

# Bryson City ABC Board

## Performance Audit Report



Alcoholic Beverage Control Commission  
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**ABC**  
COMMISSION  
NORTH CAROLINA

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# ABC

COMMISSION  
NORTH CAROLINA

## Alcoholic Beverage Control

May 22, 2026

**CHAIRMAN:**

Hank Bauer

Bryson City ABC Board  
Montaville Clampitt, Chair  
254 Veterans Blvd.  
Bryson City, NC 28713

**COMMISSIONERS:**

La'Tanta (L.T.) McCrimmon  
Raleigh

David Sherlin

Raleigh

Chairperson Clampitt,

**DEPUTY COMMISSIONER:**

Mike DeSilva

On the following pages, you will find the performance audit report conducted by the staff of the ABC Commission reviewing the operations of the Bryson City 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 success.

**LOCATION:**

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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 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 Statutes, ABC Commission Rules, Reports, and Administrative Policies
- 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

Bryson City is a town in western North Carolina and serves as the county seat of Swain County. The town is known as the “Gateway to the Smoky Mountains”, and functions as a tourism hub for visitors to the area, including those exploring national parks and other nearby attractions. The current estimated population for the town is 1,680 residents which is an 8% increase from the 2020 census. Bryson City ABC has one store, and the Tribal ABC Commission has another store in the county.

Chapter 211 of the 1979 Session Law authorized the town of Bryson City to hold an election for an ABC store. The referendum was held on June 9, 1979, and it passed 297 to 280 with the first retail sales on August 1, 1979. A mixed beverage election was held on August 20, 1991, and it passed 286 to 109. Since its formation, the Town of Bryson City has appointed a chairperson and two (2) additional board members to serve for three-year terms on the ABC board. Current members are Montaville Clampitt, Chair, Mark Pettit, and Melissa Massie.

*The last performance audit for the Bryson City ABC Board concluded in 2023.* The Commission audit serves as an ongoing method to provide local boards with information and best practices that target areas for improvement.

# **OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS**

On April 16, 2026, ABC Commission Program Analyst Edwin Strickland visited the Bryson City ABC Board and interviewed the General Manager, Johnny Crisp, Assistant Manager, Joshua Mason, and other board personnel. Below is a financial analysis followed by operational observations, findings, and recommendations related to the performance audit.



