

Onslow County ABC Board

Performance Audit Report



TABLE OF CONTENTS

ABC Commission Statement	3
Objective, Purpose & Background Information ...	4
Financial Analysis, Observations & Findings	6
Actions and Additional Considerations	18-19
Previous Performance Audit Recommendations	19
Appendix A- Onslow County ABC Board Response Letter	20-21



Alcoholic Beverage Control

CHAIRMAN:

Hank Bauer

COMMISSIONERS:

La'Tanta (L.T.) McCrimmon
Raleigh

David Sherlin

Raleigh

DEPUTY COMMISSIONER:

Mike DeSilva

LOCATION:

400 East Tryon Road
Raleigh NC 27610

MAILING:

4307 Mail Service Center
Raleigh NC 27699-4307

PHONE: (919) 779-0700

<http://abc.nc.gov/>

December 19, 2025

Onslow County ABC Board

Gary Dixon, Chair

485 Center Street
Jacksonville, NC 28546

Chairperson Dixon,

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

Onslow County is in southeastern North Carolina, borders the Atlantic Ocean, and the county seat is Jacksonville. The USMC Base Camp Lejeune and other associated stations, camps, and schools are located within the county and contribute significantly to the population and economy. The county's recent estimated population is 212,954 residents, an increase of 4% from 2020. The Onslow County ABC Board operates six (6) retail stores and is the only board in the county.

S.L. 1935-493 authorized Onslow County to have an ABC store. The referendum was held on July 6, 1935, and passed 1,249 to 283. The first retail sale occurred in the fall of 1935. A subsequent mixed beverage election occurred on January 12, 1979, and passed 4,220 to 3,747. Upon election of an ABC store, the county was authorized to create an ABC Board consisting of a chairperson and two members to serve for three-year terms. In 1979 the board was authorized to increase membership by adding two additional members. Current board members include Gary Dixon, chair, Matt Raymond Jr., Teresa Latham, Cynthia Waun, and Mike Capps, board members.

The last performance audit for the Onslow 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.



115 Workshop Ln. Jacksonville



2500 Onslow Dr. Jacksonville

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On November 6, 2025, ABC Commission Program Analyst Edwin Strickland visited the Onslow County ABC Board and interviewed the General Manager, Neta Grady and other administrative and store personnel. Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.



