

Tryon ABC Board

Performance Audit Report



Alcoholic Beverage Control Commission
400 East Tryon Road, Raleigh, NC 27610
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ABC
COMMISSION
NORTH CAROLINA

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ABC

COMMISSION
NORTH CAROLINA

Alcoholic Beverage Control

March 2, 2026

CHAIRMAN:
Hank Bauer

Tryon ABC Board
Lynn Sessoms, Chair
354-C South Trade St
Tryon, NC 28782

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

David Sherlin
Raleigh

Chairperson Sessoms,

DEPUTY COMMISSIONER:
Mike DeSilva

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

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400 East Tryon Road
Raleigh NC 27610

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

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

Respectfully,

Michael DeSilva
Deputy Commissioner

OBJECTIVE, PURPOSE & BACKGROUND INFORMATION

In addition to regular and special financial audits, G.S. 18B-705(a) authorizes the NC ABC Commission to conduct performance audits of all local ABC boards in the state. Performance audits are examinations of existing operating policies, practices, controls, and activities to determine those areas in which there may be a need for improvement.

The audits are designed to ensure that all local ABC Boards comply with established performance standards pursuant to G.S. 18B-203(a)(20). The audit's scope addresses compliance with ABC laws and rules, store appearance, operating efficiency, solvency, and customer service.

To achieve the objectives of the audit, auditors:

- Review applicable General Statutes, ABC Commission Rules, 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.

Tryon ABC is in Polk County North Carolina, nestled in the foothills of the Blue Ridge Mountains near the South Carolina border. Known for its scenic beauty and mild climate, Tryon has long attracted artists, writers, and retirees seeking a quiet, close-knit community with easy access to outdoor recreation. The town’s rolling hills, wooded landscapes, and proximity to hiking trails and equestrian facilities contribute to its distinctive character.

Historically, Tryon developed as a resort and cultural destination in the late nineteenth and early twentieth centuries. Its reputation as an arts community continues today, reflected in local galleries, studios, and regular cultural events. The town hosts festivals, art walks, and live performances that draw both residents and visitors, helping maintain a vibrant small-town atmosphere. The downtown area features locally owned shops, cafés, and restaurants housed in well-preserved historic buildings. Community life in Tryon is centered around these local businesses, along with parks, libraries, and civic organizations that foster strong social connections. Despite its small size, the town offers essential services and a welcoming environment.

Tryon is also recognized for its equestrian heritage, with numerous horse farms and training facilities in the surrounding area. This tradition supports a local economy tied to tourism, agriculture, and small businesses. Overall, Tryon combines natural beauty, cultural richness, and a relaxed pace of life, making it an appealing place to live and visit in western 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 the annual audit and provides additional support. 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 October 2, 1951, and it passed. *Currently, the Tryon ABC Board has a chairperson, two board members and a general manager to serve on the ABC board.* The Tryon ABC Board currently operates one (1) retail store. The board staff (3) in total personnel. These include (2) full-time employees and (1) part-time personnel. The general manager is responsible for daily store operations including supervising personnel, inventory management, and various retail functions. The GM provides the board with fiscal management, administrative support, and oversees routine operations of the ABC store. Sales associate responsibilities include selling products, daily stocking, and floor upkeep & maintenance.

The last performance audit for the Tryon ABC Board occurred in 2020. The Commission audit serves as a continuous way to provide local boards with information and best practices that target areas for improvement.



354-C South Trade St, Tryon NC

OPERATIONAL OBSERVATIONS, FINDINGS, REQUIRED ACTIONS, & RECOMMENDATIONS

On Thursday, January 15, 2026, ABC Board Program Analyst II Eric McClary visited the Tryon ABC Board and interviewed Heather Ravan (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 Tryon ABC Board had a profit percentage to sales ratio of 3.31%. The NC ABC Commission profit to sales standards for ABC Boards with gross sales less than \$2M is 5%.
 - The Tryon ABC Board’s gross sales totaled \$898,869, which was an approximate 6.79% increase from the previous fiscal year.
- Tryon ABC Board operates one retail store with mixed beverage sales. The operating cost ratio for the board was .88 in FY 2024-2025.
 - 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). NOTE: financial metrics (profit percent, operating cost ratio) are subject to being reviewed by Chairman Bauer and his team at some point.
- Below are charts showing gross profit on sales, total operating expenses, and income from operations for recent years.

