

# Troutman ABC Board

## Performance Audit Report



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



**ABC**  
COMMISSION  
NORTH CAROLINA

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# ABC

COMMISSION  
NORTH CAROLINA

## Alcoholic Beverage Control

### CHAIRMAN:

Hank Bauer

### COMMISSIONERS:

La'Tanta (L.T.) McCrimmon  
Raleigh

David Sherlin  
Raleigh

DEPUTY COMMISSIONER:  
Mike DeSilva

LOCATION:  
400 East Tryon Road  
Raleigh NC 27610

MAILING:  
4307 Mail Service Center  
Raleigh NC 27699-4307

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

December 16, 2025

Troutman ABC Board  
Layton Getsinger, Chair  
511 N. Main St  
Troutman, NC 28166

Chairperson Getsinger,

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

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

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

Respectfully,

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

Troutman, North Carolina, is a small but steadily growing town located in Iredell County, about 35 miles north of Charlotte. With a population of just over 3,500 residents, Troutman combines the feel of a close-knit community with the advantages of being near larger urban centers. The town is well known for its welcoming atmosphere, small-town character, and convenient access to major highways such as Interstate 77, which makes it an attractive location for commuters working in Mooresville, Charlotte, or other surrounding areas.

Troutman is perhaps best recognized as the home of the Iredell County Fairgrounds and Lake Norman State Park, a popular destination offering boating, fishing, camping, and miles of hiking and biking trails. The presence of Lake Norman just minutes away makes the town appealing to outdoor enthusiasts and families who enjoy recreational opportunities. Each year, Troutman also hosts community events such as the Troutman Independence Day Parade & Festival, one of the largest in the region, drawing visitors from across Iredell County.

The town has been experiencing growth in residential development, with new neighborhoods and housing options emerging to meet demand. Despite this expansion, Troutman has maintained its small-town charm through local businesses, community parks, and schools that are part of the Iredell-Statesville School District. Its downtown area, while modest, features locally owned shops, restaurants, and services that reflect the town's community spirit.

Economically, Troutman benefits from its proximity to the larger job markets in Mooresville and Charlotte, particularly in industries such as motorsports, healthcare, manufacturing, and retail. At the same time, Troutman is carving out its own identity with a focus on smart growth and preserving its local character.

Overall, Troutman is a town that blends tradition with progress—valued for its family-friendly environment, recreational opportunities on Lake Norman, and strategic location in the Piedmont region of North Carolina.

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

A mixed beverage referendum occurred on November 4, 2014, and it passed. *Currently, the Troutman ABC Board appoints a chairperson, a Vice Chairman, a Secretary and a General Manager to serve on the ABC board.* The Troutman ABC Board currently operates one (1) retail store. The board staff (8) in total personnel. These include (4) full-time employees and (4) part-time personnel. The general manager is responsible for daily store operations including supervising personnel, inventory management, and various retail functions. The board's Finance Officer is Layton Getsinger. He and the GM provide the board with fiscal management, administrative support, and oversees routine operations of the ABC stores. Sales associate responsibilities include selling products, daily stocking, and floor upkeep & maintenance.

*The last performance audit for the Troutman ABC Board occurred in 2018. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.*



511 N. Main St, Troutman N.C.

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

On Monday, September 29, 2025, ABC Board Program Analyst II Eric McClary visited the Troutman ABC Board and interviewed Evelyn Walls (General Manager). Below is a financial analysis followed by operation observations, findings, and recommendations related to the performance audit.

### **FINANCIAL ANALYSIS**

#### **PROFIT PERCENTAGE TO SALES & OPERATING COST RATIO**

- In fiscal year (FY) 2024-2025, the Troutman ABC Board had a profit percentage to sales ratio of 13.4%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales greater than \$2M is 6.5%.
  - The Troutman ABC Board's gross sales totaled \$3,539,195.43, which was an approximate 6.2% increase from the previous fiscal year.
- Troutman ABC Board operates one retail store with mixed beverage sales. The operating cost ratio for the board was .42 in FY 2024-2025. The NC ABC Commission standard for ABC Boards with one or two stores and mixed beverage is .73 or less.
  - Operating cost ratio is calculated by dividing total operating expenses less depreciation by the gross profit on sales (Total operating expenses less depreciation/Gross Profit).
- Thus, the Troutman ABC Board meets both the profitability and the operating cost standards set by the NC ABC Commission. Below are charts showing gross profit on sales, total operating expenses, and income from operations for recent years.

