are listed as well to provide further guidance and enhance awareness to promote ABC board's success.

Please reach out if you have any questions or require assistance in implementing any of the statute requirements, Commission rules, or other recommendations included in the report. On behalf of the North Carolina ABC Commission, I thank you and your staff for your assistance and cooperation in conducting this periodic review. We appreciate the continued efforts by your board to comply with the performance standards, as well as the board's commitment to increase profitability and reduce expenses.

If we can be of assistance in the future, please do not hesitate to reach out to the Commission staff.

Respectfully,

Michael G. DeSilva

Michael DeSilva
Deputy Commissioner

OBJECTIVE, PURPOSE & BACKGROUND INFORMATION

In addition to regular and special financial audits, G.S. 18B-705(a) authorizes the NC ABC Commission to conduct performance audits of all local ABC boards in the state. Performance audits are examinations of existing operating policies, practices, controls, and activities to determine those areas in which there may be a need for improvement.

The audits are designed to ensure that all local ABC Boards comply with established performance standards pursuant to G.S. 18B-203(a)(20). The audit's scope addresses compliance with ABC laws and rules, store appearance, operating efficiency, solvency, and customer service.

To achieve the objectives of the audit, auditors:

- Review applicable General Statues, ABC Commission Rules, and Administrative Policies
- Review applicable reports and studies of ABC Boards with similar size and geography.
- Verify compliance with Commission and Board policies.
- Verify results of previous performance audit recommendations
- Review ABC Board annual independent financial audits.
- Review ABC Board reporting and documentation reports.
- Visit the store(s)
- Interview key ABC Board personnel.

Belmont, North Carolina, is a small but vibrant city located in Gaston County, just west of Charlotte. Nestled along the Catawba River and near Lake Wylie, Belmont blends historic charm with modern growth. The city was originally settled in the 1750s and later became known for its strong textile industry, which shaped much of its early economy and community life. Today, Belmont has transformed into a thriving suburban city that still holds onto its small-town character.

The heart of Belmont is its walkable downtown, lined with locally owned shops, restaurants, coffee houses, and breweries. Historic Main Street is home to landmarks like the Belmont General Store, while nearby neighborhoods feature tree-lined streets and well-preserved homes dating back to the early 20th century. Belmont Abbey College, a private Catholic liberal arts college founded in 1876, is one of the city's most notable institutions and a cultural anchor for the community.

Outdoor recreation plays a big role in Belmont's lifestyle. Residents and visitors enjoy boating and fishing on Lake Wylie, hiking at Daniel Stowe Botanical Garden, or exploring the Carolina Thread Trail. The city also emphasizes community events, hosting seasonal festivals, concerts, and markets that bring people together in a welcoming atmosphere.

With its proximity to Charlotte, Belmont offers easy access to urban amenities and employment opportunities while maintaining a quieter, community-focused environment. Its combination of historic heritage, natural beauty, and modern development has made Belmont an increasingly popular place to live and visit in the Charlotte metropolitan area. Nestled in Gaston County, Belmont is a charming suburb located just west of Charlotte—about 12 miles (19 km) from downtown. Incorporated in 1895, it blends its historic textile-town heritage with modern suburban life. Its name harkens back to August Belmont, a New York banker, and the town once bore the name Garibaldi Station. Today, the Belmont Historic District preserves elegant Colonial Revival, Tudor Revival, and Craftsman architecture from its turn-of-the-century growth spurt.

Belmont is on a steady upward trajectory—estimated at around 15,823 residents in 2025, reflecting about 0.98% yearly growth since 2024. Fresh projections suggest the population could climb to approximately 16,280 by the end of 2025. Over the past few years, Belmont has evolved from a small textile town into a balanced, thriving suburb. Its stable population growth aligns with rising household incomes and expanding industries like manufacturing, healthcare, and finance. Home values have held strong, and many families call Belmont home, drawn by its quality of life, historical charm, and proximity to Charlotte.

With a young, professional skew to its population and strong future job growth on the horizon, the city is positioned for thoughtful, sustainable expansion. Meanwhile, green spaces like the Daniel Stowe Conservancy and preserved historic areas keep that signature small-town feel alive.

