

Murphy ABC Board

Performance Audit Report



Alcoholic Beverage Control Commission
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ABC
COMMISSION
NORTH CAROLINA

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Alcoholic Beverage Control

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August 19, 2025

Murphy ABC Board

Brian Smith, Chair

818 US Hwy 64 W.

Murphy, NC 28906

Chairperson Smith,

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

Murphy is a town in southwestern North Carolina and is the county seat for Cherokee County. The town's population per the 2020 census was 1,627 residents, down 1.2% from 2010. The Murphy ABC Board operates one (1) retail store and is one of two boards and stores in the county.

S.L. 1979-212 authorized the Town of Murphy to hold an election for an ABC store upon a petition signed by at least twenty percent (20%) of registered voters. The referendum was held on June 28, 1979, and passed 403 to 375. The first sale occurred on December 10, 1979. A mixed beverage election was held on January 8, 2008, and passed 251 to 243.

Upon election of an ABC store, the town was authorized to create an ABC board consisting of a chairman and two board members to serve for three staggered year terms. Current board members are Brian Smith, board chairman, John Snow Jr. and Chris Raper, board members.

The last performance audit for the Murphy ABC Board concluded in 2015. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On August 6, 2025, ABC Commission Program Analyst Edwin Strickland visited the Murphy ABC Board and interviewed the General Manager, Olivia Anderson. Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.



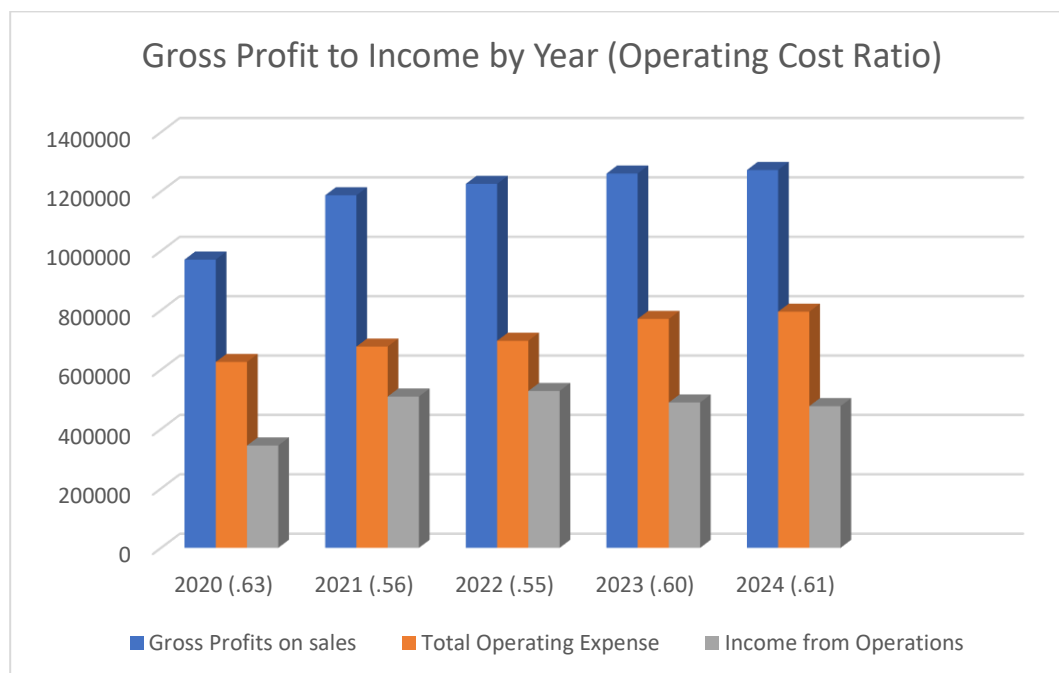
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FINANCIAL ANALYSIS