	FY 2024-2025	FY 2023-2024
Gross Profit on Sales	\$241,490	\$212,961
Income from Operations	\$29,755	\$5,985

Factors affecting profitability and cost include:

- Surrounding areas with other ABC systems which are within a 25-mile radius include Columbus ABC, Blue Ridge ABC, Lake Lure ABC, and Rutherfordton ABC.
- The board currently has approximately 10 active mixed beverage customers.

➤ **FINANCIAL ANALYSIS (cont.)**

➤ *Factors affecting expenses:*

- Total operating expenses increased around (2.2%) from the last fiscal year.
- Cost of Goods Sold (COGS) was roughly 50.0% for the fiscal year with a normal range being 52% to 54%.

BUDGET ANALYSIS

	FY 2024-2025 Budget Projection	FY 2024-2025 Actual	Variance	Variance %
Sales	\$860,000	\$898,869	38,869	4.5%
Revenue over or (under)				
Expenditures		\$29,755		

In reviewing the budget to actual analysis of the FY 2024-2025 financial audit, actual sales revenues were more than forecasted projections of 4.5%. After reconciliation, the change in the Board’s end net position was \$188,667.

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).* Tryon ABC made a total of \$208,385 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 Polk County.

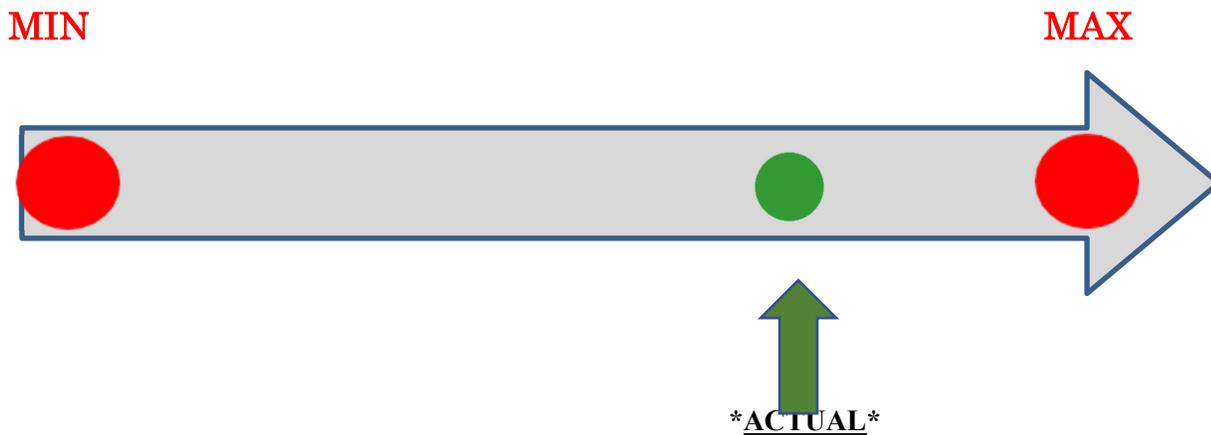
Per the local enabling act, the distribution formula for recipients of net profits is as follows:

- *70% to Tryon General Fund*
- *30% to Harmon Field Commission for maintenance and current operations of its recreational activities and programs.*

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 less than \$1.5M as an amount equal to four (4) 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 Tryon ABC Board is required to maintain a minimum working capital of \$32,375 with a maximum working capital amount of \$280,583.
 - The Tryon ABC Board had a working capital balance of \$187,467 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 Tryon ABC Board has not 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. An explanation is documented in the Recommended Actions Section.**
- 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)			
Calculation of Minimum Mandatory Distribution for Net Profit to Designated Recipients		Tryon ABC Board Net profit distribution made annually by fiscal year	
<i>Note: Referencing CPA Audit Reports</i>			
CPA Calculated Amount		Total paid to recipient(s)	
FY-2025	(13,985)	FY-2025	-
FY-2024	(2,797)	FY-2024	-
FY-2023	-	FY-2023	-