The general manager is responsible for the oversight of all daily operations, inventory management, accounts payable, human resource organization and other administrative decisions for the board. The board hired an external accountant who assists the annual audit. All store employee's primary responsibility is to provide friendly customer service to all customers, store upkeep and stock maintenance.

A mixed beverage referendum occurred on April 24, 1999, and it passed. *Currently, the Belmont ABC Board appoints a chairperson, four board members and a general manager to serve on the ABC board.* The Belmont ABC Board currently operates one (1) retail store. The board staffs fourteen (14) in total personnel. These include five (5) full-time employees and nine (9) part-time personnel. The general manager is responsible for daily store operations including supervising personnel, inventory management, and various retail functions. The GM is also the Finance Officer and provides the board with fiscal management, administrative support, and oversees routine operations of the ABC store. Sales associate responsibilities include, selling products, daily stocking, and floor upkeep & maintenance.

The last performance audit for the Belmont ABC Board occurred in 2019. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.

6425-L Wilkinson Blvd, Belmont N.C.

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On Monday, September 8, 2025, ABC Board Program Analyst II Eric McClary, visited the Belmont ABC Board and interviewed William C. Montgomery (General Manager). Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.

FINANCIAL ANALYSIS

PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year (FY) 2024-2025, the Belmont ABC Board had a profit percentage to sales ratio of 7.5%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than $2M is 6.5%.
  - The Belmont ABC Board's gross sales totaled $6,032,754, which was an approximate 4.1% increase from the previous fiscal year.

- Belmont ABC Board operates one retail store with mixed beverage sales. The operating cost ratio for the board was *.66* in FY 2024-2025. The NC ABC Commission standard for ABC Boards with one or two stores and mixed beverage is *.73* or less.
  - Operating cost ratio is calculated by dividing total operating expenses less depreciation by the gross profit on sales (Total operating expenses less depreciation/Gross Profit).

- Thus, the Belmont ABC Board meets both the profitability and the operating cost standards set by the NC ABC Commission. Below are charts showing gross profit on sales, total operating expenses, and income from operations for recent years.

	FY 2024-2025	FY 2024-2025
Gross Profit on Sales	$1,476,721	$1,426,629
Income from Operations	$453,695	$399,508

Factors affecting profitability and cost include:

- Surrounding areas with other ABC systems which are within a 25-mile radius include Bessemer City ABC, Cherryville ABC, Cramerton ABC, Gastonia ABC, Mount Holly ABC, Mecklenburg County ABC, Lincolnton ABC, and Kings Mountain ABC.
- There was 4.0% unemployment rate in Gaston County in June of 2025 compared to 3.9% the previous year and month.

- The board currently has approximately 33 active mixed beverage customers.

- FINANCIAL ANALYSIS (cont.)

- *Factors affecting expenses:*
  - Total operating expenses increased around (0.4%) from the last fiscal year.
  - Board salaries and wages were approximately (7.9%) of total annual sales.
  - Cost of Goods Sold (COGS) was roughly 52.0% for the fiscal year with a normal range being 52% to 54%.

BUDGET ANALYSIS

	FY 2024-2025 Budget Projections	*FY 2024-2025 Actual*	Variance	Variance %
Sales	$6,109,262	*$6,032,754*	-	-
Revenue over or (under) Expenditures		*$318,037*		

In reviewing the budget to actual analysis of the FY 2024-2025 financial audit, actual sales revenues were less than forecasted projections by -%. After reconciliation, the change in the Board's end net position was $1,744,786.

DISTRIBUTIONS

G.S. 18B-805 (b) requires the board to pay from gross receipts, all expenses, excise, and rehabilitation taxes. G.S. 18B-805(c)(2) requires the board to *typically* distribute at least five percent (5%) of applicable gross receipts to law enforcement and *typically* at least seven percent (7%) for alcohol education. *Before assigning these percentage distributions, G.S. 18B-805(c)(1) requires the board to first make a minimum quarterly distribution of the 3.5% markup & relevant bottle charges to certain county/municipal recipients.* **Some of these distribution percentages are designated by an official local enabling act (*and thus distribution requirements and recipients are subject to vary).*** Belmont ABC made a total of $1,418,433 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), NC Department of Health & Human Services (NCDHHS), and the county commissioners of Gaston County.