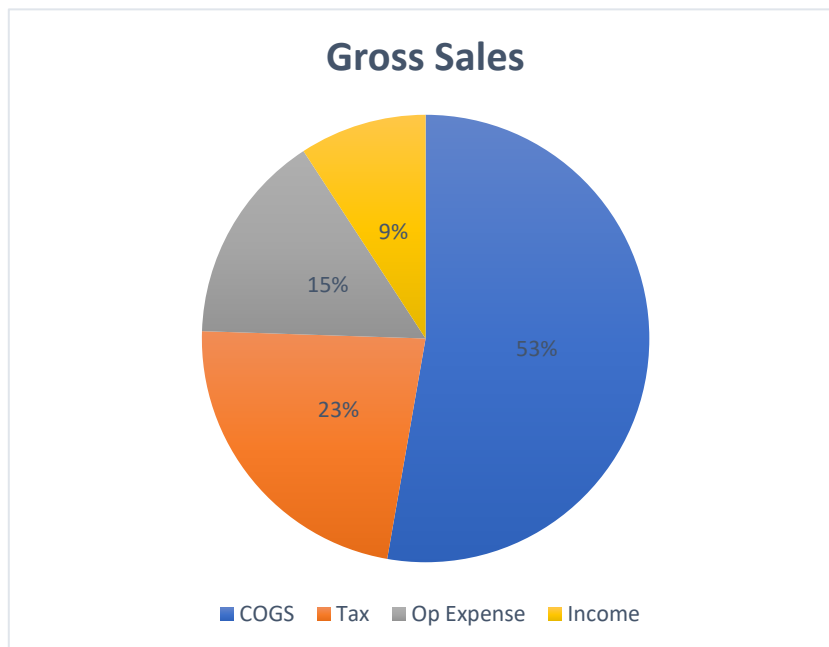
PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year (FY) 2023-2024, the Murphy ABC Board had a profit percentage to sales ratio of 9.17%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than \$2M is 6.5%.
 - The Murphy ABC Board's gross sales totaled \$5,200,158 which was an approximate 1.8% increase from the previous fiscal year.
 - The board's sales have increased over 31% over the last five completed fiscal years.
- Murphy ABC Board operates one retail store with mixed beverage sales. The operating cost ratio for the board was .61 in FY 2023-2024. The NC ABC Commission standard for ABC Boards with one store and mixed beverage sales 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 Murphy ABC Board meets both the profitability and 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 2023-2024	FY 2022-2023
Gross Profit on Sales	\$1,272,310	\$1,260,275
Total Operating Expense	(\$795,221)	(\$770,884)
Income from Operations	\$477,089	\$489,391



- 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, or as additional distributions beyond the minimum requirement.



- *Factors affecting sales:*
 - Murphy ABC Board has two other ABC Boards within a 30-mile radius.
 - Their county borders Georgia and Tennessee with additional possible outlets.
 - A 3.3% unemployment rate in Murphy in June of 2024 with a .4% increase from the previous year.
 - The board currently has 17 active mixed beverage customers. *In FY 2023/2024 mixed beverage accounted for over 6% of gross sales.*

