

Mecklenburg County ABC Board

Performance Audit Report



Alcoholic Beverage Control Commission
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ABC
COMMISSION
NORTH CAROLINA

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Alcoholic Beverage Control

June 18, 2026

CHAIRMAN:
Hank Bauer

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

David Sherlin
Raleigh

Mecklenburg County ABC
Board
Monifa Drayton, Chair
3333 N. Tryon St.
Charlotte, NC 28206

DEPUTY COMMISSIONER:
Mike DeSilva

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400 East Tryon Road
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MAILING:
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Raleigh NC 27699-4307

PHONE: (919) 779-0700
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Chairperson Drayton,

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

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 examine existing policies, practices, controls, and activities to identify areas that may need 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

Mecklenburg County is located in south-central North Carolina, with Charlotte serving as both the county seat and its largest municipality. Known for its rapid growth and diverse communities, it is the second most populous county in the state, with an estimated population of about 1,260,000; an increase of roughly 13% since the 2020 Census. The Mecklenburg County ABC Board is the only ABC board in the county and operates thirty-one retail or mixed beverage only stores. It is the largest board in the state based on total sales and number of stores.

S.L. 1947-835 authorized Mecklenburg County to hold an election for ABC stores. The referendum was held on June 14, 1947, and passed 16,377 to 12,830. The first retail sale occurred on September 25, 1947. S.L. 1971-617 authorized the county to hold an election for mixed beverage sales. The referendum was held on September 8, 1978, and passed 65,624 to 30,193. Upon vote passage, the county was authorized to create an ABC board consisting of a chairman and two members to serve for three-year staggered terms. S.L. 1981-331 allowed for the expansion of the board from three to five members. Current board members are Monifa Drayton, chair, Jay Neal, Wilhelmenia Rembert, Beverly Thorpe, and Marcus Kimbrough.

The last performance audit of the Mecklenburg County ABC Board concluded in 2016. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.



1609 N. Graham St. Charlotte - 3425 Pineville Matthews Rd. Charlotte



9920-A E. Independence Blvd. Matthews

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On April 7, 2026, ABC Commission Program Analyst Edwin Strickland visited the Mecklenburg County ABC Board and interviewed the Finance Officer, Mike Tully, and the Deputy Finance Officer, Twan Barber. Below is a financial analysis followed by operational observations, findings, and recommendations related to the performance audit.