419 S. Marine Blvd. Jacksonville



987 Hwy 210, Sneads Ferry



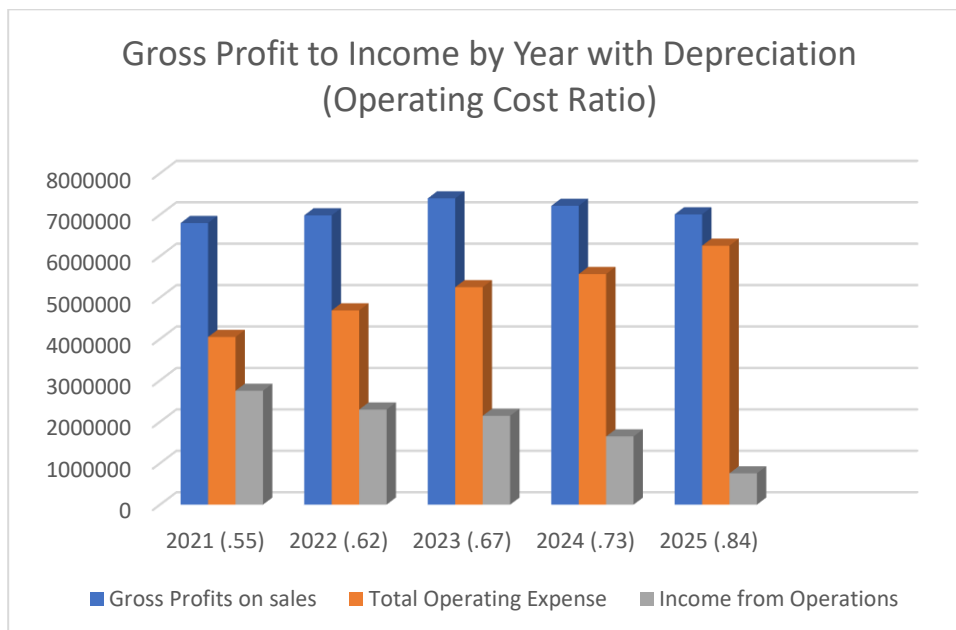
8806 Richlands Hwy. Richlands

FINANCIAL ANALYSIS

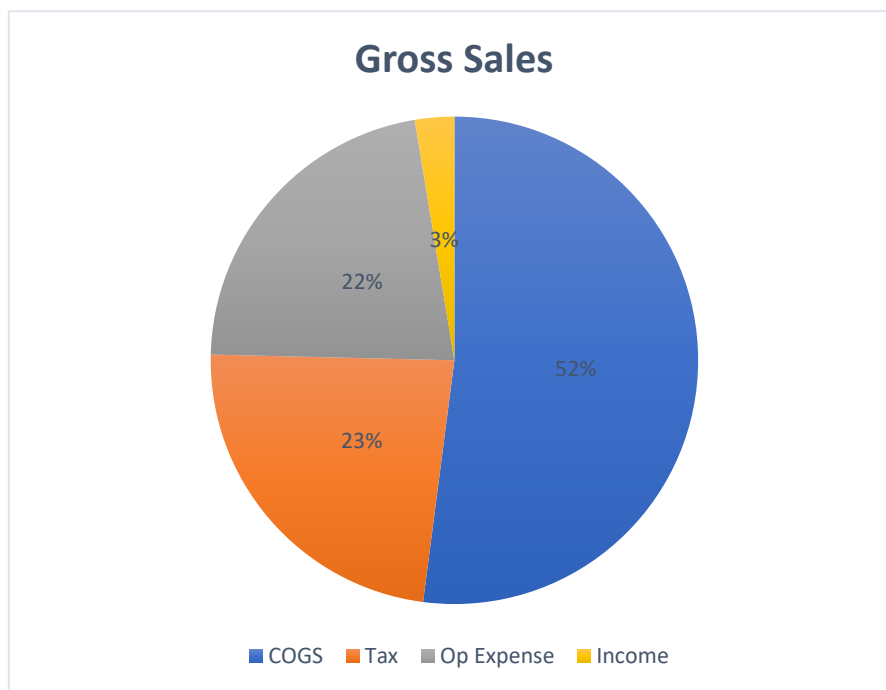
PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO

- In fiscal year FY 2024-2025, the Onslow County ABC Board had a profit percentage to sales ratio of 2.65%. The NC ABC Commission 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 5.69%, 7.28%, 8.33%, and 10.20%, respectively.*
 - The Onslow County ABC Board's gross sales totaled \$28,504,948, which was an approximate .1% decrease from the previous fiscal year.
 - The board's sales have grown by almost 6% in the last five complete fiscal years.
- Onslow County ABC Board operates six retail stores, with five having mixed beverage sales. The operating cost ratio for the board was .84 in FY 2024-2025. The NC ABC Commission standard for ABC Boards with three or more stores is .63 or less. *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 expenses less depreciation/Gross Profit).
- Thus, the Onslow County ABC Board did not fully meet the profitability standard and the operating cost standard set by the NC ABC Commission for FY 2024-2025.
- Below are charts showing gross profit on sales, total operating expenses including depreciation, and income from operations for recent years.

	FY 2024-2025	FY 2023-2024
Gross Profit on Sales	\$7,007,212	\$7,214,517
Total Operating Expense	(\$6,251,063)	(\$5,567,561)
Income from Operations	\$756,149	\$1,646,956



- 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.