PERSONNEL, OPERATIONAL & ADMINISTRATIVE COMPLIANCE

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

Board Members

- ➤ The board consists of 2 members and a chairperson, each receiving compensation for their services at a maximum of \$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), however one member is required to complete Ethics Training. The GM is aware and follow up with that member.
 - Other Board members are currently compliant with the ethics training requirements.
 - Members have professional experience in the fields of business, hospitality, and administration.
- The GM advises that she is not sure if members have taken an oath of office per G.S. 11-7, *The board should work to ensure copies of oaths are administered and copies maintained at the board administrative office.*
- Meetings are generally held every month or sometimes the board chooses to meet more frequently if an issue arises. Board personnel announce the meetings by posting on the door of the Town Hall.
- Meeting minutes are organized, available, and follow all the order of proceedings.
 - Comprehensive financial data is provided and discussed at meetings to include quarterly computations from the board’s auditor, sales comparisons and other expense reports.

- 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 a law enforcement contract with the Town of Tryon Police Department from 2020, and a copy is on file in Commission records, however it is outdated and a new copy will be required. All that signed in the current contract are not in office.
- Law enforcement reports are submitted regularly by Tryon Communications and are current to date.

Board Personnel

- The board currently staffs (3) total employees, with (2) full-time, and (1) part-time. The Board also has an Asst GM that is full-time and assists the GM as well as regular store duties.
- General Manager has served in this role with the board for approximately 7 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; however, the one member will require training due to reappointment.
 - Their responsibilities include full oversight of all daily store operations, human resources, ordering, inventory, and other operational tasks.
- The Finance Officer is the Chairperson. She supports the general manager with many additional responsibilities. She is cross trained and has other key responsibilities. The GM is compliant with ethics training.
- The GM provides the board with accounting related duties, including payroll and financial reporting.
 - The main responsibilities include processing much of the information provided by personnel, providing financial reports for member review and the and providing general financial oversight and guidance.
- 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.
 - 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 thorough personnel manual with additional policies that details various work requirements, behavioral standards, leave and other benefits, scheduling and holidays, and the requirements of Rule 15A .1006.
 - The manual includes additional policies for gifts, employee grievances, delivery truck usage, alcohol sales, overages/shortages, board member travel to meetings, and employee purchases.
 - Additional policies on file with the commission include a code of ethics, allocated products, and mixed beverage sales.
- For travel, the board follows the reimbursement schedule for state employees in G.S. 138-6.

Operations

- ➤ Board personnel conduct full inventory annually at the board and the warehouse.
 - Counts are made using either scanners or count sheets. Variances are re-checked before being submitted to the administrative office.
 - The General Manager reviews and investigates discrepancies before adjustments are made.
 - Strategies for slow-moving products include write-offs, discounts and moving stagnant products.
- The board receives deliveries of liquor twice monthly with occasional extra orders during peak times.
 - Pallets are dropped in the parking lot, and the cases are brought in through the front door by hand trucks with team members participating.
 - Any variances are recounted and balanced against store and warehouse stock before reports are sent to LB&B.
 - Store deliveries are usually made on the first and third Monday. The GM members also run a variance report.
- Liquor orders are made by the general manager and her assistant.
 - A suggested order for the store is compiled, and each item is adjusted by comparing it with stock status.
- 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 reports to the Commission as applicable.*
- The board currently has eleven mixed beverage customer accounts active in the county.
 - Invoices are provided to permittees, and signed copies are retained in a file for each account.
 - The board stamps bottles in the manner required by NCAC 15A .1901.