INVENTORY TURNOVER

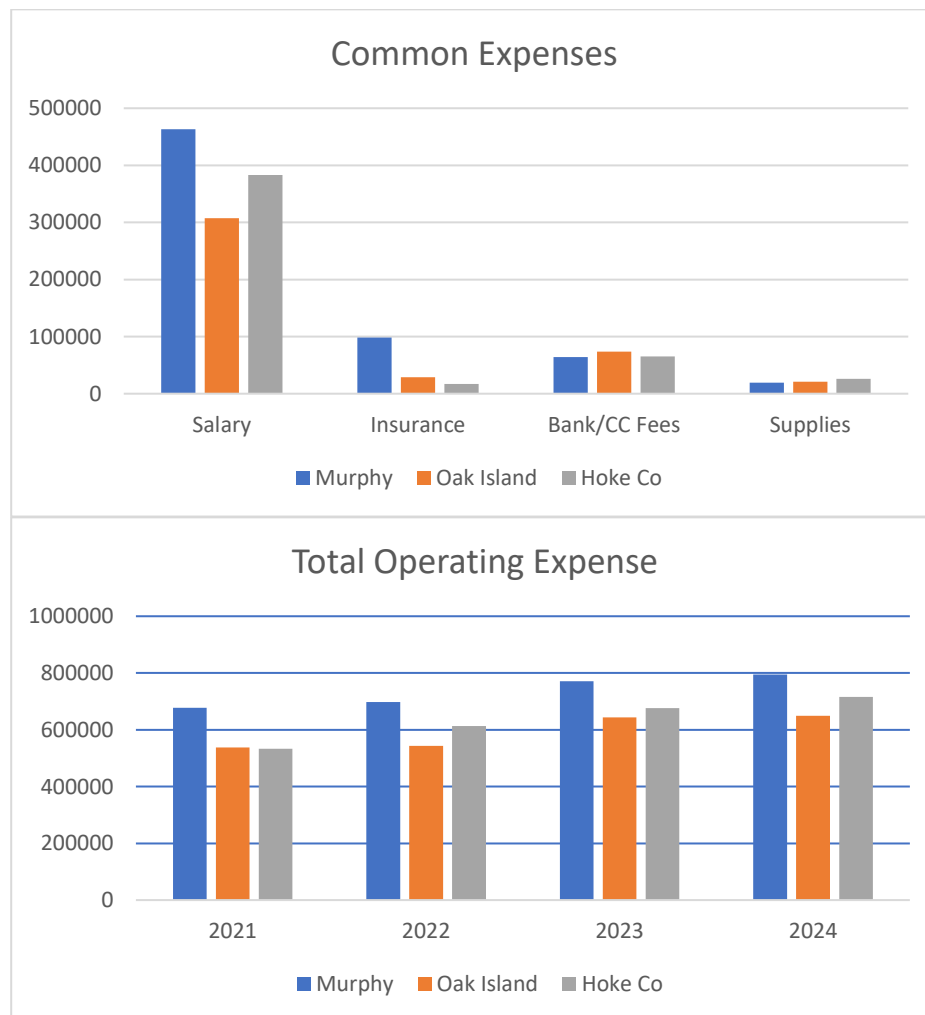
- The inventory turnover rate is calculated by dividing the cost of liquor by the average inventory in the system (Cost of Liquor/Average Inventory). The Commission has set these goals for determining an effective rate based on the frequency of deliveries.
 - Once a week deliveries target at 6 times 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 Murphy ABC Board receives shipments twice monthly with a target inventory turnover rate of 5. The inventory turnover rate in (FY) 2023-2024 was 7.7, which is above the goal.

FINANCIAL ANALYSIS (cont.)

➤ *Factors affecting expenses:*

- Total operating expenses increased around three percent (3%) from the last fiscal year and were around fifteen percent (15%) of total annual sales in FY-23/24.
- Board salaries were around nine percent (9%) of total annual sales. Salaries and wages increased less than seven percent (7%) from the previous fiscal year.
- Cost of Goods Sold (COGS) was roughly 52.8% for the fiscal year with a normal range being 52% to 54%.

- A common expense report and a total operating expense report show the Murphy ABC Board has similar or higher categorical and higher total operating expenses comparable to other ABC boards within a relatable gross sales range and other variables. *Common expense report categories can, sometimes, be unreliable as different CPAs may include different expenses in their line items. Total operating expense reports include the depreciation expense.*



BUDGET ANALYSIS

	FY 2023-2024 <i>Budget Projections</i>	<i>FY2023-2024 Actual</i>	Variance	Variance %
Total Revenues	\$5,286,500	\$5,231,661	(\$54,839)	(1%)
Tax/COG/OP EX/Cap	\$5,061,900	\$4,848,051	\$213,849	4.2%
Distributions	\$530,572	\$530,572		
Revenue over/under Expenditures & Finance		(\$146,962)		
After Reconciling Items		\$11,513		

- In reviewing the budget to actual analysis of the FY 2023-2024 financial audit, actual total revenues were 1% below budget and taxes/costs/operating expenses were less the final budget amendment by 4.2%.
 - The net income change during the fiscal year was \$11,513. *The board's collective net position on June 30, 2024, was \$1,374,270; the net position has increased over 26.5% over the last five (5) fiscal years.*

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).*

- In FY 2023-2024, Murphy ABC accrued funds for other statutory distributions totaling \$530,572 (Net profit distribution recipient received \$478,572).
- The amount of \$1,183,642 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Cherokee County.
- *Per the local enabling act, the distribution formula for recipients of net profits is as follows:*
 - 70% to the Murphy General Fund
 - 30% to the Cherokee County General Fund

DISTRIBUTIONS (cont.)