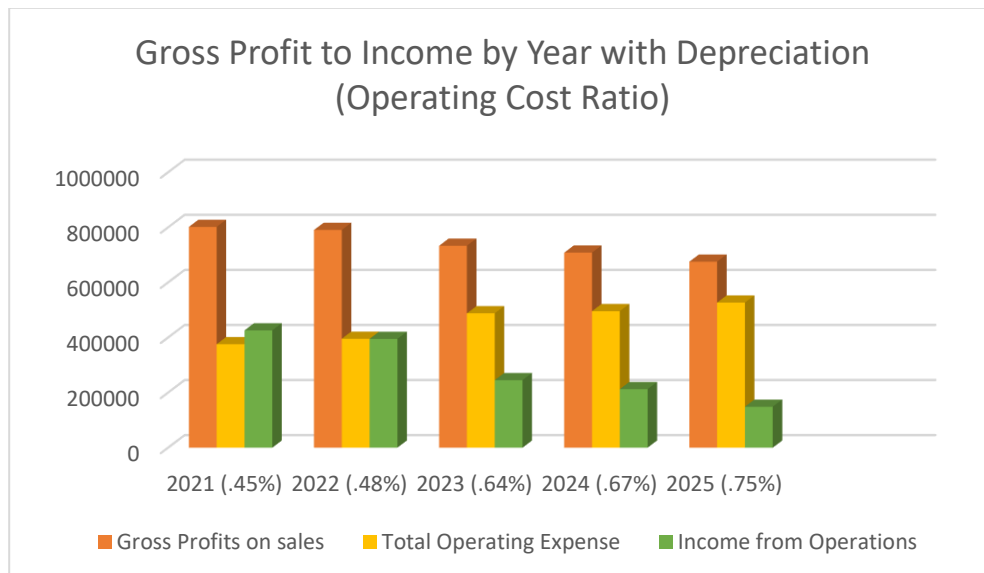
**254 Veterans Blvd. Bryson City**

# FINANCIAL ANALYSIS

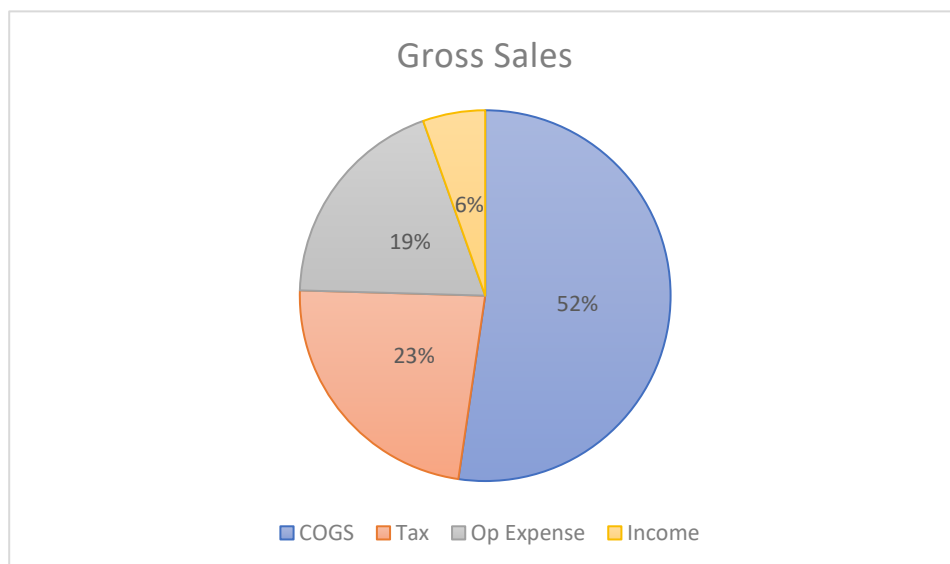
## SALES, PROFIT PERCENTAGE, & OPERATING COST RATIO

- In FY 2025, the Bryson City ABC Board had gross sales totaling \$2,744,708 which was an approximate 3.5% decrease from the previous year.
- In FY 2025, the board’s profit percentage to sales ratio was 5.42%.
  - *The profit percentage to sales ratios over the previous four completed fiscal years were 7.47%, 8.45%, 12.43%, and 13.03%, respectively.*
- Bryson City ABC Board operates one retail store with mixed beverage sales. The operating cost ratio for the board was 0.75 in FY 2025. *The previous four years are in the chart below.*
  - Operating cost ratio is calculated by dividing total operating expense less depreciation by the gross profit on sales (Total operating expense less depreciation/Gross Profit).
- *The ABC Commission is currently working to re-evaluate performance standards for profit percent to sales and operating cost ratios.*
  
- Below are charts showing gross profit on sales, total operating expenses including depreciation, income from operations for recent years, and operating cost ratios.

	FY 2025	FY 2024
<b>Gross Profit on Sales</b>	\$675,511	\$708,262
<b>Total Operating Expense</b>	\$526,850	\$495,716
<b>Income from Operations</b>	\$148,661	\$212,546



- The chart below shows where portions of gross sales are expended or retained as income. COGS and primary distributions (Taxes) usually account for approximately seventy-six percent (76%) of any board's gross receipts, with the remainder used to operate the system and as income. In turn, the income is then used to satisfy other statutory distributions and as working capital, capital improvements, debt service, or as additional distributions beyond the minimum requirement.