Financial, Administrative, and Internal Controls

- Invoices for liquor are processed for all deliveries and payments are processed ACH 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 conduct regularly review liquor orders and the pre-audit stamp required by G.S. 18B-702(m) is being properly affixed to purchase orders.
- The general manager has a credit card, and it's kept in a secure location at the administrative office.
 - Itemized receipts for purchases are generated by the GM for review before the account is balanced.
 - °The board has an updated credit card policy.
- Deposits are conducted daily. Deposit slips and other banking information are retained at the board's office, and the GM provides documentation to the third-party accounting firm.
 - *A review of one month's deposit information was conducted, and no discrepancies were found between deposits and register receipts.*
- The board has 1 register 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 the General Manager.
 - Employees use a sign-in timecard, and hours are reviewed by the GM.
- 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 29, 2025.
- All board members and the general manager are not properly bonded for \$50,000 per G.S. 18B-700(i).

STORE INSIGHT & OVERVIEW

- The board's administrative office is located off a small commercial thoroughfare.
 - 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.
 - The floor's carpeting 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 printed and available for customers to review.
- 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 implemented.
 - 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 are arranged so they increase in size from left to right.
- Sales associate interactions with customers are attentive, courteous, and the staff are 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 there were no prices that 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 10:00 am until 8:00 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 4th, and Labor Day annually.
- Security systems are in place and functional in all designated areas.
 - *The board has (4) security cameras.*

(RECOMMENDED ACTIONS (STATUTES OR COMMISSION RULES))

- The board is recommended to forward a current law enforcement contract. Please provide a copy to the Commission *per G.S. 18B-501(f)*.
- Board does not have copies of oath before taking office or before the execution of the office per G.S. 11-7. *Written copies of oaths should be available at the board's administrative office.*
- ABC Board members must complete ethics training within one (1) year of each appointment and again following all reappointments under NCGS 18B-706(b).

(GENERAL STATUTE REMINDERS)

- 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 MXB beverage delivery policy and a credit card policy is recommended to established authorized use (sample copy forwarded for consideration). A tastings policy is recommended if tastings are done routinely.
- 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.
- The ABC Board is not making the quarterly distributions required by G.S. 18B-805(g). The ABC Board will put policies and procedures in place to ensure that future distributions are made in a timely manner. For the fiscal year ended June 30, 2025, the expenditures made by the ABC Board for taxes, cost of sales, payroll, and other operating expenses exceeded the authorized appropriations made by the governing board by \$11,114. In response to this section, the General Manager advised that, The distributions have always been a struggle for us due to most years, we end our year in the negative. One of our biggest challenges with distributions is that we are at the mercy of our largest MXB account (Tryon Equestrian Center). Without them we would certainly have to close but they have the potential to order \$20,000 - \$50,000 worth of liquor at a time and we are responsible for paying for what we order whether they pick it up or not. The Board must maintain sufficient funds to cover their orders in case they are unable to complete the purchase. This prevents us from knowing until the end of the year (in June) whether we are on track to match our budget or not.
For the last few years, we have finished our year in the negative. For this past year, we did show a profit but that was due to a request made by our board chairman. He has asked in the past how our bank account looks good and we are beating last year's sales month to month, but our profit and loss are in the negative continually. I tried to explain that this is due to when I pay for the trucks/taxes/bills. For instance, if I pay a \$30,000 truck on December 30th it will impact profit and loss for December in QuickBooks. If I hold that payment and pay it on January 1st, it will impact January's profit and loss. For July of 2025, we had a truck that wasn't technically due until July 7th, and we had started paying by ACH instead of paper checks. I told him in June that I would hold that payment until July 1st and he would be able to see that the amount of truck would impact on the profit and loss for June. I did pay for the truck on July 1st and the profit and loss for June came back significantly towards the positive.

Unfortunately, I didn't realize (and totally should have) that this was the end of our fiscal year so then the audit came out showing we had made a profit for the year. When I realized that this was the absolute worst time for this experiment, I contacted the auditor and asked about us showing a profit and he said that the money we were showing was actually money that was owed for in June and that it would not impact our distribution requirement because everyone would see it was money owed from an order from June. He also explained this to the board when he presented the budget to them. Without me holding the payment, we would have been on track to barely come out even. The auditor said that we were fine because we were allowed a certain amount for working capital as well. I did mention to the board that I thought if we showed a profit, we would be required to make distributions and we have that on the agenda to discuss at this month's meeting again. We always add a line for distributions on our budget to the Town of Tryon and to the Tryon Police Dept if we show a profit for the year. We do plan to make those distributions this year if we show a profit and of course, will always do as we are instructed by the ABC Commission.