➤ STATUTORY DISTRIBUTIONS:

- Net Profit Distributions – The Murphy ABC board has made robust net profit distributions for the last five (5) fiscal years 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 accrued at or above the standard 5% statute amount for two (2) the last five (5) FYs.
- Alcohol Education Distributions: Have been accrued at or above the standard 7% statute amount for two (2) the last five (5) FYs.

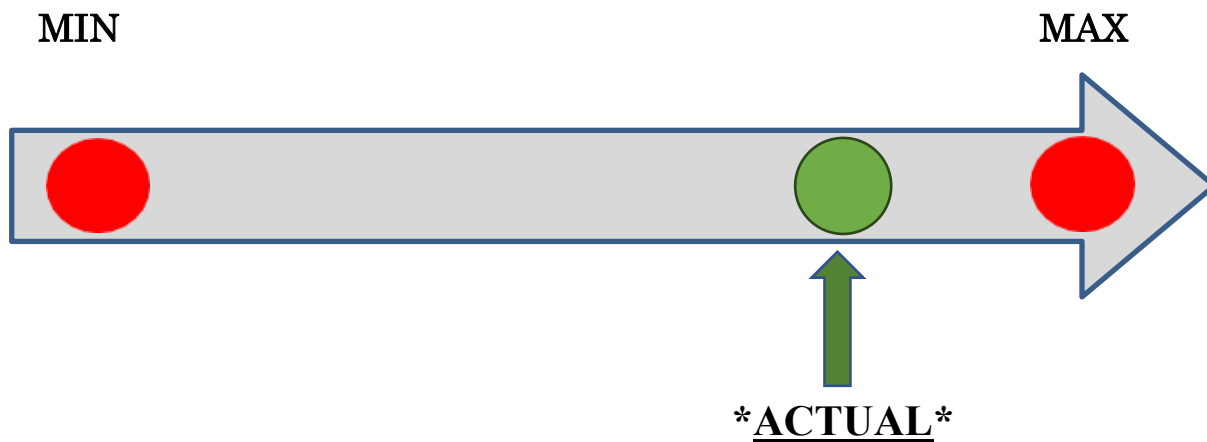
NC GENERAL STATUTE: 18B-805 (c)(1)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		Murphy ABC Board Net profit distribution made annually by fiscal year	
<i>Note: Referencing CPA Audit Reports</i>			
Calculated Amount		Total paid to recipient(s)	
FY-2024	\$145,878	FY-2024	\$478,572
FY-2023	\$143,555	FY-2023	\$450,000
FY-2022	\$138,945	FY-2022	\$450,000
FY-2021	\$136,238	FY-2021	\$200,000
FY-2020	\$112,287	FY-2020	\$250,000

- Because the board has remained near the maximum allowable working capital over the last five fiscal years, the distribution and working capital computations, rules, and laws, require the board to make net profit distributions to exceed the minimum mandatory requirements.
- Since inception, the board has made distributions to the Murphy General Fund in the amount of \$4,525,745, and to the Cherokee County General Fund in the amount of \$1,937,216.

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, 2024, the Murphy ABC Board is required to maintain a minimum working capital of \$154,481 with a maximum working capital amount of \$1,004,129.
 - The Murphy ABC Board had a working capital balance of \$806,318 which is more than the minimum and less than the maximum Commission requirement for this section (*).