- *Factors affecting sales:*
  - There are five other North Carolina ABC Boards with a store within a 35-mile radius of the Bryson City ABC store.
  - The Tribal ABC Commission's store is approximately 10 miles away.
  - Swain County borders Tennessee with other possible outlets, and Graham County NC, which does not have an ABC store.
  - Swain County had a 3.3% unemployment rate in June of 2025 with a 0.2% decrease from the previous year. *The North Carolina average in June 2025 was 3.7%.*
  - Approximately 21% of the population in the county is below the poverty level. *The North Carolina average is 12.8%.*
  - In FY 2025 mixed beverage sales accounted for around 15% of gross sales.

## **INVENTORY TURNOVER**

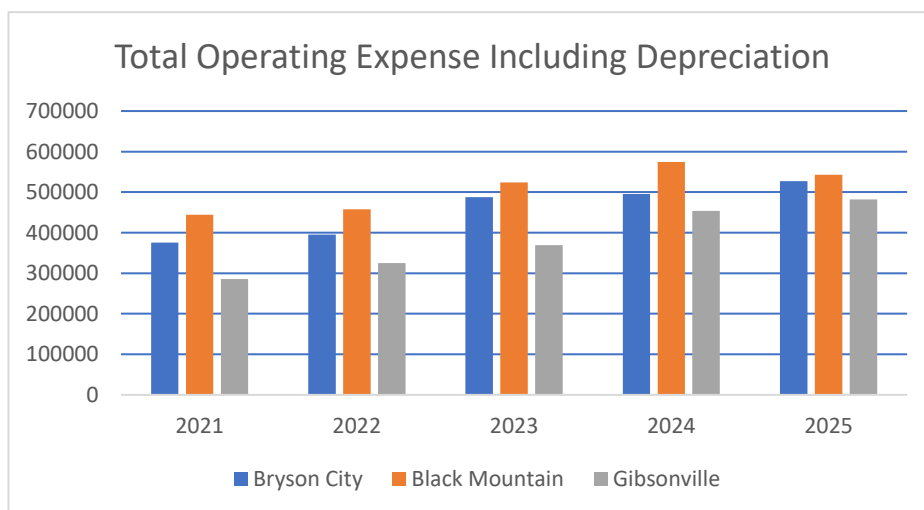
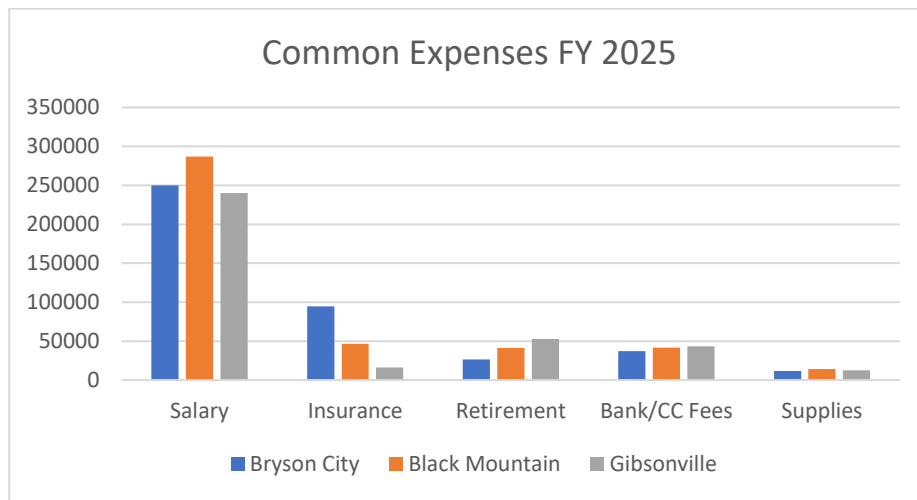
- The inventory turnover rate is calculated by dividing the cost of liquor by the average inventory in the system (Cost of Liquor/Average Inventory). The Commission has set these goals for determining an effective rate based on the frequency of deliveries.
  - Once a week deliveries target at 6 times or more per year
  - Twice a month deliveries target at 5 times or more per year
  - Monthly deliveries target at 4.5 times or more per year
- The Bryson City ABC Board receives shipments twice per month, with a target inventory turnover rate of around 5. The inventory turnover rate in FY 2025 was 2.9, which is below the official goal.