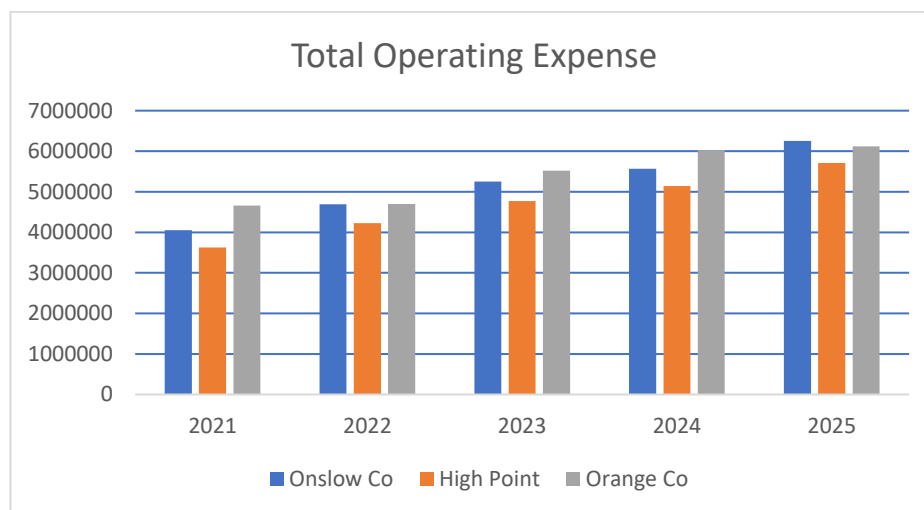
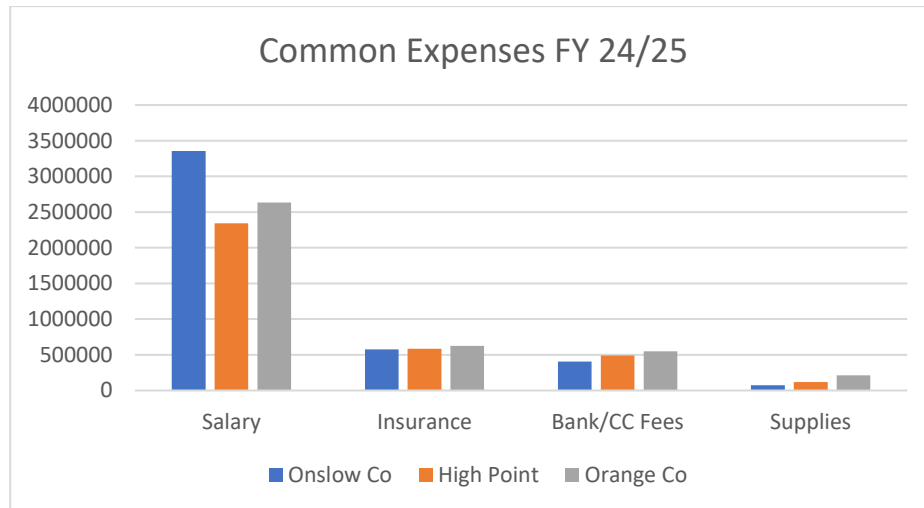
- *Factors affecting sales:*
 - There are eight ABC Boards with a store within a 35-mile radius of an Onslow County ABC Store and additional military outlets adjacent to or within the county.
 - A 4.1% unemployment rate in Onslow County in June of 2025 with a .1% increase from the previous year. *The North Carolina Average in June 2025 was 3.7%.*
 - The board currently has approximately 119 active mixed beverage customers. *In FY 2024/2025 mixed beverage accounted for around 17% 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 Onslow County ABC Board receives shipments weekly with a target inventory turnover rate of 6. The inventory turnover rate in (FY) 2024-2025 was 8.2, which is well above the goal.

FINANCIAL ANALYSIS (cont.)