7044 Brighton Park Dr. Mint Hill



9841 Rocky River Rd. Charlotte



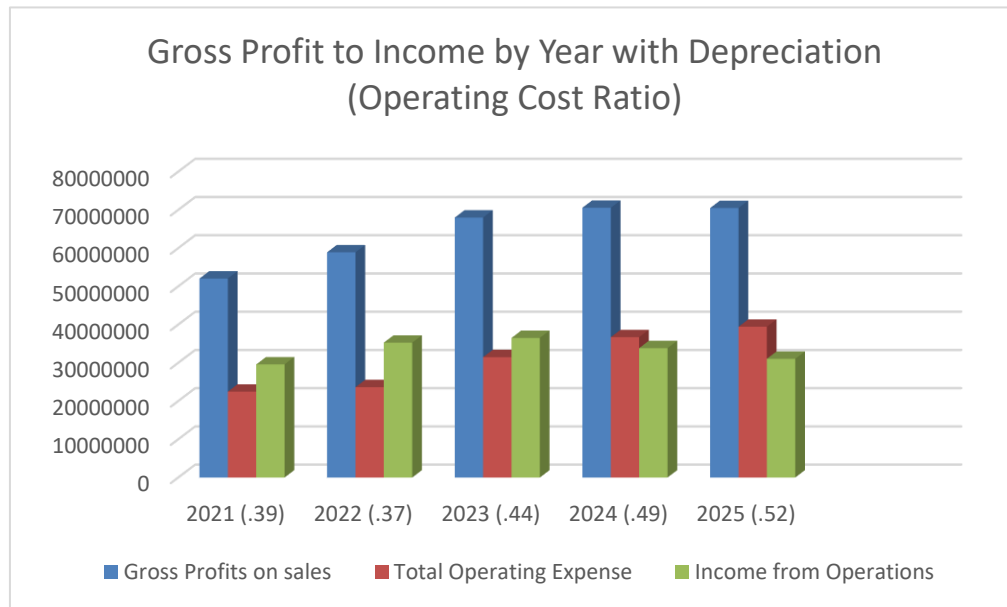
5715 Prosperity Church Rd. Charlotte

FINANCIAL ANALYSIS

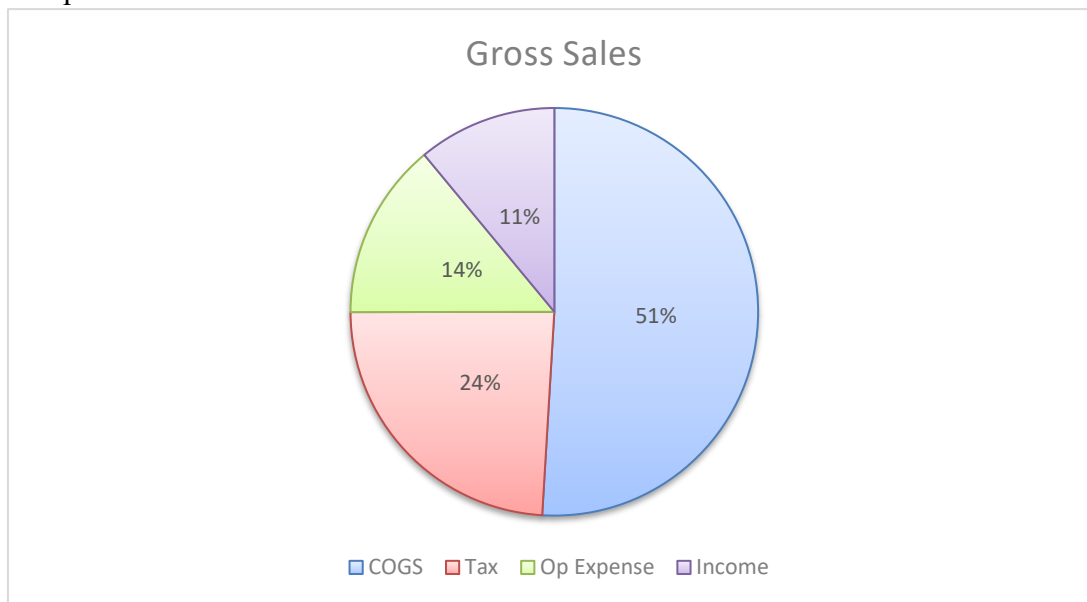
PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year FY 2025, the Mecklenburg County ABC Board had a profit percentage to sales ratio of 11.08%. The ABC Commission historical profit to sales standards for ABC boards with gross sales greater than \$10M is 9%.
 - *The profit percentage to sales ratio over the previous four completed fiscal years were 12.24%, 13.59%, 15.41%, and 14.43%, respectively.*
 - The Mecklenburg County ABC Board’s gross sales totaled \$280,085,705, which was an approximate 1.3% increase from the previous fiscal year.
 - The board’s sales have increased by almost 37% compared to FY 2021.
- The Mecklenburg County ABC Board operates thirty-one stores. The operating-cost ratio for the board was 0.52 in FY 2025. The ABC Commission historical standard for ABC boards with three or more stores is 0.63 or less. *The operating cost ratios for the previous four years are shown in the chart below.*
 - The operating cost ratio is calculated by dividing total operating expense, less depreciation, by the gross profit on sales (total operating expenses less depreciation/gross profit).
- 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
Gross Profit on Sales	\$70,484,112	\$70,547,211
Total Operating Expense	(\$39,439,029)	(\$36,710,715)
Income from Operations	\$31,045,083	\$33,836,496



- 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:*
 - Fourteen other ABC boards have a store located within 25 miles of at least one Mecklenburg County ABC Board store.
 - The county borders South Carolina with many additional outlets.
 - The unemployment rate in Mecklenburg County was 4.0% in June of 2025 with a 0.1% increase from the previous year. *The North Carolina average in June 2025 was 3.7%.*
 - Approximately 10% 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 36.7% of gross sales.