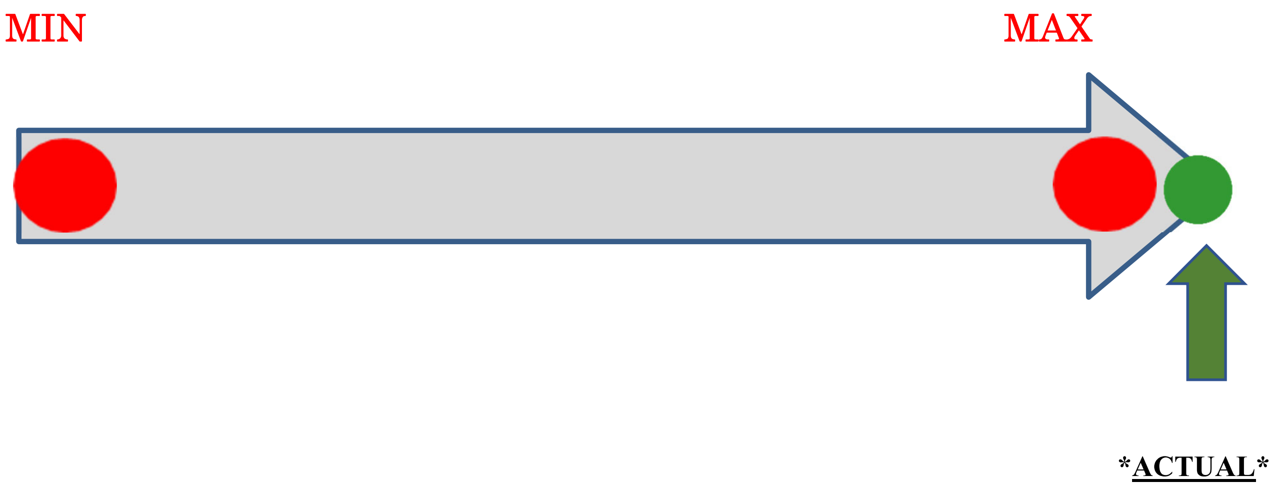
Per the local enabling act, the distribution formula for recipients of net profits is as follows:

- One Hundred percent (100%) to Belmont General Fund.

WORKING CAPITAL

- G.S. 18B-805(d) allows the board to set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system.
    - NCAC 15A .0902 sets a working capital maximum standard for boards with annual gross sales greater than $1.5M as an amount equal to three (3) months of gross sales.
    - G.S. 18B-702(g)(3) defines "Working Capital" as the total of cash, investments, and inventory less all unsecured liabilities. As it pertains to working capital computation, gross sales mean gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4).
- Based upon the existing rules, as of June 30, 2025, the Belmont ABC Board is required to maintain a minimum working capital of $177,172 with a maximum working capital amount of $1,151,616.
    - The Belmont ABC Board had a working capital balance of $1,576,778 which is more than the minimum and exceeds the maximum Commission requirements for this section (*).

* FY 2024-2025: *Working Capital (WC)graphic*



Under 18B-805(d), with approval of the appointing authority for the board, the local board may set aside a portion of the remaining gross receipts as a fund for specific capital improvements whenever working capital is exceeded.