*** FY 2023-2024: 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. *The board has recently received an approval from their appointing authority under this provision to retain some additional funds over the next three years for capital improvements.*

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. Members receive compensation for their services at the maximum \$150.00 per meeting.
 - Current board member terms are staggered to comply with G.S. 18B-700(a), and all are multi-term members.
 - Board members are currently compliant on ethics training with one member needing to complete the training when able.
 - Members have professional experience in multiple types of business to include banking, accounting, real estate, and HR/Management.
- Members have taken oaths of office per G.S. 11-7. *Copies of oaths are available at the board's administrative office.*
- Meetings are generally held the third Tuesday every other month, and public awareness is posted in the store. *The board may want to verify if the town clerk's office is notified when meeting dates change.*
- Meeting minutes are available and follow the order of proceedings and include the no conflict of interest statement.
 - Financial reports are provided by the general manager and are discussed at meetings to include monthly sales and comparisons to previous year, P&L and balance sheets, and working capital computations.
 - 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 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.

Law Enforcement

- The board has a law enforcement contract with the Murphy Police Department from 2025 and a copy is in Commission records.
- Law enforcement reports are submitted regularly by the general manager with data supplied from Chief Lominac of the Police Department.
 - Law enforcement reports contain applicable data for accountability as required by G.S. 18B-501(f1). *The board could consider discussing law enforcement activity at board meetings.*

Board Personnel

- The board currently staffs eleven total employees with six working full time.
- General Manager has held this position with the board for around fifteen years and was the finance officer starting in 2002.
 - They are full time, their salary is below the maximum allowable compensation per G.S. 18B-700(g1), and they are compliant on ethics training.
 - The manager also serves as an approved dual role finance officer.
 - They are responsible for the oversight of all board and store operations as well as all accounting related functions and statutory requirements.
- The board has a full-time employee who is an officially designated deputy finance officer. In addition to countersigning checks, they are currently being trained on other administrative tasks.
- The board uses some outside help for truck deliveries not compensated through payroll.
- They have two employees who are primarily responsible for stocking, and one is trained as a sales associate.
- All other store employees are 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 the manager and other staff and is on the job and mentorship styled.
 - RASP training has been extended to all employees.
 - Product knowledge training is provided through conversations with the staff and manager.
 - The manager keeps a folder for special order requests noting most are from a mixed beverage account.
- Employee files are kept in the administrative office and include tax, application, and medical information. The board has an additional file with signed personnel manual acknowledgment forms.
- Full time employees are enrolled in LGERS.
- No conflicts pertaining to nepotism found and per discussion with general manager.

Policies

- The board has a thorough personnel manual that details various work requirements, behavioral standards, leave and other benefits, scheduling and holidays, and most additional requirements of Rule 15A .1006.
 - The manual may not fully cover promotions, demotions, suspensions, or the granting of salary increases.
 - The personnel manual includes an acknowledgment sheet.
- Additional policies on file with the Commission include a mixed beverage sales and shelf management.
- For travel, the board has chosen to follow the state's travel policy for compliance with G.S. 18B-700(g2).

Operations

- Full inventory is conducted annually with frequent spot checks.
 - Items are routinely checked when out of stock or when the last case is shelved from the warehouse.
 - Adjustments are made only by the general manager.
 - Strategies for slow moving products include offering to another board, price reductions, and a D-listed shelf.
 - A small sample of items were selected to verify accurate current inventory. Of those selected, all items actual inventory matched the theoretical.
- Board receives deliveries for goods on the second and fourth Monday of the month.
 - Pallets are dropped and cases are checked against the manifest.
 - All staff participate on delivery day.
 - Any variances are investigated and verified by the general manager before a discrepancy report is filed.
- Liquor order is made by comparing stock status to the sales for the same month in the previous year. Monthly and, sometimes, quarterly prices are factored and buy ins are conducted as applicable.
- The board currently has around seventeen mixed beverage customer accounts.
 - Invoices are provided to permittees at the time of the transaction and signed copies are retained along with driver's license verification.
 - The board stamps bottles in the manner required by NCAC 15A .1901.
 - Orders are generally verified by a second team member different from the one pulling the items. The general manager reviews copies of all mixed beverage orders.
 - The board does not deliver but has in rare cases where an order was not accurate.
- More common allocated products are provided to mixed beverage customers or shelved. The board utilizes different methods for selling less common allocations.
- The board does not have a website or social media accounts. The manager is the admittatur for Google and reviews.
- The board keeps records for the destruction of unsaleable merchandise and has a section dedicated for the retention.
 - *In compliance with NCAC 15A .1701(c), the board emails copies of the reports to the Commission quarterly.*
- The board has held tastings and may consider more in the future.