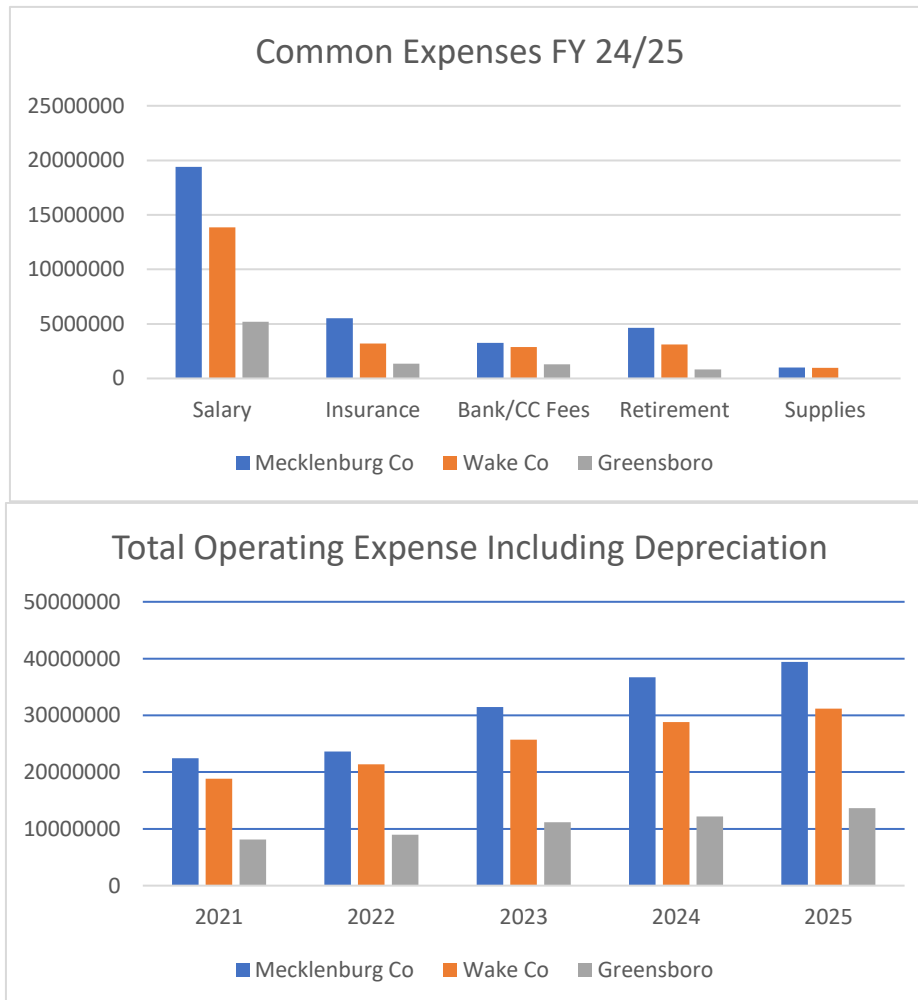
INVENTORY TURNOVER

- 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 Mecklenburg County ABC Board receives shipments weekly with a target inventory turnover rate of around 6. The inventory turnover rate in FY 2025 was 6, which is the official goal.

FINANCIAL ANALYSIS (cont.)

- *Factors affecting expenses:*
 - Total operating expenses increased by more than seven percent (7%) from the last fiscal year and were around fourteen percent (14%) of total annual sales.
 - Board salaries were about seven percent (7%) of total annual sales and increased almost fourteen percent (14%) from the previous fiscal year.
 - Total rent expense for FY 2025 was \$1,913,943.
 - The board did not have an OPEB expense obligation in FY 2025.
 - Cost of Goods Sold (COGS) was 50.9% for the fiscal year, with a normal range being 52% to 54%.