- *Factors affecting expenses:*
 - Total operating expenses increased by over twelve percent (12%) from the last fiscal year and were almost twenty-two percent (22%) of total annual sales in FY-24/25.
 - Board salaries were nearly twelve percent (12%) of total annual sales and increased around sixteen- and one-half percent (16.5%) from the previous fiscal year. *The board has invested heavily in their workforce and uphold a strong culture of financial and other benefits for employee support.*
 - Cost of Goods Sold (COGS) was roughly 52% for the fiscal year with a normal range being 52% to 54%.
- A common expense report and a total operating expense report show the Onslow County ABC Board has similar categorical and 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.*



BUDGET ANALYSIS

	FY 2024-2025 <i>Budget Projections</i>	<i>FY2024-2025 Actual</i>	Variance	Variance %
Total Revenues	\$29,561,600	\$28,686,991	(\$874,609)	(3%)
Total Expenditures	\$28,088,400	\$27,218,872	\$869,528	3%
Distributions	\$1,588,000	\$868,610		
Revenue over/under Expenditures & Finance		\$599,509		
After Reconciling Items		\$69,582		

- In reviewing the budget to actual analysis of the FY 2024-2025 financial audit, actual total revenues were 3% below budget and expenditures were 3% below the final budget amendment.
 - The change in net position during the fiscal year was \$69,582. *The board's collective net position on June 30, 2025, was \$12,735,004; the net position has increased by over twenty-two percent (22%) over the last five (5) fiscal years.*
- Based on sales trajectory for the current fiscal year with four months (33%) of the budget year completed, the board is tracking at around 33% 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 & 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 2024-2025, Onslow County ABC accrued funds for other statutory distributions totaling \$868,610 (Net profit distribution recipient(s) received \$850,363).
- The amount of \$6,643,643 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), DHHS, and the county commissioners of Onslow County.
- Per the local enabling act, the distribution formula for recipients of net profits is as follows:
 - 10% to Onslow County Hospital
 - 5% to Jacksonville General Fund
 - 5% to each municipality with a store
 - 4% to Swansboro General Fund
 - 4% to Richlands General Fund
 - 3% to Holly Ridge General Fund
 - Remainder to Onslow County General Fund

DISTRIBUTIONS (cont.)

➤ STATUTORY DISTRIBUTIONS:

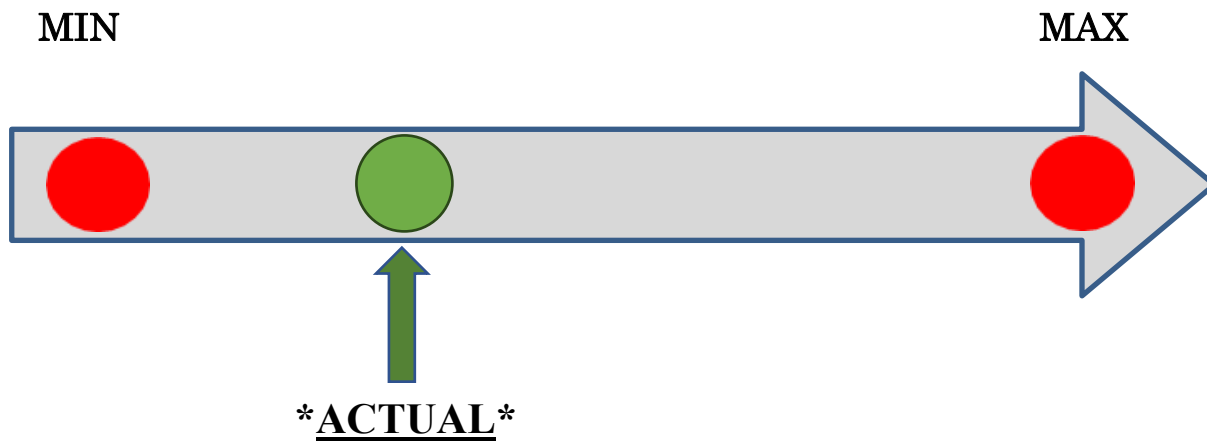
- Net Profit Distributions – The Onslow County ABC board has made net profit distributions for the last five (5) fiscal years above the minimum mandatory distribution in reference to G.S. 18B-805(c)(1). **The table below references distributions calculated on the left and total distributions made by the ABC Board for the last five (5) years on the right.**
- Law Enforcement Distributions: Have been disbursed at or above the standard 5% statute amount for the last five (5) FYs.
- Alcohol Education Distributions: Have been disbursed at or 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		Onslow 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	\$786,133	FY-2025	\$850,363
FY-2024	\$796,871	FY-2024	\$1,259,395
FY-2023	\$810,587	FY-2023	\$1,413,317
FY-2022	\$758,327	FY-2022	\$1,385,540
FY-2021	\$747,055	FY-2021	\$1,593,890