## FINANCIAL ANALYSIS (cont.)

➤ *Factors affecting expenses:*

- In FY 2025, total operating expenses increased by over six percent (6%) from the last fiscal year and were around nineteen percent (19%) of total annual sales.
- Board salaries were approximately nine percent (9%) of total annual sales and increased by around two percent (2%) from the previous fiscal year.
- Cost of Goods Sold (COGS) was 52.2% for the fiscal year with a normal range being 52% to 54%.

➤ A common expense report and a total operating expense report show that the Bryson City ABC Board has similar categorical and total operating expenses compared to other ABC boards within a somewhat reliable gross sales range and other variables. *Common expense report categories can be unreliable, as different CPAs may allocate costs to line items inconsistently.*



## BUDGET ANALYSIS

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	FY 2024-2025 <i>Budget Projections</i>	FY2024-2025 <i>Actual</i>	Variance	Variance %
<b>Total Revenues</b>	\$2,728,977	\$2,744,790	\$15,813	0.6%
<b>Total Expenditures</b>	\$2,562,536	\$2,579,975	(\$17,439)	(0.7%)
<b>Distributions</b>	\$166,000	\$187,353		
<b>Revenue over/under Expenditures &amp; Finance</b>		(\$22,538)		
<b>After Reconciling Items</b>		(\$38,610)		

- In reviewing the budget to actual analysis of the FY 2025 financial audit, actual total revenues were 0.6% above the final budget amendment and expenditures were 0.7% above the final budget amendment.
  - The change in net position during the fiscal year was (\$38,610). *The board's collective net position on June 30, 2025, was \$704,925; the net position has decreased fifteen percent (15%) since FY 2021.*
- Based on sales trajectory for the current fiscal year with nine months (75%) of the budget year completed, the board is tracking around 80% of annual budgeted sales.

## DISTRIBUTIONS

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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 and 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).***

- In FY 2025, a total of \$635,524 in primary distributions and other taxes was paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Swain County.
- In FY 2025, Bryson City ABC accrued funds for other statutory distributions totaling \$187,353 (*the net profit recipient received \$151,353*).
- Per the local enabling act, the distribution formula for recipients of net profits is as follows:
  - 90% to Bryson City General Fund.
  - 10% to Bryson City General Fund for parks and recreation.

**DISTRIBUTIONS (cont.)**

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➤ **STATUTORY DISTRIBUTIONS:**

- Net Profit Distributions – The Bryson City ABC board has made net profit distributions for the last five (5) fiscal years at the minimum mandatory distribution as referenced in G.S. 18B-805(c)(1). **The table below shows distributions calculated on the left and total distributions made by the ABC Board for the last five (5) years on the right.**
- Law Enforcement Distributions: Have been accrued and/or disbursed at or above the standard 5% statute amount for the last five (5) FYs.
- Alcohol Education Distributions: Have been accrued and/or disbursed at or above the standard 7% statute amount for the last five (5) FYs.

<b>NC GENERAL STATUTE: 18B-805 (c)(1)</b>			
<b>Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients</b>		<b>Bryson City ABC Board Net profit distribution made annually by fiscal year</b>	
<i>Note: Referencing CPA Audit Reports</i>			
<b>Calculated Amount</b>		<b>Total paid to recipient(s)</b>	
FY-2025	\$75,038	FY-2025	<b>\$151,535</b>
FY-2024	\$73,474	FY-2024	<b>\$154,401</b>
FY-2023	\$82,159	FY-2023	<b>\$324,000</b>
FY-2022	\$90,337	FY-2022	<b>\$352,372</b>
FY-2021	\$93,080	FY-2021	<b>\$294,000</b>