- The charts below compare the Mecklenburg County ABC Board’s common expense categories and total operating expenses with those of the next two boards, with the highest sales. *Common expense report categories can be unreliable, as different CPAs may allocate costs to line items variably.*



BUDGET ANALYSIS

	FY 2025 Budget Projections	FY 2025 Actual	Variance	Variance %
Total Revenues	\$280,750,000	\$281,027,896	\$277,896	0.1%
Total Expenditures	\$260,520,500	\$256,607,401	\$3,913,099	1.5%
Distributions	\$25,228,771	\$24,758,277		
Revenue over/under Expenditures & Finance		(\$337,782)		
After Reconciling Items		\$1,120,354		

- In reviewing the budget to actual analysis, of the FY 2025 financial audit, actual total revenues were 0.1% above the final budget amendment, while expenditures were 1.5% below the amendment(s).
 - The change in net position was \$1,120,354 for the fiscal year. *The board's collective net position on June 30, 2025, was \$89,137,261; the net position has increased over twenty-three percent (23%) 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 73.5% of annual budgeted sales.

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 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, the amount of \$67,096,930 in primary distributions and other taxes was paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Mecklenburg County.
- In FY 2025, Mecklenburg County ABC accrued funds for other statutory distributions totaling \$30,866,920 (*the net profit recipient received \$18,617,679*).
- Per the local enabling act, the distribution formula for recipients of net profits is as follows:
 - 47.5% to Mecklenburg County, of which 2% must be paid to Mint Hill, Cornelius, Huntersville, Pineville, and Matthews.
 - 47.5% to Charlotte General Fund.
 - 5% to city/county library commission.

DISTRIBUTIONS (cont.)

➤ **STATUTORY DISTRIBUTIONS:**

- **Net Profit Distributions** – The Mecklenburg County ABC board has made robust net profit distributions for the last five (5) fiscal years well above the minimum mandatory distribution in reference to G.S. 18B-805(c)(1). **The table below references 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 paid well above the standard 5% statute amount for the last five (5) FYs.
- **Alcohol Education Distributions:** Have been disbursed above the standard 7% statute amount for the last five (5) FYs.

NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		Mecklenburg County ABC Board Net profit distribution made annually by fiscal year	
<i>Note: Referencing CPA Audit Reports</i>			
Calculated Amount		Total paid to recipient(s)	
FY-2025	\$7,640,289	FY-2025	\$18,617,679
FY-2024	\$7,524,764	FY-2024	\$22,075,416
FY-2023	\$7,303,208	FY-2023	\$20,372,576
FY-2022	\$6,196,781	FY-2022	\$22,224,157
FY-2021	\$5,642,752	FY-2021	\$13,141,186

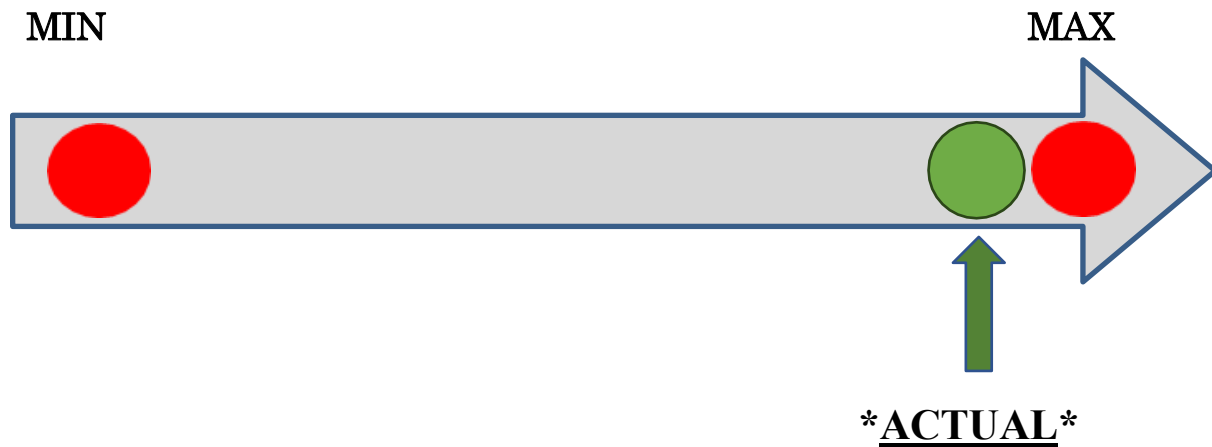
- Since inception, the board has made total net profit distributions in the amount of \$369,927,394. *Over twenty-six percent (26%) of this has been distributed in the last five fiscal years.*

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 maximum working capital standard for boards with annual gross sales greater than \$50M as an amount equal to two (2) 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 Mecklenburg County ABC Board is required to maintain a minimum working capital of \$8,182,274 with a maximum working capital amount of \$35,456,520.
 - The Mecklenburg County ABC Board had a working capital balance of \$32,673,480, 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.
 - Beginning in FY 2023, the board received approval to set aside \$2,500,000 annually for a four-year period as a capital improvement fund designated for upgrades to its administrative and warehouse campus.

PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE

Board Members

- The board consists of four members and a chairperson whose per-meeting compensation for their services has been approved by its appointing authority per G.S. 18B-700(g).
 - Current board members' terms are appropriately staggered, and all have completed their ethics training requirement.
 - Oaths of office have been administered and are in the board's administrative records.
- Members are intentionally selected through a deliberate process to ensure they bring the skills and perspectives needed to support the board's mission. Current members have a variety of applicable professional and civic experience, and one member previously served on a different ABC board.
- Meetings are generally held on the third Tuesday of each month. A schedule for meetings is posted on the board's website, and other awareness is provided by the county and posted at the board's administrative office and warehouse.
- Meeting minutes are posted online and follow all order of proceedings, to include a statement of no conflict-of-interest. *Closed session minutes are kept with the board's attorney.*
 - Financial data is regularly provided and discussed at meetings to include budget comparisons to actual sales and expenditure.
- The board's login website has been updated prior to Commission visit and contains accurate information pertaining to board members, personnel, and store locations.

Law Enforcement

- The board has an active internal law enforcement agency who provides substantial documentation on activities for accountability monthly to the Commission and to the board as required by G.S. 18B-501.
 - The department is comprised of a chief, assistant chief, and forty two other sergeants, officers, reserve officers, or administrative personnel.
 - In addition to conducting numerous inspections and addressing violations and criminal charges, the department is heavily engaged in seller training and other educational programs.

Alcohol Education

- The board has a dynamic alcohol education grant program facilitated by its Community Investment Team and managed through the Foundant Grant Management system.
- In FY 2025, grant funds were awarded or accrued to total \$6,140,598 with an additional \$811,919 expended directly towards alcohol education training initiatives.
- The board routinely receives quarterly reports from recipients describing how funds are spent in accordance with the requirements of G.S. 18B-805(h)

Board Personnel

- The board employs approximately 350 positions, of whom roughly half serve in full-time positions.
- The administrative staff consists of approximately 36 members, all under the leadership of the Chief Executive Officer. Departments are overseen by the Chief Financial Officer, Chief Operating Officer, and Chief of Staff, with additional sections led by Vice Presidents, Directors, Managers, and a Chancellor.
 - Both the General Manager (CEO) and Finance Officer (CFO) have completed their ethics training requirements.
 - The General Manager's (CEO) compensation has been approved by the appointing authority for compliance with G.S. 18B-700(g1).
- Each store has a designated manager and assistant store manager responsible for general store operations.
- All other employees are sales associates, stock clerks, or warehouse personnel.
- Training for new store employees is extensive, beginning with administrative onboarding and followed by thorough operational training.
 - Product knowledge and responsible sales training is available through ABC University, online programs, law enforcement interactions, and other platforms.
 - Additional training opportunities and classes are available to board personnel to enhance their financial understanding of the board's operations and activities.
- Employee files are secured within the administrative office and are available by request to personnel.
- Full-time and eligible part-time employees are enrolled in LGERS.
- No conflicts pertaining to nepotism were found or per discussion with the General Manager.

Policies

- The board has a personnel manual which covers all requirements of Rule 15A .1006.
- In Commission records, the board has a code of ethics, and additional policies to include Shelf Management, Gift Acceptance, Civil Unrest, Hiring of Relatives, Lottery Guideline, Vehicle Operation, Social Media, Tastings, and Volunteer Time Off.
- Policies not currently on file that the board may wish to consider adopting in writing include those governing credit, debit, and fleet card usage, as well as policies related to dual employment with mixed beverage customer establishments.
- For travel, the board has received its appointing authority's written approval to reimburse travel expenses pursuant to the County's travel policy.