WORKING CAPITAL

- G.S. 18B-805(d) allows the board to set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system.
 - NCAC 15A .0902 sets a working capital maximum standard for boards with annual gross sales greater than \$1.5M as an amount equal to three (3) months of gross sales.
 - G.S. 18B-702(g)(3) defines "Working Capital" as the total of cash, investments, and inventory less all unsecured liabilities. As it pertains to working capital computation, gross sales mean gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4).
- Based upon the existing rules, as of June 30, 2025, the Onslow County ABC Board is required to maintain a minimum working capital of \$840,819 with a maximum working capital amount of \$5,465,326.
 - The Onslow County ABC Board had a working capital balance of \$2,360,462, which is more than the minimum and less than the maximum Commission requirement 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 four members and a chairperson each receiving compensation for their services at or below the maximum \$150.00 per meeting and in compliance with G.S. 18B-700(g).
 - Current board members' terms are staggered to comply with G.S. 18B-700(a).
 - All board members are currently compliant with ethics training requirements, with two reappointed members needing to satisfy the requirement in the coming months.
 - All members are serving successive terms.
 - Members have a variety of professional experience in business, law enforcement, and one holds a PHD in Psychology and Emotional Behavior.
- Members have taken an oath of office per G.S. 11-7 and copies of the oaths are available at the board's administrative office.
- Meetings are generally held on the third Monday of each month, and meeting dates are provided to the county office and some local media outlets.
- Meeting minutes are organized, available, and follow all the order of proceedings including the no conflict of interest statement.
 - Full financial data for monthly board accounts, revenues, expenditures, and other pertinent documents, statements, and contracts are provided and discussed at meetings and referenced in corresponding meeting minutes.
 - 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 locations.

Law Enforcement

- The board has law enforcement contracts and agreements with the Jacksonville Police Department, Onslow County Sheriff's Department, and the Surf City Police Department.
- Law enforcement reports are provided by both the Onslow County Sheriff's Department and the Jacksonville Police Department, and input routinely by board personnel.
 - The law enforcement reports usually contain ample applicable data for accountability as required by G.S. 18B-501(f1).

Board Personnel

- The board currently staffs sixty-two full-time employees and four part-time.
- The General Manager has held their position for around sixteen years and was previously a board member.
 - She is responsible for all board operations, her salary has been approved per G.S. 18B-700(g1), and she is compliant with the ethics training requirement.
- The board has an administrative team consisting of a Finance Officer, Human Resource/Administrative Assistant, Bookkeeper, and a Warehouse/Facility Manager who oversees a warehouse and delivery team.
- Each store has a designated manager with one manager also serving as the Director of Store Operations.
- All other store employees are sales associates and primarily responsible for providing friendly customer service, general store cleaning and upkeep, and stock maintenance.
- Training for new employees begins with an orientation at the central office and covers job descriptions and other expectations.
 - Personnel manuals and additional policies are signed by each team member.
 - Initial on the job training is conducted at one store and all stores have checklists for duties available to all staff.
 - Cross training opportunities have been extended for administrative coverage.
 - All employees have attended RASP training with the possible exception of some recent hires who will attend future sessions.
- A file for each employee is kept in the Human Resource office and includes hiring banking, training, performance reviews, and other applicable documentation. Files for tax and medical documents are kept locked in the same office separately.
- Full-time employees are enrolled in LGERS.
- No conflicts pertaining to nepotism found and per discussion with the general manager.