- STATUTORY DISTRIBUTIONS:
  - Net Profit Distributions - The Belmont ABC Board has routinely made the minimum mandatory distributions to the designated recipients over the last three years referencing NCGS 18B-805(c)(1). **The table below references distributions calculated by CPA on the left and total net profit distributions made by the ABC Board for the last three (3) years on the right.**
  - Law Enforcement Distributions: Have been properly disbursed at or above the regular 5% statute amount over the last three (3) fiscal years.
  - Alcohol Education Distributions: Have been disbursed at or above the standard 7% statute amount of the last three (3)

NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients *Note: Referencing CPA Audit Reports*		Belmont ABC Board Net profit distribution made annually by fiscal year	
CPA Calculated Amount		Total paid to recipient(s)	
FY-2025	*(164,564)*	FY-2025	*(164,564)*
FY-2024	*(159,018)*	FY-2024	*(159,018)*
FY-2023	*(152,914)*	FY-2023	*(152,914)*

PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE

The findings for personnel, operational & administrative compliance are as follows:

Board Members

- The board consists of *chairperson, four members a general manager*. The GM only receives proper compensation.
  - Board members are compliant on ethics training.
  - Terms are properly staggered.
  - The board's appointees have served consecutive terms.
  - Members have professional experience in accounting, business, teaching and other professional areas.
- Members may have taken an oath of office per G.S. 11-7, but copies of oaths are not available at the board's administrative office.
- Meetings are generally held the fourth Monday of each month and public notices are posted via a flyer in an in-store vestibule.
- Meeting minutes are well organized and available and follow the order of proceedings, providing detail of business discussed in a transparent and easily comprehendible manner.

  - Minutes reviewed contained most required notations including time and date, approval of previous meetings minutes, and distinguished between new and old minutes.
  - Full financial reports prepared by the board's accounting firm are presented including sales for mixed beverages, comparisons for previous year, P&L and balance sheet.
  - Board members are heavily encouraged by the Commission to use checks and balances to ensure that cash management practices are upheld especially on payroll. Boards should also, routinely review any notes and recommendations provided by the CPA firm on annual audits.
- The board's login website had been updated at and prior to Commission visit and contains accurate information pertaining to board members, personnel, and store location.
  - *The expectation going forward is that ABC boards will routinely manage this information online, and work to communicate with the Commission particularly when new members are added, or whenever any current serving members resign before a term has ended.*

Law Enforcement

- The board has a law enforcement contract with the Belmont Police Department from 2018 and a copy is on file in Commission records.
- Law enforcement reports are submitted regularly by The Belmont Police Detective Chad Rumney and are current to date. The Board obtains pertinent LE data from the Belmont Police Department.
  - Reports often provide details of activities for accountability per G.S. 18B-501(f1). *The board could consider discussing activities related to law enforcement at board meetings.*

Board Personnel

- The board currently staffs fourteen (14) total employees, with five (5) full time, and nine (9) part time.
- General Manager has served in this role with the board for approximately eight years and has over additional years working in retail sales and management.
  - General manager is full time, his salary is within the allowable compensation per G.S. 18B-700(g1). All members are compliant on ethics training.
  - Their responsibilities include full oversight of all daily store operations, human resources, ordering, inventory, and other operational tasks.
- The Finance Officer is also the GM and supports the manager with many additional responsibilities. He is cross trained and has other key responsibilities. The GM is compliant with ethics training.
- The board uses a third-party firm for some accounting related duties.
  - Their main responsibilities include processing much of the information provided by personnel, providing financial reports for member review and the annual CPA audit, and providing general financial oversight and guidance.
- The board has a lead store clerk who assists management with operational duties on the floor.
- All other store employees are part time sales associates and primarily responsible for providing friendly customer service, general store cleaning and upkeep, and stock maintenance.
- Training is provided to new employees from management and other personnel and is on the job and mentorship styled.
  - RASP training has been completed in recent years and management is receptive to the idea and benefit.
  - Product knowledge training is handled informally between management and team members.
- Employee files are kept in the administrative office and include tax and other applicable information and personnel manual acknowledgment form.
- No conflicts pertaining to nepotism found and per discussion with general manager.