Operations

- Full liquor inventory is conducted monthly at each store.
 - Scanners are used, and multiple team members participate.
 - Variance reports are recounted in store and ultimately forwarded to the administrative office where a team reviews each report before final posting.
 - *A sample of products was inventoried during Commission visit at three stores with no significant discrepancies noted.*
 - Strategies for slow-moving products include store transfers, price reductions, and the board has recently begun providing space for clearance sections.
- Orders are built through stock status comparisons to sales history and store managers review for adjustments.
 - Both monthly and quarterly price specials and changes are consistently monitored, and routine 90-day SPA buy in investments are made, with case quantities determining whether purchases occur at the store or warehouse level.
- The board retains breakage reports and includes the reports for credit with its suppliers. *Many board suppliers have agreed to allow electronic approval for these reports.*
 - For compliance with Rule 15A .1701(c), board personnel email copies of reports to the Commission quarterly.
- The board has two mixed-beverage-only stores and nineteen retail stores that also provide mixed beverage sales to their approximate 1,350 permittees.
 - Orders are rechecked for accuracy and again during the transaction.
 - Invoices are provided to the permittees, and signed copies are retained.
 - Bottles are stamped to meet the specifications of Rule 15A .1901 and also include the store's number.
 - *Current plans for mixed beverage sales innovations include a possible robotic stamping system.*
- Certain allocated products are available to mixed beverage customers, and lotteries are conducted for the accounts and retail customers.
- ABCTOGO is an online ordering platform used by the board, which allows mixed beverage and retail customers to view stock and place orders.
- The board routinely holds tastings at all stores.
- The board has an extensive website which provides general informative content to patrons and others interested in various aspects of the overall system and beneficiaries.

Financial, Administrative, and Internal Controls

- Invoices for liquor are paid twice monthly and within the 30-day period.
 - Most suppliers are paid through the board's bank's pay system.
 - Checks and lists of automated payments include the required disbursement certificate in accordance with G.S. 18B-702(q), and all are signed by the Deputy Finance Officer.
- Purchase requisition forms are used for non-recurring purchases and include the preaudit certificate and applicable signature required by G.S. 18B-702(m).
- The Finance Officer or Deputy Finance Officer preaudit liquor orders after the order has been placed, but within a timeframe that permits amendments prior to delivery or final submission.
- Select board personnel are issued credit cards. All stores have a card with a limited maximum purchase allowance, and all board vehicles have a fleet or gas card.
 - Generally, credit card purchases require purchase requisition forms and itemized receipts are provided to the finance department.
- Funds from sales associates' tills are counted and reported to management at the conclusion of each shift.
 - Overages and shortages are reported to the administrative office.
 - Deposits are packaged daily and inserted into fireproof safes.
 - A cash-in-transit company provides secure logistic deposits three times weekly.
 - *To comply with Rule 15A .0905 (a)(d), the board received waiver approval to stagger deposits in 2020.*
- Accounts are reconciled daily by the finance department.
- Payroll is processed weekly through Paycor.
 - Managers and department heads record employees' actual time worked for payroll and benefit purposes and forward reports to the finance team.
 - *Payroll summaries were reviewed at Commission visit and indicate payroll amounts for members and the General Manager which correspond with their current approvals.*
- The annual CPA audit was received by the Commission on September 17, 2025.
- All board members and applicable personnel are bonded for at least \$50,000 per G.S. 18B-700(i) and G.S. 18B-803(b).