Policies

- The board has a thorough personnel manual which covers all requirements of Rule 15A .1006 and additional behavioral expectations, job descriptions, and a variety of additional specific policies.
 - The board has a dual accountability policy for all tills, safes, and deposits, and several other memorandums covering new policy updates or reemphasizing previous policy.
 - Policies not on file with the Commission that could be considered include credit card usage, mixed beverage sales, and allocated product sales.
- For travel, the board follows their appointing authority's policy and has obtained the required written approval for the current year in compliance with G.S. 18B-702(g2).

Operations

- Board personnel conduct full inventory at each store and the warehouse monthly, with additional spot checks.
 - Counts are made using scanners by managers and other team members.
 - Discrepancies are provided to the administrative office and investigated before adjustments are made.
 - Strategies for slow-moving products include moving in the stores and highlighting price reductions.
 - *A small sample of products were inventoried at all stores during Commission visit with no unexpected variances found.*
- The board receives deliveries of liquor each Wednesday and Thursday.
 - Pallets are dropped and down stacked using the manifest by the warehouse team.
 - Any variances are recounted and balanced against stock before discrepancy reports are sent to LB&B.
 - Self-distribution of products to the stores includes transfers from store to store.
- Liquor orders are made by the general manager and warehouse/facility manager.
 - Each item is reviewed and edited from a suggested order, and bulk items are generally ordered for the first weekly truck.
 - SPA's lists are reviewed for the current and incoming months, and many are ordered to meet sixty-day's worth of sales.
 - Special order request forms are sent from stores to the administrative office, and all are considered.
- The board retains breakage reports and regularly includes the reports for credit with their suppliers. For compliance with Rule 15A 1701(c), the board regularly emails copies of the reports to the Commission quarterly.
- The board currently has one hundred and nineteen active mixed beverage customer accounts.
 - All but one store are mixed beverage outlets.
 - The board accepts orders any time or day.
 - Pulled and stamped orders are rechecked by a second employee.
 - Invoices are provided to permittees and signed copies are retained in a file for each account.
 - The board stamps bottles as required by NCAC 15A .1901.
 - The board contacts new permittees when notified of their temporary permit by the Commission.
- Allocated products are available to mixed beverage customers.
- The board frequently holds tastings at certain stores and has a thorough policy for tastings in place.

Financial, Administrative, and Internal Controls

- Invoices for liquor are processed every two weeks by the finance officer and administrative team.
- The board's checks are stamped with the required disbursement certificate in compliance with G.S. 18B-702(q).
 - Checks are cut and signed by the finance officer and counter-signed by the general manager.
 - The board is currently paying many suppliers via ACH transactions and could consider stamping a list of those payments as an option to satisfy the disbursement certificate requirement.
- Liquor orders are stamped and signed by the finance officer for compliance with G.S. 18B-702(m).
- The board has three credit cards issued to administrative staff. Itemized receipts are retained until the accounts are reconciled in the administrative office.
- Cash-handling procedures are in place and covered thoroughly in the board's personnel manual and dual accountability policy.
 - Clerks are fully responsible for their tills, and all funds are counted by at least two people daily or during any staff changes.
 - Store managers or other team members drop deposits at night or the next business day.
 - Both the finance officer and the HR/Administrative Assistant complete a separate month end reconciliation.
 - *A small sample of recent deposits were reviewed with no significant variances noted.*
- The board utilizes positive pay through their bank.
- Funds are kept in a pooling bank(s) approved by the North Carolina Treasury Office.
- Payroll is processed biweekly through traverse.
 - Employees punch timecards and all times are reviewed by store managers before being sent to the administrative office for an additional review.
- The annual CPA audit was received by the Commission on September 28, 2025.
- All board members, general manager, finance officer, and store managers are bonded for at least \$50,000 per G.S. 18B-700(i) and G.S. 803(b).
- The board distributes their alcoholism funds to the county. *For general accountability and full compliance with G.S. 18B-805(h), the board should verify the board of county commissioners include in their meeting minutes how these funds are to be spent and verify any person or agency receiving funds from the county commissioners submits a report at least annually describing how these funds were spent.*