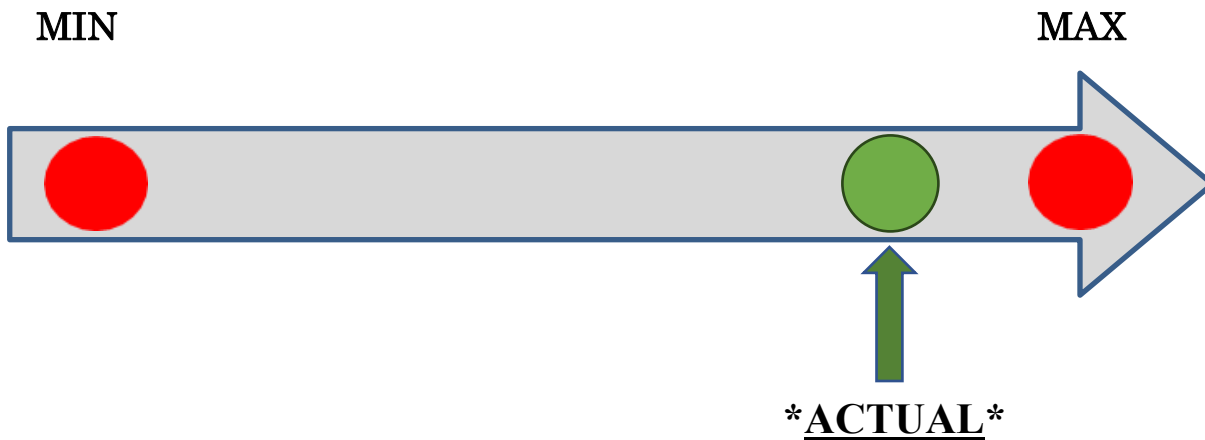
- Since July 1, 2002, the Bryson City ABC Board has made distributions to the Bryson City general fund in the amount of \$3,078,236. *Over forty-one percent (41%) of this amount has been distributed in the last five fiscal years.*

## WORKING CAPITAL

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- 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 means gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4).
  
- Based on the existing rules, as of June 30, 2025, the Bryson City ABC Board is required to maintain a minimum working capital of \$81,146 with a maximum working capital amount of \$527,448.
  - The Bryson City ABC Board had a working capital balance of \$435,813, which is above the minimum and below the maximum allowed per Commission rule for this section.

### **\* FY 2024-2025: Working Capital (WC) Graphic**



- Under G.S. 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.

## **PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE**

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

### **Board Members**

- The board consists of two members and a chairperson who receive compensation for their services in compliance with G.S. 18B-700(g).
  - Current board members' terms are staggered to comply with G.S. 18B-700(a) and all are serving successive terms.
  - Oaths of office copies are available in the board's administrative records, and all members are compliant with the ethics training requirements.
  - Members have backgrounds in law enforcement and multiple business sectors.
- Meetings are generally held on the third Thursday of each month, and notification is provided to the town.
- Meeting minutes are organized, available, and follow the proper order of proceedings.
  - All minutes reviewed reference a conflict-of-interest statement.
  - Financial data is presented and discussed at board meetings, including profit and loss statements, sales information, and account balances. *The board should work to ensure budget-to-actual comparisons for sales and expenditures are routinely discussed.*
  - Board members are heavily encouraged by the Commission to use checks and balances to ensure that cash management practices are upheld. Boards should also routinely review any notes and recommendations provided by the CPA firm in annual audits.
- The board's login website was updated prior to Commission visit and contains accurate information pertaining to board members, personnel, and store locations.

### **Law Enforcement**

- The board reentered into a law enforcement contract with the Town of Bryson City Police Department in 2023.
- Law enforcement reports are submitted regularly by board personnel.
  - Applicable data for accountability as outlined in G.S. 18B-501(f1), is provided by Chief Robinson.
  - In FY 2025, the board made \$16,000 in law enforcement distributions.