	FY 2024-2025	FY 2024-2025
<b>Gross Profit on Sales</b>	\$859,154.51	\$816,773.52
<b>Income from Operations</b>	\$474,788.97	\$447,720.57

*Factors affecting profitability and cost include:*

- Surrounding areas with other ABC systems which are within a 25-mile radius include Mooresville ABC, Statesville ABC, Taylorsville ABC, and Catawba County ABC.
- There was 4.0% unemployment rate in Gaston County in June of 2025 compared to 3.9% the previous year and month.
- The board currently has approximately 4 active mixed beverage customers.
- [FINANCIAL ANALYSIS \(cont.\)](#)
- *Factors affecting expenses:*
  - Total operating expenses increased around (4.1%) from the last fiscal year.
  - Board salaries were approximately (5.6%) of total annual sales.
  - Cost of Goods Sold (COGS) was roughly 53.0% for the fiscal year with a normal range being 52% to 54%.

## BUDGET ANALYSIS

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	FY2024-2025 Budget Projections	FY 2024-2025 Actual	Variance	Variance %
<b>Sales</b>	\$2,982,000	\$3,539,195	-	-
<b>Revenue over or (under) Expenditures</b>		(0)		

In reviewing the budget to actual analysis of the FY 2024-2025 financial audit, actual sales revenues were more than forecasted projections by -%. After reconciliation, the change in the Board's end net position was \$1,942,386.31. The Board submitted a final Budget Amendment to balance all sales expenditures and distributions.

## DISTRIBUTIONS

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G.S. 18B-805 (b) requires the board to pay from gross receipts, all expenses, excise, and rehabilitation taxes. G.S. 18B-805(c)(2) requires the board to *typically* distribute at least five percent (5%) of applicable gross receipts to law enforcement and *typically* at least seven percent (7%) for alcohol education. *Before assigning these percentage distributions, G.S. 18B-805(c)(1) requires the board to first make a minimum quarterly distribution of the 3.5% markup & 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).* Troutman ABC made a total of \$803,075.78 in primary distributions and other taxes were paid to the NC Department of Revenue (NCDOR), NC Department of Health & Human Services (NCDHHS), and the county commissioners of Iredell County.

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

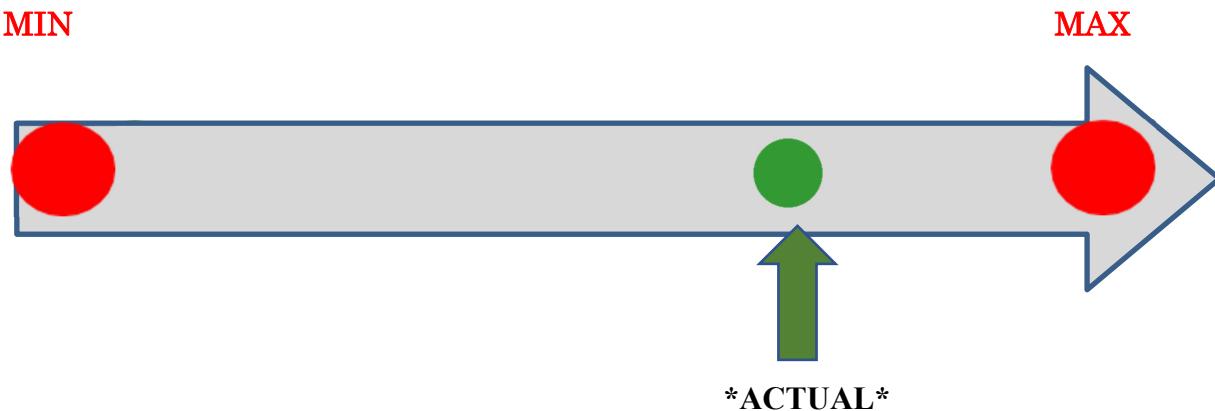
- 12.5% to Troutman Parks & Recreation
- 12.5% to Troutman Friends of the Library
- 12.5% to local school
- 62.5% to Troutman General Fund

## **WORKING CAPITAL**

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- G.S. 18B-805(d) allows the board to set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system.
  - NCAC 15A .0902 sets a working capital maximum standard for boards with annual gross sales greater than \$1.5M as an amount equal to three (3) months of gross sales.
  - G.S. 18B-702(g)(3) defines "Working Capital" as the total of cash, investments, and inventory less all unsecured liabilities. As it pertains to working capital computation, gross sales 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 Troutman ABC Board is required to maintain a minimum working capital of \$104,960 with a maximum working capital amount of \$682,242.
  - The Troutman ABC Board had a working capital balance of \$927,686 which is more than the minimum and less than the maximum Commission requirements for this section (\*)