STORE INSIGHT & OVERVIEW

- Commission staff visited the board's administrative building and six retail stores.
 - All stores visited are in high commercial areas with easily visible signs and ample parking.
 - The exterior and applicable surrounding areas are well maintained and free of trash and debris.
- The interiors are well-lit and organized, and floors and shelves are clean.
 - The Fetal Alcohol Syndrome posters required by G.S. 18B-808 are displayed.
 - Quarterly price books are available and some stores post SPA sales price lists.
 - Both broker supplied and board made specially priced shelf tags are used to highlight items currently on sale.
 - Recipe cards and other promotional signs are tastefully posted around shelving.
 - Category signs are displayed and endcaps are utilized to include display builds.
 - North Carolina products are found in their designated category.
 - Showrooms include digital information screens presenting board and industry specific material.
- Each store visited includes a designated ABC TO GO pickup situated prominently at the sales counter, and most feature tasting stations.
- Shelf management practices are implemented effectively.
 - Products are fronted, dusted, and in their designated category.
 - Premium products are found at eye-level or on the top shelf.
 - Bottles are arranged so they increase in size left to right of the same item.
 - Shelf space for products is set to follow market share and the factors identified in Rule 15A .1708(5).
- A sample of around one hundred items was selected to determine if uniform pricing is displayed. Of those selected, all items' shelf tag prices at all stores were correctly displayed.
 - Price discrepancies are resolved in the customer's favor if the shelf tag is lower than the current mandated price and the customer objects.
- Sales associates value customer service, and all are attentive and courteous.
- Stores are open Monday through Saturday from 10:00 am until 9:00 pm and are closed each Sunday.
- All stores observe the required holiday closures. The board is currently evaluating opening select locations, with limited hours likely, on holidays when stores have traditionally closed.
- Security systems are in place and functional at all stores.

REQUIRED OR REQUESTED ACTIONS

- Item #1: In connection with the periodic audit, the Commission requests a Certificate of Accountability attestation form be reviewed and signed by board members and applicable personnel. A signed copy should then be submitted via email to Commission personnel to be included in this report.

RECOMMENDATIONS

- While generally understood by all staff, the board may wish to consider establishing or 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.* Copies of all adopted policies should be forwarded to the Commission for approval and records retention.
 - Credit card usage: While the board already has oversight procedures in place, it should consider adopting a written credit card usage policy that outlines who may use store-issued or employee-issued credit, debit, or gas cards, as well as when and for what purpose cards may or may not be used.
 - Mixed beverages secondary employment: While this situation does not always create a direct conflict of interest, an employee of the board who also is employed by one of the board's mixed beverage customers may give rise to the appearance of a conflict. To address this concern, the board could consider establishing a policy that clearly defines boundaries and expectations for employees in this circumstance, helping to mitigate any perceived conflict of interest.

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

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 September 30th 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 work within general minimum and maximum limits for working capital, as established by 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 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.
- Any ABC board members who also serve on the board of the appointing authority must recuse themselves from voting on or being involved in any decisions involving net profit distributions or other applicable distributions that will be dispersed to the appointing authority, adhering properly to avoiding conflicts of interest referenced in G.S. 18B-201.
- 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 (2016)

- Update board appointment dates on the Commission website.
- To ensure correct pricing on the store shelves and in the computer system, audit shelf tags on a regular basis by incorporating this practice during or in between the regularly scheduled inventory counts.

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



MECKLENBURG COUNTY ABC BOARD

Board of Directors

Monifa Drayton, Chairwoman

Marcus Kimbrough

Jerry (Jay) Neal

Dr. Wilhelmenia Rembert

Beverly Thorpe

Keva Walton, Chief Executive Officer

June 17, 2026

Mr. Edwin Strickland, Program Analyst/Board Auditor

North Carolina ABC Commission

4307 Mail Service Center

Raleigh, NC 27699-4307

Dear Mr. Strickland;

The Mecklenburg County ABC Board expresses our appreciation for the comprehensive performance audit and the professionalism demonstrated throughout the review process. The Board recognizes the value of such evaluations in strengthening organizational effectiveness and ensuring continued adherence to statutory and regulatory requirements.

The findings presented in the report reflect the Board's ongoing commitment to sound operational practices and responsible governance. The Board acknowledges the recommendations provided and has moved to implement these recommendations immediately. As such, the Board approved a revised secondary employment policy with direct language aimed at preserving the Board's transparency and reputation when that employment is with a permitted establishment, clearly defining what is and what is not allowed to be transacted in these situations.

Looking ahead, the Board remains dedicated to fostering operational excellence, improving efficiency, and maintaining the highest standards of accountability and service. We will continue to review and refine our policies and procedures to support transparency, compliance, and the long-term success of our operations in serving the community.

Best Regards,

A handwritten signature in black ink, appearing to read "Keva Walton", written over a light blue horizontal line.

Keva L. Walton

Chief Executive Officer

Vision

To be a trusted and innovative leader in the spirits industry connecting people, purpose, and community.

06 16 2026
Month Day Year

Mecklenburg County
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


Board Member


Board Member