Policies

- ➢ The board has a comprehensive personnel manual that details various policies, behavioral standards, and aspects of employee benefits. Some of the headlines included in the manual are as follows:
    - o Ethics standards and customer, employee, and personnel relationship.
    - o Media, internet, equipment usage and cell phones.
    - o Alcohol sales for identification of age, intoxication, employee, or families.
    - o Cash handling including deposits and register balancing.
    - o Pay, leave and benefits including holidays, timekeeping, scheduling, overtime, insurance, illness, medical, military, pregnancy, and employment categories.
    - o Conduct standards including appearance, attendance, etiquette, drug or alcohol use, smoking, discipline, and harassment.
    - o Employee evaluations, and discipline.
- Additional policies that are practiced include shelf management, breakage, price discrepancy, mixed beverage, and a code of ethics.
- For travel, the board chooses to adhere to the local municipality travel policy in compliance with G.S. 18B-700(g2) however the Commission requires a copy for documentation for Commission records.
- The board could consider adopting written policies for credit/bank card usage, lottery, tastings, and employee tastings.

Operations

- ➢ Full inventory is conducted once per year with code-based inventories and other random counts "monthly" and sometimes weekly.
    - o Both the GM, and other team members participate.
    - o Scanners are used, and discrepancies are investigated.
    - o Adjustments are made by the general manager and sheets are retained.
    - o A sample of items were selected to verify accurate current inventory. Of those selected no price discrepancies were found.
    - o Strategies for slow moving products include a discontinued section, and focused sales directing customers to the area and receive approval to mark down products.
- Board receives deliveries for goods the second and fourth Thursday of each month.
    - o Offload is conducted using a purchase order receipt list checking off cases by code.
    - o Variances are reviewed and recounted before sending notification to LB&B.
- The board currently has thirty-three mixed beverage customer accounts.
    - o Invoices are provided to permittees at the time of the transaction and copies are retained for each account.
    - o Mixed beverage customers use the warehouse entrance for purchases and staff assist in verifying order accuracy and help the customers with loading.
- General manager makes liquor orders by using SPA history and rate of sale across time to try and always to position the board to buy low and sale high. Once quarterly and SPA pricing is reviewed, and adjustments are made.
- Allocated products are reserved for mixed beverage accounts, to a reasonable extent.

Financial, Administrative, and Internal Controls

- Invoices for liquor are usually processed immediately for all deliveries and many payments are processed via ACH and sometimes bill pay.
  - *A sample of payment dates was reviewed and indicated invoices were paid within the thirty-day requirement.*
- Board's checks have the required disbursement certificate in compliance with G.S. 18B-702(q) but this is not very often.
  - The GM and his assistant sign checks.
- The GM and his assistant conduct regularly review liquor orders, the pre-audit stamp required by G.S. 18B-702(m) is also being properly affixed to purchase orders.
- The general manager has a credit card, and it's kept in a secure location at the administrative office.
  - Itemized receipts for purchases are provided to the GM for review before the account is balanced.
  - *The board does not have a written credit card policy but should consider.*
- The Board utilizes Smart Safe which is an electronic way of making deposits. This way deposits are made automatically for the previous business day. Deposit slips and other banking information are retained at the board's office. and the GM provides documentation to the third-party accounting firm.
  - *A review of one month's deposit information was conducted, and no discrepancies were found between deposits and register receipts.*
- The board uses three registers in their showroom with one Mixed Beverage register. Tills beginning with $200.00.
  - Drawers are counted at the beginning and end of each shift and a slip for each till is signed by the applicable employee.
- Funds are kept in a pooling bank approved by the North Carolina Treasury Office.
- Payroll is bi-weekly and processed by board's GM. He utilizes BBSI with the accounting, tax and other reductions.
  - Employees uses a phone APP "When I work" system to clock in and out and hours are reviewed by all administrative employees.
- Board keeps thorough records for unsaleable merchandise reports and emails copies of the claims to the Commission regularly in compliance with NCAC 15A .1701(c).
- The annual CPA audit was received by the Commission on September 26, 2024.
- All board members and the general manager are each bonded for $50,000 per G.S. 18B-700(i).