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



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

➤ STATUTORY DISTRIBUTIONS:

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

NC GENERAL STATUTE: 18B-805 (c)(1)	
<b>Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients</b>	<b>Troutman ABC Board Net profit distribution made annually by fiscal year</b>
<b><u>Note: Referencing CPA Audit Reports</u></b>	
<b>CPA Calculated Amount</b>	<b>Total paid to recipient(s)</b>
<b>FY-2025</b>	<b>\$99,696</b>
<b>FY-2024</b>	<b>\$94,156</b>
<b>FY-2023</b>	<b>\$90,906</b>

## PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE

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

### Board Members

- The board consists of *chairperson, vice Chairman, a secretary and general manager*.  
The GM receives proper compensation.
  - Board members are compliant with ethics training.
  - Terms are properly staggered.
  - Members have professional experience in business, healthcare and other professional areas.
- Members have taken an oath of office per G.S. 11-7, and oaths are available at the board's administrative office.
- Meetings are generally held on the second Wednesday of each month, and public notices are posted on the board's front door.

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

## **Law Enforcement**

- The board has a law enforcement contract with the Town of Troutman Police Department from 2016, and a copy is on file in Commission records, however an update contract will be required.
- Law enforcement reports are submitted regularly by Daniel Strikeleather and are current to date. The Board obtains pertinent LE data from the Troutman Police Department.
  - Reports often provide details of activities for accountability per G.S. 18B-501(f1).

## **Board Personnel**

- The board currently has (14) total employees, with (1) full-time, and (13) part-time staff.
- General Manager has served in this role with the board for approximately 9 years.
  - General manager is full time; her salary is within the allowable compensation per G.S. 18B-700(g1). All members are compliant with ethics training.
  - Their responsibilities include full oversight of all daily store operations, human resources, inventory and other operational tasks.
- The Finance Officer supports the general manager with many additional responsibilities. He is cross trained and has other key responsibilities. The GM is compliant with ethics training.

- The board uses a third-party firm for some accounting related duties.
  - Their main responsibilities include processing much of the information provided by personnel, providing financial reports for member review and the annual CPA audit, payroll and providing general financial oversight and guidance.
- The board has three lead store clerks, on different shifts who assist the GM with operational duties on the floor.
- All other store employees are part-time sales associates and primarily responsible for providing friendly customer service, general store cleaning and upkeep, and stock maintenance.
- Training is provided for new employees from management and other personnel and is on the job and mentorship styled.
  - RASP training has been completed in recent years, and management is receptive to the idea and benefit.
  - Product knowledge training is handled informally between management and team members.
- Employee files are kept in the administrative office and include tax and other applicable information and personnel manual acknowledgment form.
- No conflicts pertaining to nepotism found and per discussion with general manager.

## **Policies**

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

## **Operations**

- Full inventory is conducted quarterly with code-based inventories and other random counts, and the auditor will participate at the end of Quarter.
  - The GM and other team members participate.
  - Scanners are used, and discrepancies are investigated.
  - Adjustments are made by the general manager and sheets are retained. strategies for slow moving products include posting on the board website to see if a customer may want the product and consulting with Carolyn Washburn to obtain approval to reduce the price.
- Board receives deliveries for goods the first and third Wednesday of each month.
  - Offload is conducted using a purchase order receipt list checking off cases by scanner.
  - Variances are reviewed and recounted before sending notification to LB&B.
- The board currently has 5 mixed beverage customer accounts.
  - Invoices are provided to permittees at the time of the transaction and copies are retained for each account.
  - Mixed beverage customers use the retail entrance for purchases and staff assist in verifying order accuracy and helping the customers with loading.
- General manager makes liquor orders by using Delcom and SPA history and rate of sale across time to try and always to position the board to buy low and sale high. Once quarterly and SPA pricing is reviewed, and adjustments are made.

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

- Invoices for liquor are processed for all deliveries and payments are processed via written check within 30 days.
  - *A sample of payment dates was reviewed and indicated invoices were paid within the thirty-day requirement.*
- Board's checks have the required disbursement certificate in compliance with G.S. 18B- 702(q). and are signed by the GM and the Finance Officer.
- The GM and the FO regularly review liquor orders, the pre-audit stamp required by G.S. 18B-702(m) is not being properly affixed to purchase orders. The GM will adopt this policy.
- The general manager has a credit card, and it's kept in a secure location at the administrative office.
  - Itemized receipts for purchases are provided to the GM for review before the account is balanced.
  - *The board does not have a written credit card policy but should consider.*
- Deposits are conducted daily. Deposit slips and other banking information are retained at the board's office.
  - *A review of one month's deposit information was conducted, and no discrepancies were found between deposits and register receipts.*
- The board has 2 registers in their showroom. Tills start at \$200.00.
  - Drawers are counted at the beginning and end of each shift and a slip for each till is signed by the applicable employee.