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 30th.
- 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.

Board Members

Lynn Sessoms,
Chair

Paige Welch

Susan Parris

Town of Tryon

Tryon ABC Board



General Manager

Heather Ravan

ABC Commission
400 E. Tryon Road
Raleigh, NC 27610

02/26/2026

The Town of Tryon ABC would like to thank Eric McClary and the ABC Commission for our most recent audit on 01/15/2026. We appreciate the support that Eric provided and the guidance in ensuring that we are up to date and compliant with all ABC regulations. We are always interested in enhancing our processes and focusing on any areas where we may be able to implement improvements.

Please find our responses to the findings of our audit below:

Item 1 – Current Law Enforcement Contract

Our previous contract was signed by someone who was no longer employed by the Town of Tryon. There is a new Law Enforcement Contract that has been signed and submitted to Eric on 02/23/2026.

Item 2 – Oath Of Office

The Town of Tryon ABC was unaware that all of the board members and the General Manager were required to take an oath of office prior to being informed by Eric during our audit. That was completed on 01/21/2026 and submitted to Eric 01/22/2026.

Item 3 – Ethics Training

Our Board Chair, Lynn Sessoms, is up to date on her ethics training as well as our new board member Paige Welch. Susan Parris is also a new board member beginning August 2025 and will be completing her ethics training in the next week or so. This would comply with her having her ethics training within a year of her appointment. Heather has expressed concern over the cost of the training now being triple what we were paying in prior years. It is not feasible for our small store to pay \$200 per year to have 1 person take the training. We appreciate any leniency and welcome suggestions to make this more cost effective for small stores like ours while also being compliant with the ABC regulations.

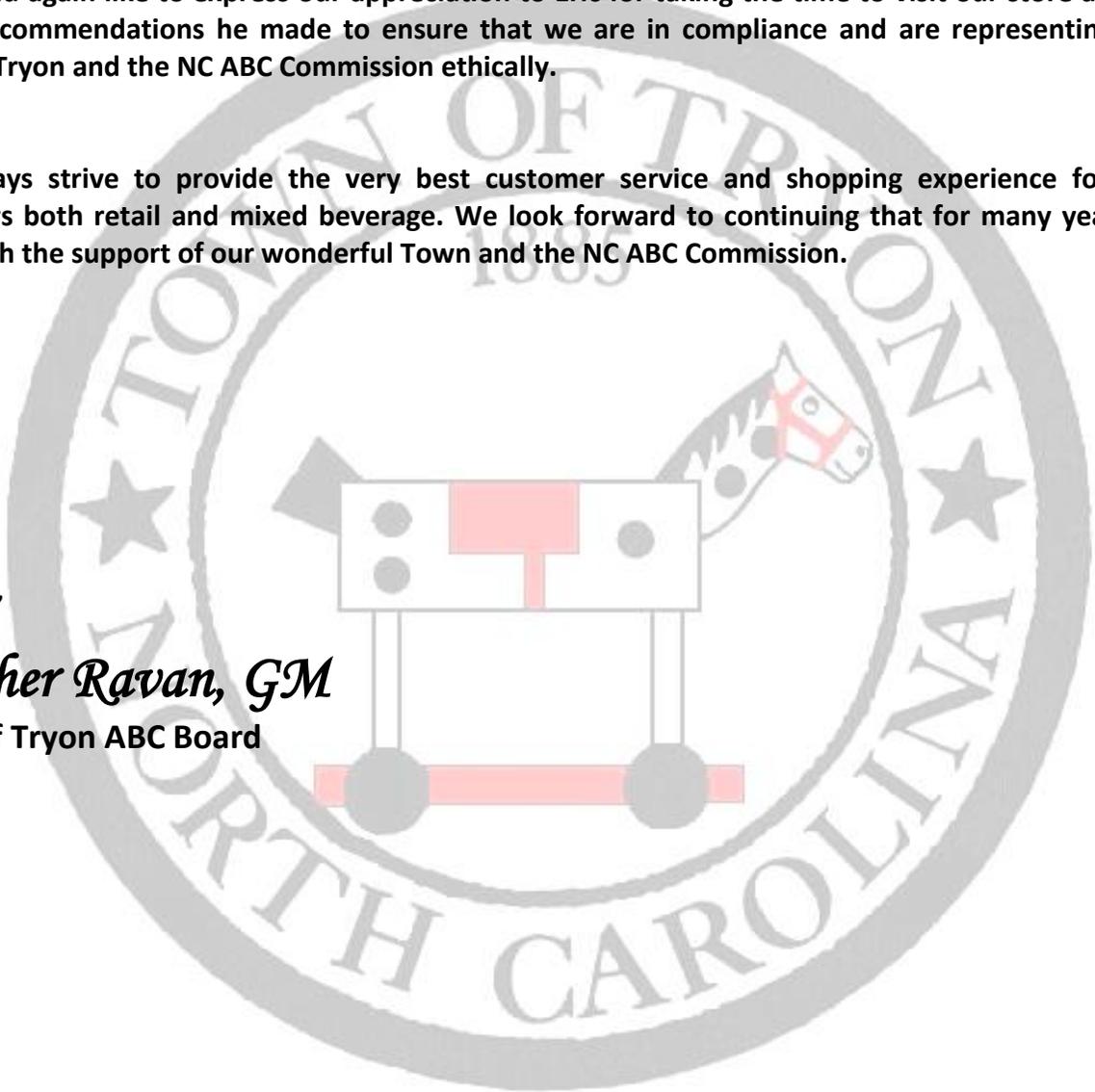
Although not mentioned in our recommendations, we did not have a Certificate of Accountability that was signed by our newest board members. We completed that on 01/21/2026 and that was sent to Eric on 02/23/2026.