STORE INSIGHT & OVERVIEW

- The board's store and administrative office is located off a major commercial thoroughfare and near an interstate.
  - Outside area surrounding the store is well-maintained and free of debris or trash.
  - There is ample parking and easy access for deliveries.
- The showroom-retail area is moderately large and shelving, endcaps, and other displays are well organized.
  - Show room space is aesthetically pleasant, well-lit, and allows for easy flow for patrons and staff.
  - The floor's carpeting is clean, and the hardwood flooring is also very nice.
  - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is displayed, and the quarterly price book is available should customers request.
  - Listings for specially priced items are printed and available for customers to review.
- The warehouse and administrative areas form a full horseshoe around the retail spaced.
  - The area is well lit and organized and can accommodate many cases.
- Shelf management practices are fully implemented, and a written plan is available for store personnel which corresponds with NCAC 15A .1708.
  - Products are fronted and dusted, and most are placed in categorized areas.
  - Premium products are generally found at eye-level or top shelf.
  - Bottles are generally arranged so they increase in size left to right of the same item.
- Sales associate interactions with customers are attentive, courteous, and the staff is very familiar with many of their patrons.
- A sample of approximately 100 items were selected to determine if uniform pricing is displayed. Of those selected, no item's prices were inaccurately posted.
  - Price discrepancies are handled in the customers favor if the shelf tag were to be lower than the current price mandate.
- Store is generally open from 10:00 am until 9:00 pm daily. They are currently closed every Sunday. Besides closing on the two (2) required annual holidays and every Sunday, the board may opt to continue closing on New Year's Day, July 4th, and Labor Day annually.
- Security systems are in place and functional in all designated areas.
  - *The store has (21) cameras and panic buttons.*

RECOMMENDED ACTIONS (PER STATUTES OR COMMISSION RULES)

- ABC Boards are required to operate within a balanced budget each fiscal year. Budget amendments must be approved by the board before any funds are transferred between accounts and utilized, occurring at the actual point of time an adjustment of funds is necessary. This would include the point in time during the fiscal year when the board will exceed its annual forecasted sales budget. *Ensure budget amendment copies are submitted to the ABC Commission as required per NCGS 18B-702(h), to include a final reconciliation budget amendment for the fiscal year end.*

- Please ensure all newly adopted policies or any updated policies are submitted electronically to the Commission for recordkeeping and review per NCAC 15A .1102 Rule. Electronic copies of the personnel manual should be emailed to Commission personnel for recordkeeping. A credit card policy is recommended to established authorized use (sample copy forwarded for consideration). A tastings policy is recommended if tastings are done routinely.

- Board does not have copies of oath before taking office or before the execution of the office per G.S. 11-7. *Written copies of oaths should be available at the board's administrative office.*

- The Commission recognizes that the board follows its municipality local policy. As a reminder, the board must annually obtain approval from the appointing authority to adhere to their local government travel policy and annually provide the Commission with a copy of this approval per G.*S. 18B-700(g2).*

- ABC Boards are required to work within general minimum and maximum limits for working capital, as established per Commission Rule NCAC 15A .0902(a)(2). When ABC Boards exceed maximum working capital in any given FY due to planned capital improvements, please secure written approval from the applicable County or Municipal authorities per N.C.G.S. 18B-805(d) and forward to the Commission. As best measure, securing documentation prior to exceeding maximum working capital would be the most ideal approach.

ADDITIONAL CONSIDERATIONS & GUIDANCE ….

- The Commission's primary focus for ABC board members:

- ABC board members are highly encouraged to meet monthly for the best formal oversight and review of board operations, routinely recording meeting minutes (*adhering to closed meeting requirements where applicable*) and ensuring either no conflicts of interest are present or that they are addressed appropriately when presented. Monthly sales should be reported to the Commission at beginning of next month, providing annual budgets, budget amendments, miscellaneous financial reporting to Commission following timelines, and ensuring Commission has annual CPA audits by Sept 30th.

- ABC boards are highly encouraged to keep term begin dates & term end dates updated on the Commission's board login website for all ABC board members and other information such as store hour changes, pictures, email updates, etc. *Moreover, liaising with the Commission when new members are appointed or when member resign early before term has ended is very important for recordkeeping efforts of the Commission.*

- ABC boards are highly encouraged to find straightforward ways to lower any recurring expenses. *A very tangible way to lower operating costs is to fully maximize monthly special purchase allowance (SPA) liquor products that routinely sell well in the store to lower cost of goods sold (COGS).* ABC Boards can limit the number of personnel travelling to conference and convention events across the state. Other ways to try to improve expenses include requesting bids annually from various vendors to get the best rates possible on financial audits, various utilities, maintenance contracts, and *credit card processing companies*.