### **Alcohol Education and Rehabilitation**

- In FY 2025, \$20,000 in alcohol education distributions were made to Mountain Projects Inc.
  - The organization submits reports to the board describing how funds were spent.
  - *For full compliance with G.S. 18B-805(h), the ABC Board should ensure that they include in its written meeting minutes how these funds are to be spent for future distributions.*

## **Board Personnel**

- The board currently has six full-time and three part-time employees.
- The General Manager and Assistant Manager are full-time and responsible for all board operations and activities.
- The Finance Officer is part-time and responsible for accounting-related activities.
- The Warehouse Manager assists with all ordering, inventory, and stock maintenance.
- All employees are responsible for providing friendly customer service, general store cleaning and upkeep, and stock maintenance.
- Training for new employees is on the job and mentorship based.
  - Product knowledge discussions are regular between staff on new and existing products.
  - Cross training opportunities have been extended to all employees with everyone able to cover another team member's responsibilities including the administrative team.
  - Most board personnel, including those not required by statute, have completed the ethics training course.
  - Most board personnel have not attended RASP training, but the management team is open to future opportunities.
- No conflicts related to nepotism were found, based on discussion with the General Manager.

## **Policies**

- The board has a code of ethics policy which adheres to the requirements of G.S. 18B-706(a).
- The board has a thorough personnel manual which covers most requirements of Rule 15A .1006 and additional work and behavioral expectations.
  - While section three of the manual references that "all matters dealing with personnel shall be routed through the Supervisor", it does not specifically cover employee grievance procedures as required by the Rule.
- The board should craft and adopt a shelf management policy as required by Rule 15A .1708.
- The board may wish to consider additional policies such as allocated-product sales, mixed beverage sales and delivery, or a policy for in-store tastings if they decide to allow these in the future.
- For travel, the board follows the state travel plan per G.S. 18B-702(g2), with reimbursements made pursuant to G.S. 138-6.

## Operations

- Full inventory is conducted twice annually.
  - Board personnel conduct daily, perpetual, cycle counts of approximately 45 items.
  - Discrepancies are rechecked and reviewed, and adjustments are made by the management team.
  - *A small sample of products was inventoried during the Commission visit with no notable discrepancies found.*
  - Slow moving products are relocated within the store, and when appropriate, the board will request price reductions.
- The board receives liquor deliveries on the second and fourth Monday of each month.
  - Pallets are down stacked using order sheets or the manifest.
  - Any variances are rechecked before the report is submitted to LB&B.
- Orders are created by editing a suggested order. The Warehouse Manager provides a short list, and the General Manager reviews and adjusts the final order, comparing it to the 30-day sales history.
  - Monthly SPA lists are reviewed, and buy-in investments are made when appropriate.
  - Special order requests are considered and typically fulfilled for local customers or mixed beverage accounts.
- The board retains breakage reports and submits them to suppliers for credit. To comply with Rule 15A .1701(c), copies of the reports are submitted to the Commission quarterly.
- The board currently has twenty-one active mixed beverage customer accounts.
  - Pulled orders are rechecked by a second team member and again at the transaction.
  - Invoices are provided to the permittees, and signed copies are retained for each account.
  - The board stamps bottles as required by Rule 15A .1901.
  - Some mixed beverage orders are delivered to permittees, particularly in Graham County.
- Some allocated products are available for mixed beverage customers, with others being reserved, typically for local customers.
- The board has not hosted tastings but may consider offering them in the future.

## **Financial, Administrative, and Internal Controls**

- Invoices for liquor are paid per delivery. *A small sample of payment dates reviewed indicates that orders are paid within the thirty-day requirement.*
- The board's checks are stamped with the required disbursement certificate in compliance with G.S. 18B-702(q) and signed by the finance officer and a board member, with the General Manager as an alternate.
- The preaudit certificate is applied to liquor orders as required by G.S. 18B-702(m).
  - The General Manager has been properly designated as a deputy finance officer to assist with the Finance Officer's statutory responsibilities.
- Tax and primary distributions are prepared by the General Manager and then forwarded to the Finance Officer for review, processing, and payment.
- The board does not have bank cards or petty cash.
- Most purchases are ordered through accounts with a limited number of reimbursements issued to staff for incidental purchases.
- Reimbursements for travel-related expenses, generally mileage, are issued by board check.
- Cash-handling procedures are in place and known by all staff.
  - Sales associates are responsible for verifying tills.
  - Daily sales sheets are used to document cash denominations and other sales activity.
  - Deposits are dropped at the bank nightly.
  - The management team reviews accounts daily, and the Finance Officer conducts full month-end reconciliations.
  - *A small sample of recent deposits was reviewed with no significant variances noted.*
- Payroll is processed weekly by the Finance Officer through QuickBooks.
  - Timesheets are reviewed and approved by management.
- The annual CPA audit was received by the Commission on September 23, 2025.
- All board members and applicable personnel are bonded for at least \$50,000 as required by G.S. 18B-700(i).