- Funds are kept in a pooling bank approved by the North Carolina Treasury Office.
- Payroll is bi-weekly and processed by Thomas Bookkeeping
  - Employees use the written time sheet system to clock in and out and hours are reviewed by all the GM. The GM also has a spreadsheet that she utilizes to keep track of employee time.
- Board keeps thorough records for unsaleable merchandise reports and emails copies of the claims to the Commission regularly in compliance with NCAC 15A .1701(c).
- The annual CPA audit was received by the Commission on September 18, 2024.
- All board members and the general manager are each bonded for \$50,000 per G.S. 18B-700(i).

## **STORE INSIGHT & OVERVIEW**

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- The board's administrative office is located off a major commercial thoroughfare and near an interstate.
  - Outside area surrounding the board is well-maintained and free of debris or trash.
  - There is ample parking, and deliveries are conducted at the board warehouse's back door.
  - The floor's carpeting is clean, appears new and is also very nice.
  - The Fetal Alcohol Syndrome poster required by G.S. 18B-808 is displayed, and the quarterly price book is available should customers request.
  - Listings for specially priced items are red tagged.
- The warehouse and administrative areas form a full horseshoe around the retail spaced.
  - The area is well lit and organized and can accommodate many cases.
- Shelf management practices are fully implemented, and a written plan is available for store personnel which corresponds with NCAC 15A .1708.
  - Products are fronted and dusted, and most are placed in categorized areas around the store.
  - Premium products are generally found at eye level or top shelves at all retail locations.
  - Bottles were not arranged so they increased in size left to right of the same item. The GM will rearrange the bottles going forward.
- Sales associate interactions with customers are attentive, courteous, and the staff is very familiar with many of their patrons.
- A sample of approximately 100 items were selected to determine if uniform pricing is displayed. Of those selected, no item prices were inaccurately posted.
  - Price discrepancies are handled in the customers favor if the shelf tag were to be lower than the current price mandate.
- Store is generally open from 9:00 am until 9:00 pm daily, Monday through Saturday. The board is closed every Sunday. Besides closing on the two (2) required annual holidays and every Sunday, the board may opt to continue closing on New Year's Day, July 4<sup>th</sup>, and Labor Day annually.
- Security systems are in place and functional in all designated areas.
  - *The board has (18) security cameras.*

## **RECOMMENDED ACTIONS (PER STATUTES OR COMMISSION RULES)**

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- ABC Boards are required to operate within a balanced budget each fiscal year. Budget amendments must be approved by the board before any funds are transferred between accounts and utilized, occurring at the actual point of time an adjustment of funds is necessary. This would include the point in time during the fiscal year when the board will exceed its annual forecasted sales budget. *Ensure budget amendment copies are submitted to the ABC Commission as required per NCGS 18B-702(h), to include a final reconciliation budget amendment for the fiscal year end.*
- Please ensure all newly adopted policies or any updated policies are submitted electronically to the Commission for recordkeeping and review per NCAC 15A .1102 Rule. Electronic copies of the personnel manual should be emailed to Commission personnel for recordkeeping. A personnel policy is recommended to established authorized use (sample copy forwarded for consideration). A tastings policy is recommended if tastings are done routinely.
- When applicable, ensure unsaleable merchandise (breakage) reports are submitted to the Commission quarterly. Rule 15A .1701(c) requires quarterly reports to be submitted for any unsaleable merchandise and retain original copies for three (3) years.
- The board is recommended to forward a current law enforcement contract. Please provide a copy to the Commission *per G.S. 18B-501(f).*
- 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.
- While already being done for certain purchases, the board should re-establish full compliance with G.S. 18B-702(m) preaudit approval certificate to take substantially the following form on checks, “This instrument has been pre-audited in the manner required by GS 18B-702”. *This could most reasonably be accomplished by stamping and signing the order edit list or other purchase orders.*