- ABC boards are encouraged to closely review financial statements monthly, comparing with the annual budget forecast, approving budget amendments when necessary and submitting copies to the Commission for anticipated sales increases as well as other adjustments for budgeted accounts.

- Cross training opportunities for personnel should be maximized to ensure solid continuity of operations occurs for ABC boards. Also, training opportunities can work well to develop store employees for increased responsibility roles and serving to make both the routine operations and employee morale stronger.

- NCAC Rule 15A .1701 requires quarterly reports be submitted for any unsaleable merchandise (breakage) and retain original copies for three (3) years. *All breakage reports should only be transmitted via email submission to Commission staff; copies should not be mailed.*

- As a reminder, remove all faded posters and replace with new ones when applicable. Reach out to the Commission to provide fetal alcohol syndrome posters, NC Dept of Labor can provide wage & hour posters, and OSHA can provide some applicable federal posters if any are needed.

- ABC boards can explore additional training opportunities periodically available through the ABC Commission as well as partnering with other ABC boards on specific areas such as best retail and marketing practices.

Belmont ABC Board

ABC Commission

400 E. Tryon Road

Raleigh, NC 27610

October 16, 2025

We truly appreciate your support and recommendations from the audit that was performed on September 9, 2025. This performance audit will help us with the areas that need improvement. Please find below our responses to the findings and recommendations.

1. **Budget Compliance**
    - Operate within a balanced budget each fiscal year.
    - Approve budget amendments at the time adjustments are needed, not after.

- Submit copies of budget amendments to the NC ABC Commission as required by law (NCGS 18B-702(h)

All recommendations regarding Budget Compliance will be followed by the Belmont ABC Board.

2. Policy Submission and Updates

- Submit all newly adopted or updated policies electronically to the ABC Commission for recordkeeping.
- Provide an electronic copy of the personnel manual to the ABC Commission.
- Adopt and submit a credit card policy. This was adopted by the Belmont ABC Board of Directors at the September 2025 Board meeting.
- Adopt a tastings policy if tastings are routinely conducted. This was adopted by the Belmont ABC Board at the September of 2025 Board meeting.

All recommendations regarding Policy Submission and Updates will be followed by the Belmont ABC Board.

3. **Board Member Oaths**

- Maintain copies of board member oaths of office (per G.S. 11-7 at the administrative office.

The recommendation regarding Board Member Oaths will be followed by the Belmont ABC Board

4. **Travel Policy Approval**

Per the September 2025 Board minutes the Board of Directors approved the use of the NC Transportation Policy which does not require annual approval by our Appointing Authority.

Sincerely,

Bill Montgomery- General Manager

Jon Wilson- Chairman

980-259-6262
6425L Wilkinson Blvd
Belmont, NC 28012

10 27 2025 Belmont

Month Day Year ABC Board

Certificate of Accountability

This document assures this Board and the State of North Carolina that the following statutory duties required of local ABC Boards have been properly performed.

1. The system has complied with all State uniform pricing requirements pursuant to NCGS §18B-804.

2. That all alcoholic beverages sold have been approved by the Commission for sale in this State pursuant to NCGS §18B-800.

3. That all "gross receipts" pursuant to NCGS §18B-805(a) have been properly accounted for and are lawful.

4. That all taxes due and board expenses have been properly and timely paid pursuant to NCGS §18B-805(b).

5. That all distributions pursuant to NCGS §18B-805 have been properly and timely paid.

6. That the finance officer for the board has properly performed all duties as required pursuant to NCGS §18B-702(k).

William C. Montgomery

General Manager

William C. Montgomery

Financial Officer

Chairman

Board Member

Board Member

Board Member

Marty Wright

Board Member