## **STORE INSIGHT & OVERVIEW**

- The Bryson City ABC Board's store and administrative office is a freestanding building located on a major highway between downtown and the convergence of two U.S. highways.
  - The store has easily viewable roadside and building signs, and there is ample parking.
  - The exterior is well maintained and free of trash and debris.
- The interior of the store is well lit and organized.
  - Floors and shelves are clean, and counters are not overly cluttered.
  - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is displayed.
  - A quarterly price book is available at the counter, and an SPA pricing list would be available upon request.
  - Broker supplied shelf tags highlight items which are currently on sale.
  - There are multiple displays and end caps are well utilized.
  - Some sections and product categories in the store do not have identifying signs.
  - The store has a North Carolina product section and additional North Carolina products in a section within their corresponding category.
- Shelf management practices are mostly implemented.
  - Products are fronted and bottles are dusted.
  - Products are grouped by category.
  - Premium products are found at eye level or higher.
  - Bottles are not arranged so they increase in size left to right of the same item.
  - Shelf space for products is set to follow the factors identified in Rule 15A .1708(5).
- A sample of around one hundred items were selected to determine if uniform pricing is displayed. Of those selected, the price of two items was incorrect.
  - Price discrepancies are handled in the customer's favor if the shelf tag were to be lower than the current price mandate and the customer objects.
- Sales associates value customer service, and all are attentive and courteous.
- The store is open from 9:00 a.m. until 9:00 p.m. daily and closed every Sunday and the five previously required holidays.
- The building has a camera system, and the board is considering upgrading security.
- All team members understand loitering is not permitted on the board's premises.

## **REQUIRED or REQUESTED ACTIONS**

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- Item #1: The board should craft and approve an addendum to its personnel manual that covers employee grievance procedures as stipulated by Rule 15A .1006(a).
- Item #2: The board should ensure any point of sale advertisements are targeted exclusively toward patrons inside the store and not directed toward individuals on the exterior portion of the store or premises. Rule 15B .1008(d) states point of sale advertising specialties for spirituous liquor may be used *in* ABC stores.
- Item #3: In connection with the periodic audit, a Certificate of Accountability attestation form should be reviewed and signed by board members and applicable personnel. A signed copy would then only need to be emailed to Commission personnel for recordkeeping.

## **RECOMMENDATIONS**

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- Although the store has undergone some recent resets or product movement, the board should consider reestablishing category signage for its product areas. While not a mandatory requirement, such signage is customary in ABC stores and can enhance the shopping experience for many patrons. In addition, board personnel should work to ensure that products are not placed in areas where the category signage does not accurately reflect the product type.
- Board personnel should continue to audit shelf tags to ensure accurate pricing and may consider incorporating this task into the existing cycle inventory procedure.
- The board could consider adopting the following written policies. *Written policies can serve to strengthen internal controls and as good guidelines if updates are made or are being considered to the procedures already in place.*
  - Allocated product sales: In addition to establishing guidelines, this policy can be informative for patrons who question the board's current distribution of these high demand products and help support sales associates who are tasked with these challenging conversations.
  - Mixed beverage sales or delivery: Written policies may be beneficial for permittee accounts who wish to know in advance the board's expectations for these processes or who wish to know the options available.
  - Shelf-Management: While the factors identified by Commission rule are already being followed, Rule .1708(a) requires all ABC boards to have a copy of their shelf-management plan at each store.
- The board may wish to consider posting meeting announcements for its official board meetings in the store or on any social media accounts.
- The board may wish to consider obtaining a credit card for the payment of recurring or incidental purchases. In addition to alleviating the need for employee reimbursements for supplies or registrations, many credit cards offer rewards that may be redeemed for cash which can then be added to working capital or investments as non-operating revenue.