## ADDITIONAL CONSIDERATIONS & GUIDANCE ....

- The Commission's primary focus for ABC board members:
- ABC board members are highly encouraged to meet monthly for the best formal oversight and review of board operations, routinely recording meeting minutes (*adhering to closed meeting requirements where applicable*) and ensuring either no conflicts of interest are present or that they are addressed appropriately when presented. Monthly sales should be reported to the Commission at beginning of next month, providing annual budgets, budget amendments, miscellaneous financial reporting to Commission following timelines, and ensuring Commission has annual CPA audits by Sept 30<sup>th</sup>.
- ABC boards are highly encouraged to keep term begin dates & term end dates updated on the Commission's board login website for all ABC board members and other information such as store hour changes, pictures, email updates, etc. *Moreover, liaising with the Commission when new members are appointed or when member resign early before term has ended is very important for recordkeeping efforts of the Commission.*
- ABC boards are highly encouraged to find straightforward ways to lower any recurring expenses. *A very tangible way to lower operating costs is to fully maximize monthly special purchase allowance (SPA) liquor products that routinely sell well in the store to lower cost of goods sold (COGS).* ABC Boards can limit the number of personnel travelling to conference and convention events across the state. Other ways to try to improve expenses include requesting bids annually from various vendors to get the best rates possible on financial audits, various utilities, maintenance contracts, and *credit card processing companies.*
- ABC boards are encouraged to closely review financial statements monthly, comparing with the annual budget forecast, approving budget amendments when necessary and submitting copies to the Commission for anticipated sales increases as well as other adjustments for budgeted accounts.
- Cross training opportunities for personnel should be maximized to ensure solid continuity of operations occurs for ABC boards. Also, training opportunities can work well to develop store employees for increased responsibility roles and serving to make both the routine operations and employee morale stronger.
- NCAC Rule 15A .1701 requires quarterly reports be submitted for any unsaleable merchandise (breakage) and retain original copies for three (3) years. *All breakage reports should only be transmitted via email submission to Commission staff; copies should not be mailed.*
- As a reminder, remove all faded posters and replace with new ones when applicable. Reach out to the Commission to provide fetal alcohol syndrome posters, NC Dept of Labor can provide wage & hour posters, and OSHA can provide some applicable federal posters if any are needed.
- ABC boards can explore additional training opportunities periodically available through the ABC Commission as well as partnering with other ABC boards on specific areas such as best retail and marketing practices.

## TOWN OF TROUTMAN

### ABC BOARD

ABC Commission  
400 E. Tryon Rd.  
Raleigh, NC 27610

December 10, 2025

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

**Item 1:** ABC Boards are required to operate within a balanced budget each fiscal year. Budget amendments must be approved by the board before any funds are transferred between accounts and utilized, occurring at the time of adjustment of funds is necessary. This would include the point in time during the fiscal year when the board exceed its annual forecasted sales budget. Ensure budget amendment copies are submitted to the ABC Commission as required per NCGS 18B – 702 (h), to include a final reconciliation budget amendment for the fiscal year end.

**All recommendations will be followed.**

**Item 2:** Ensure all newly adopted policies or any updated policies are submitted electronically to the Commission for recordkeeping and review per NCAC 15A .1102.

**All recommendations will be followed.**

**Item 3:** The board is recommended to forward a current law enforcement contract. Please provide a copy to the Commission per G.S. 18B-501(f).

**The board has signed and submitted a current law enforcement contract.**

**Item 4:** While already being done for certain purchases, the board should re-establish full compliance with G.S. 18B-702(m) pre-audit approval certificates to take substantially the following form on checks. “This instrument has been pre-audited in the manner required by G.S. 18B-702”. This could be most reasonably accomplished by stamping and signing the order edit lists and purchase orders.

**All recommendations will be followed.**

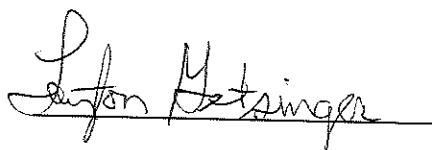
**Item 5:** NCAC Rule 15A. 1701 requires quarterly reports be submitted for any unsaleable merchandise (breakage) and retain original copies for (3) years. All breakage reports should only be transmitted via email submission to Commission staff, copies should not be mailed.

**All recommendations will be followed.**

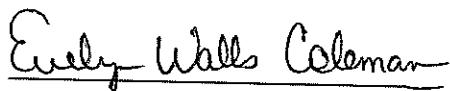
**Item 6:** Submit a Certificate of Accountability to the Commission. This document assures this Board and the State of North Carolina that the following statutory duties required of the local ABC Board have been properly performed.

**The board has signed and submitted a COA form.**

Sincerely,



Board Chairman



General Manager

December 10 2025  
Month Day Year

Town of Troutman  
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).

Evelyn Walls Coleman  
General Manager

Sutton Motsinger  
Financial Officer

Sutton Motsinger  
Chairman

Wesley Edmiston  
Board Member

Board Member

Kim Cavin  
Board Member

Board Member