We would again like to express our appreciation to Eric for taking the time to visit our store and all of the recommendations he made to ensure that we are in compliance and are representing the Town of Tryon and the NC ABC Commission ethically.

We always strive to provide the very best customer service and shopping experience for our customers both retail and mixed beverage. We look forward to continuing that for many years to come with the support of our wonderful Town and the NC ABC Commission.

Sincerely,

Heather Ravan, GM
Town of Tryon ABC Board



1 21 2026
Month Day Year

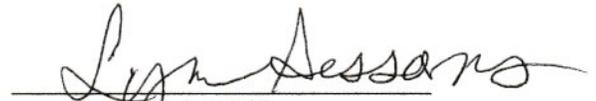
Troy
ABC Board

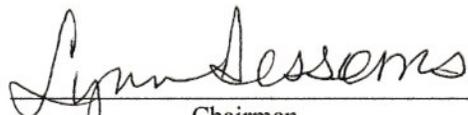
Certificate of Accountability

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

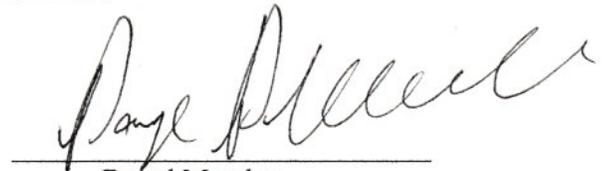
1. The system has complied with all State uniform pricing requirements pursuant to NCGS §18B-804.
2. That all alcoholic beverages sold have been approved by the Commission for sale in this State pursuant to NCGS §18B-800.
3. That all "gross receipts" pursuant to NCGS §18B-805(a) have been properly accounted for and are lawful.
4. That all taxes due and board expenses have been properly and timely paid pursuant to NCGS §18B-805(b).
5. That all distributions pursuant to NCGS §18B-805 have been properly and timely paid.
6. That the finance officer for the board has properly performed all duties as required pursuant to NCGS §18B-702(k).


General Manager


Financial Officer


Chairman


Board Member


Board Member

Board Member

Board Member