- The board should consider having employees participate in RASP training offered by the Commission's Education Outreach section. If the board determines it unreasonable for all employees to attend, a select group could attend and share relevant information with the remaining staff. The board may also consider staggering attendance so that a limited number of team members attend different sessions over the next few training sessions.

**Please network with the ABC Commission whenever needed for guidance and assistance to support local ABC board mission and success.**

## **ADDITIONAL CONSIDERATIONS & GUIDANCE ....**

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- 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 the beginning of next month, providing annual budgets, budget amendments, miscellaneous financial reporting to Commission following timelines, and ensuring Commission has annual CPA audits by September 30<sup>th</sup> of each year.
  - 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.
- 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 sales adjustment for current fiscal year sales estimates.
- 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.
- 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.

## **PREVIOUS PERFORMANCE AUDIT ACTIONS (2023)**

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- 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.
- A Code of Ethics policy should be adopted and forwarded as soon as possible [Referencing G.S. 18B-706]. If the board has an existing copy available, please forward it to Commission personnel.
- Due to new town officials (police chief), the board needs to draft a new law enforcement contract with Bryson City Police Department and provide a copy to Commission personnel per G.S. 18B-501(f).
- In connection with the periodic audit, a Certificate of Accountability attestation form should be reviewed and signed by applicable board members/personnel, and email to Commission personnel for records.
- Local boards shall establish and maintain a shelf management plan per Commission Rule 15A .1708, Shelf Management. The board needs to work to rearrange liquor inventory on the shelves to follow shelf management requirements, in particular ensuring bottles increase in size from left to right.
- Ensure all policies are submitted to the Commission prior to official board approval in connection with Rule 15A .1102. The board is asked to please forward an electronic copy of the most recent version of the personnel manual once updates are completed. An electronic copy of the mixed beverage (MXB) policy should be forwarded also.
- The recipients of alcohol education distributions must provide annual documentation to the board describing the activity for which these awarded funds are spent per G.S. 18B-805(h). The board may want to consider obtaining documentation before the funds are officially awarded / transmitted to any recipients.

**While having addressed most considerations from the previous Commission review, the board should still monitor and strive to satisfy previously recommended actions.**

ABC Commission

400 E. Tryon RD.

Raleigh, N.C. 27610

Date 5-21-2026

Thank you for your visit and continued support and recommendations from the audit recently performed.

This performance audit will assist us with areas that need improvement. Listed below are our responses to the findings and recommendations.

Item # 1: The board has crafted and approved an addendum to its personnel manual that covers employee grievance procedures as stipulated by Rule 15A.1006(a).

Item #2: We have corrected the point-of-sale issue as mentioned in the performance audit and as stated in Rule 15B.1008(d).

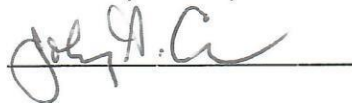
Item #3: A Certificate of Accountability attestation form has been reviewed and signed by board members and applicable personnel. A signed copy will be emailed at the conclusion of the May 21<sup>st</sup>, 2026 board meeting.

As discussed during the performance audit, the Town of Bryson City Board of ABC has planned and will implement several improvements during the 2026-2027 fiscal year. All recommendations will be considered.

Montaville Clampitt, Chairman Town of Bryson City ABC Board.



Johnny Crisp, General Manager.



Date: 5-21-2026


May 21st 2026  
Month Day Year

Bryson City  
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).

  
General Manager

  
Financial Officer

  
Chairman

  
Board Member

  
Board Member

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Board Member

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Board Member