STORE INSIGHT & OVERVIEW

- Commission staff visited the board's central office and warehouse complex, and five retail stores. *Recent additions to the office complex include modernized and professional administrative space and an immense addition to the warehouse.*
- All five stores visited are on or adjacent to major thoroughfares and in high commercial areas.
 - All have ample or adequate parking spaces and easily viewable signage.
 - The exterior of the buildings are professional and presentable, and landscaping and other applicable exterior areas are well maintained and free of trash and debris.
- The interior of the stores are well lit, organized, and aesthetically modern and pleasant.
 - Floors and shelves are clean, and the counters are not overly cluttered.
 - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is prominently displayed in all stores.
 - Quarterly price books and SPA lists are available.
 - Category signs are prominently displayed and include NC products and an after-dinner category. Other NC products are available in their corresponding section.
 - Multiple displays and end caps are used to highlight new products and displays may include recipe cards.
 - Broker supplied shelf tags for specially priced items used for monthly and quarterly specials.
- Shelf management practices are fully implemented.
 - Products are fronted, dusted, and in their designated category.
 - 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.
- A sample of more than 100 items were selected at all stores visited to determine if uniform pricing is displayed. Of those selected, all item's shelf tags matched 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.
- Sales associate interactions with customers are attentive, courteous, and the staff are eager to meet the needs of the customers. *Multiple employees are always available in the showroom to assist with the board's customer service focus.*
- All stores are open daily from 9:00 am until 9:00 pm Monday through Saturday.
- All stores are closed every Sunday, New Year's Day, Thanksgiving and Christmas with some adjusted hours on or the day before other holidays.
- Security systems are in place and functional in all designated areas to include alarms, cameras, and panic buttons.

REQUIRED ACTIONS

- Item #1: 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

- The board should continue to liaise with their board of county commissioners to ensure full compliance with G.S. 18B-805(h) regarding the expenditure of the alcoholism funds. Activities for the funds distributed under this subsection should be included in the county commissioner's meeting minutes and any person or agency receiving funds should submit a report at least annually to the county describing how the funds are spent.
- While the board already has quality oversight and well-established procedures in place, the board could consider adopting in writing a policy for the use of the board's credit card(s). *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.*
- Additionally, the board could consider updating their written policy for the sale of allocated products. The current policy for allocated products is from 2023 and is specific to only three brands. *In addition to establishing guidelines, these policies can be informative to patrons who question your current distribution of these high demand products.*
- Board members and applicable personnel are encouraged to satisfy the requirements of G.S. 18B-706(b) and Rule 15A .2001 in a prompt manner and before the twelve (12) month mandate. *The board has two recently reappointed members who will need to satisfy the training in the coming months.*

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 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.
- ABC boards are highly encouraged to find straightforward ways to lower any recurring expenses. Ways to try to improve expenses include requesting bids annually from various vendors to get the best rates possible on financial audits, various utilities, maintenance contracts, and credit card processing companies.
- 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.

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

PREVIOUS PERFORMANCE AUDIT ACTIONS (2016)

- 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 all reappointed board members complete the ethics requirement within 12 months of reappointment.

While having addressed considerations from the previous Commission review (2016), board should still monitor and strive to satisfy previously recommended actions.

Good morning,

The Onslow County ABC Board appreciated your call on Monday during their monthly meeting. The members had reviewed the Performance Audit Report you completed and complimented your attention to detail and noted the recommendations submitted. The Onslow County Commission liaison is requesting information from the County Manager that will explain how the funds the ABC Board designates for Alcohol Education when sending to the county is actually utilized. One of the members was unable to attend the meeting and it took a few days for him to come in to sign the Certificate of Accountability.

The Onslow County ABC Board certainly will communicate with the NC ABC Commission for advice and tap into their resource library as needed.

With all best wishes for a blessed Christmas and a safe, healthy, and prosperous 2026, Neta L. Grady

12 17 2025
Month Day Year

Cherokee 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).

Peter L. Grady
General Manager

George Deigh
Financial Officer

[Signature]
Chairman

Cynthia Warr
Board Member

Mark Raymond J
Board Member

[Signature]
Board Member

James M. Goss
Board Member