Financial, Administrative, and Internal Controls

- Invoices for liquor are processed monthly for both deliveries.
 - Checks have the disbursement approval certificate as required by G.S. 18B-702(q).
 - Along with the deputy finance officer, the general manager counter signs all checks.
- As finance officer, the general manager stamps the required preaudit certificate, in compliance with G.S. 18B-702(q), on liquor orders.
- The board has a credit card in possession of the general manager. Itemized receipts are maintained, and the account is fully settled monthly. Most are recurring payments or on-line purchases.
- Petty cash is available and used to compensate truck delivery help.
- The store has a change fund in compliance with 15A .0905(b).
- The store has two registers with tills and a third used primarily for mixed beverage.
 - Clerks usually work the full store operating hours with no shift changes.
 - Tills are verified at the beginning and end of the day and start with \$200.00.
 - Deposits are verified before being taken to the bank and are made on the following business day.
 - *A sample of recent deposits were reviewed and matched with cash register tapes with no significant variances.*
 - The general manager conducts monthly deposit reconciliation.
- Funds are kept in a pooling bank(s) approved by the North Carolina Treasury Office.
- Payroll is processed weekly by the general manager using QuickBooks.
 - The schedule is used to verify hours worked.
 - *A review of recent payroll records indicates accurate pay rates as entered on the board website for board members and the general manager.*
- The board currently makes their alcohol education distribution to the Cherokee County School System's Dare Program.
 - For compliance with G.S. 18B-700(g2), the board receives correspondence in the form of a request for funding from the program at least annual. *The board should work to verify the report on fund expenditures is provided to their appointing authority and included in their meeting minutes.*
- The annual CPA audit was received by the Commission on August 1, 2024.
 - The board's accounting firm submits the required quarterly compilation reports to satisfy the requirements of a dual role GM/FO.
- The board has received approval from their appointing authority to set aside money in the amount of \$50,000 annually for three years. This money is separated from working capital maximum and designated for a specific improvement plan in compliance with G.S. 18B-805(d).
- All board members and the general manager and finance officer are bonded for at least \$50,000 per G.S. 18B-700(i).

STORE INSIGHT & OVERVIEW

- The board's store and administrative office is located on the town's major highway with many other retail and commercial businesses.
 - Building is free-standing and has visible signage from all directions.
 - Floors, counters, and shelves are clean.
 - Stores have easily identifiable categorical signage.
 - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is displayed.
 - Quarterly price book is available, but specially priced items lists are not available to customers.
 - North Carolina products have a specific section and are mixed throughout the stores with some special shelf tags.
 - Outside areas around the building is free of trash and debris.
- The board's warehouse is well organized and accommodates pallet delivery.
- Shelf management practices are generally followed.
 - 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 arranged so they increase in size left to right of the same item.
 - Special shelf tags are used to highlight items on sale.
 - A pink tag is posted near shelf tags when an associate stocks the last products signifying there is no more in the warehouse.
 - A temporarily out of stock sign is placed on the shelf when a product is not available.
- Sales associate interactions with customers are attentive, courteous, and the staff is eager to meet the needs of the customers. *All staff is aware that loitering is prohibited.*
- A sample of approximately 100 items were selected to determine if uniform pricing is displayed. Of those selected all items shelf price tags reflected current pricing.
 - Price discrepancies will be handled in the customers favor if the shelf tag were to be lower than the current price mandate and the customer objects.
- Store hours are 9:00 am until 9:00 pm each day except Sunday.
- The store is closed Memorial Day and the five previously required annual holidays.
- Security systems are in place and functional in all designated areas.
 - *The store has cameras, alarms, and panic buttons.*

RECOMMENDED ACTIONS (STATUTES OR COMMISSION RULES)

- The board should craft a credit card policy that clearly defines the purposes for usage of the card(s), people that may use the card(s), and the method for retaining records of usage. In accordance with Rule 15A .1102, the board should send the Commission all rules for approval and record retention. Additional policies could be considered to include tastings, employee tastings, or allocated product sales.
- 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.

