

Durham County ABC Board

Minutes of the Meeting June 18, 2012

The Durham County ABC Board met at the administrative office, 3620 Durham Chapel Hill Boulevard on the 18th day of June 2012.

In the absence of Board Chair Kim Shaw, Board Member Connie White called the meeting to order at 5:30 PM.

Other Board members present were Deirdre Guion, Kevin Nelson, and Erroll Reese. General Manager Emily Page was also present.

Consent Items

Consent agenda items included the Board Attendance Report, Adoption of Agenda and the Minutes of the May 24, 2012 meeting. On motion by Mr. Reese, seconded by Dr. Guion, the consent agenda items were approved without objection.

Ms. White read the Board's Conflict of Interest Review and Declaration statement. She asked board members to declare that they had no conflicts of interest with any items coming before the board and, if so, that they would recuse themselves from voting. All board members declared their agreement.

Law Enforcement Report and the Financial Reports for May 2012

- **Law Enforcement Report for May 2012**

In May, there were 37 ABC law violations, 2 controlled substance violations, 2 traffic offenses and 9 criminal offenses. Law Enforcement provided alcohol education to 11 groups, assisted other agencies during 23 incidents, conducted 66 inspections, 108 compliance checks and submitted 4 violations.

- **Financial Reports for May 2012**

The May retail sales were up 3.99% compared to last year. MXB sales were up 22.49% compared to last year.

Total sales for the month were \$2,111,780, representing an increase of \$154,433 which is 7.89% above last year in May. Monthly sales were above the budget projections by \$90,444, a positive variance of 4.47%. Year-to-date sales of \$23,186,414 were up 5.02% compared to last year and 1.88% over budget.

Monthly profit before distributions of \$149,467 was above budget by \$26,190, representing a positive variance of 21.24%. Year-to-date profit before distributions of \$1,507,986 was above budget by \$352,691 representing a positive variance of 30.53%.

After profit distributions totaling \$59,121, there was net income of \$90,346, a positive variance of \$27,554 over budget. Year-to-date, net income of \$848,075 was above budget by \$397,721.

Compared to last year, May net income increased \$71,777. Year-to-date net income was up \$403,431.

Operating Budget Final Review and Approval

Ms. Page indicated that she had no changes to recommend to the proposed FY 2013 operating budget which was presented and reviewed at last month's meeting. Ms. White asked if board members had changes to propose. With no changes proposed, Ms. White called for a motion.

On motion by Dr. Guion, seconded by Mr. Nelson, the board voted unanimously to approve the FY 2013 operating budget.

Formal Proposed Budget Adoption

Ms. Page stated that there were no changes to the proposed Budget Document required by GS 18B-702 which was presented and reviewed at last month's meeting. No changes were proposed by board members either, therefore, Ms. White called for a motion to approve it.

On motion by Mr. Nelson, seconded by Mr. Reese, the board voted unanimously to approve the proposed budget document.

General Services Contract Approval

Ms. Page explained that DCABC contracts with Durham County General Services for grounds keeping and maintenance services annually. The contract for FY 2013 was presented with a recommendation for approval. Ms. Page indicated that her analysis of FY2012's contract indicates that DCABC was overbilled by \$557.00 per month during the fiscal year because an administrative fee was added on top of the monthly service fee that was already inclusive of the administrative fee amount. Ms. Page indicated that she would pursue a refund of the overbilled amounts.

On motion by Dr. Guion, seconded by Mr. Nelson, the board voted unanimously to approve the General Services contract.

Old Holloway Street - Recommendation

Ms. Page reported that, based on feedback thus far, customers are pleased with the new store, but find parking to be a problem. Ms. Page's recommendation attached as Appendix A to alleviate the parking problem is to tear down the old building and develop a parking lot that would be adjoining to the new store lot thereby providing abundant parking that is visible from the street. The project was budgeted at \$100,000 for FY2013. This estimate does not include additional lighting needed for the property. The board suggested exploring the possibility of "green" lighting alternatives.

Dr. Guion moved that the recommendation be accepted and Mr. Reese seconded. The recommendation was approved unanimously.

National ABC Association Conference Report

Dr. Guion attended the National ABC Association conference as Durham County ABC Board's representative. She shared some materials from the conference and provided a presentation of the conference's highlights. The board discussed possible applications of some of the information

attained at the conference.

Ms. White thanked Dr. Guion on behalf of the entire board for a very informative report.

FY 2012 Ambassador Grant Funds Distribution Update

Mr. Reese stated that today is the deadline for receiving applications for the Ambassador Grant Funding. He had received five applications at the time of the meeting. A review committee consisting of Mr. Reese, Mr. Nelson, Dr. Guion and Ms. Page will read the applications and recommend grantees to receive the funds.

After further discussion of the short time frame available for approval of the grant awards, Mr. Reese motioned that the committee be given the authority to determine how the grant funds will be distributed. The motion was seconded by Mr. Nelson and approved unanimously by the board.

Strategic Planning and General Manager's Report

Ms. Page provided the Strategic Planning and General Manager's Report in the board meeting packet which was distributed prior to the meeting. In addition to the items in the report, Ms. Page mentioned that Holloway Street came in under budget and that during the first weekend of operations, the sales were up by approximately \$4,000.

Ms. Page also indicated that she had learned that the report from the May Performance Audit by the ABC Commission has been delayed and will probably not be ready until sometime in July.

Other Business

Ms. Page provided the Other Business Report in the Board meeting packet which was distributed prior to the meeting. She mentioned that registrations have been sent in for the North Carolina ABC Association conference for board members Reese, Nelson and White.

All board members agreed to continue membership in the National ABC Association.

Closed Business

Mr. Reese made a motion for the Board to go into closed session per GS 143-318.11(a): (3) consult with attorney (5) facility leases or purchases (6) personnel matters which was seconded by Dr. Guion and approved unanimously by the board.

After all closed business topics were complete, Mr. Nelson made a motion to resume the meeting to open session which was seconded by Dr. Guion and approved without objection by all board members.

Adjournment

On motion by Mr. Nelson, seconded by Dr. Guion, the meeting was adjourned without objection.

Approved By: Connie J. White
Connie J. White, Presiding Chair