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.
- To ensure full compliance with G.S. 18B-805(h), the board should verify their alcohol education distribution is provided to their appointing authority to be included in that board's meeting minutes.
- 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.
- With the anticipated construction of a new state warehouse in the foreseeable future, boards should evaluate the need for updates or expansions to efficiently accommodate the expected increase in products and their availability.
- Board members and applicable personnel are encouraged to satisfy requirements of G.S. 18B-706(b) and Rule 14B 15A .2001 in a prompt manner and before the twelve (12) month mandate. *One recently reappointed member should complete the required training when able.*

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

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

PREVIOUS PERFORMANCE AUDIT RECOMMENDATIONS (2015)

- Have all newly appointed board members complete the ethics requirement within 12 months of appointment.
- Consider additional training opportunities through the Commission and other Commission approved courses.
- Cross train key employees on various administrative duties in the event the general manager and/or finance officer is unavailable.
- Adopt written policies that incorporate customer friendly practices. Once adopted, communicate to all employees should the need arise.
- To ensure stronger internal controls in inventory, consider performing more frequent spot checks to help in determining if potential problems exist.
- Submit breakage forms quarterly as required by the Commission rule.
- 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.
- Have the board chairman read the conflict-of-interest statement to all board members at the beginning of each meeting. Reference the conflict-of-interest statement was read in the board minutes.
- Post signage at the store and Town Hall notifying the public, when, where, and the time meetings are held.
- Place the pre-audit certificate with the finance officer's signature on the order to LB&B. When ordering supplies, place the pre-audit certificate on the invoice with the authorization from the finance officer before the transaction takes place.

While having addressed many considerations from previous Commission review (2015), board should still monitor and strive to satisfy previously noted recommended actions.

Murphy Alcoholic Beverage Control Board

Post Office Box 554, Murphy, North Carolina 28906
(828) 837-5514

Brian T. Smith
Chairman

Olivia O. Anderson
General Manager

John Snow III
Christopher Raper
Board Members

August 19, 2025

Edwin Strickland
Program Analyst/Board Auditor
400 E. Tryon Rd.
Raleigh, NC 27610

Dear Mr. Strickland:

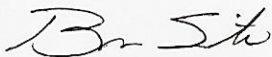
On behalf of the Murphy ABC Board we want to thank you for your time and effort put into the Performance Audit you conducted on our store and for presenting and reviewing the report with us at our board meeting held on August 19, 2025.

The Murphy ABC board members and employees take pride in our store and strive to maintain excellent store appearance and customer service. Our intent is to strictly operate and comply with the established standards and rules as set forth by the North Carolina ABC Commission and General Statutes.

Your comments and recommendations have been duly noted and have been fully implemented. The Board will review the personnel manual and ensure it fully covers promotions, demotions, suspensions, and granting of salary increases. The Board has approved a credit card policy, and the Board has signed a Certificate of Accountability, both will be forwarded to the Commission with this letter.

We appreciate your time and your assistance in helping us to build on and to improve our existing policies, practices, and controls within our Board.

Sincerely,



Brian T. Smith
Chairman
Murphy ABC Board

Murphy Alcoholic Beverage Control Board

Post Office Box 554, Murphy, North Carolina 28906
(828) 837-5514

Brian T. Smith
Chairman

Olivia O. Anderson
General Manager

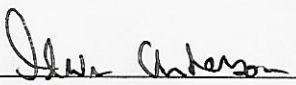
John Snow III
Christopher Raper
Board Members

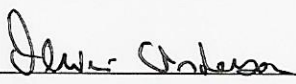
Certificate of Accountability


August 19, 2025


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

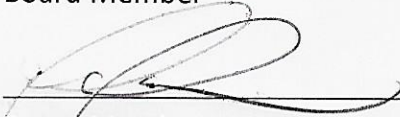
1. The system has complied with all State uniform pricing requirements pursuant to NCGS 18B-804.
2. That all alcoholic beverages sold have been approved by the Commission for sale in this State pursuant to NCGS 18B-800.
3. That all "gross receipts" pursuant to NCGS 18B-805(a) have been properly accounted 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