

Durham County ABC Board

**Minutes of the Meeting
September 19, 2011**

The Durham County ABC Board met at the administrative office, 3620 Durham Chapel Hill Boulevard on the 19th day of September 2011.

Chairperson Emily A. Page called the meeting to order at 5:30 PM.

Other board members present were Michael Nelson, Erroll Reese, Kim Shaw and Connie White. Chief Operating Officer Dewanda Dalrymple and Attorney George W. Miller, Jr. were present.

Consent Items

Consent agenda items included the Board Attendance Report, Adoption of Agenda and the Minutes of the August 15, 2011 Meeting. On motion by Ms. White, seconded by Mr. Reese, the consent agenda items were approved without objection.

Ms. White expressed the Board's condolences to Mrs. Dalrymple for the recent loss of her mother-in-law.

Ms. Page then noted that Agenda Item #5 – Recommendations for Employee Health Insurance Options will be moved to the October meeting since there are still health insurance options forthcoming.

- **Law Enforcement Report for August 2011**

In August, there were 21 persons arrested with 21 total charges for various alcohol-related offenses and other offenses. There are now 0 cases pending in traffic court, 144 cases in district criminal court and 0 cases in superior court.

- **Financial Reports for August 2011**

The August retail sales were up 10.48% compared to last year. MXB sales were up 12.44% compared to last year.

Total sales for the month were \$1,941,057, representing an increase of \$190,661 or a positive 10.89% as compared to last year. Sales were above the budget projections by \$220,165, a positive variance of 12.79%. Year-to-date sales of \$3,845,600 were up 5.38% compared to last year and 3.50% over budget.

Profit before distributions of \$40,571 was below budget for the month by \$90,486, representing a negative variance of 181.28%.

After profit distributions totaling \$54,597, there was a net loss of \$14,026, a variance of \$80,989 over budget. Year-to-date, net income of \$56,326 was over budget by \$120,864.

Compared to last year, August net income increased \$29,439. Year-to-date net income was up \$47,649.

Audit Report for Fiscal Year Ended June 30, 2011

Mr. Fred Roberson and Ms. Barbara Walker from Roberson CPA Firm, PLLC were introduced by Mrs. Dalrymple. Ms. Walker explained the audit process for the benefit of the new board members. She reported that the audit went extremely well and commended the Accounting Department for a job well done. No adjustments to the financial statements were necessary.

Ravenstone Store Analysis and Lease Agreement

The lease on the Ravenstone property ends in November. Mrs. Dalrymple prepared an analysis of the store's profitability to assess whether the lease should be renewed and if so for how long. The analysis compares Store 5 and Store 14 for the following reasons: 1) the only two stores experiencing losses, 2) similar in size, 3) both store locations are outlying geographically in the county, 4) personnel costs for both stores are 20% of sales, versus less than 5% of sales in all other stores, and 5) annual revenues for both stores in 2010 and 2011 are very similar. After some discussion about the analysis, the Board recommended that the lease be renewed for a six month period or on a month-to-month basis with the landlord.

Other Business

Ms. Page stated that the purchase of the Woodcroft property has been completed. The Woodcroft property is now in the site planning stage.

The bid opening for the Holloway Street store is scheduled for this Thursday, September 22nd.

Closed Business

On motion by Mr. Reese and seconded by Ms. White, the Board went into closed session per GS 143-318.11(a): (3) consult with attorney (5) facility leases or purchases (6) personnel matters.

Attorney Miller reported that the two EEOC claims that were discussed in closed session have been successfully resolved, favorable to the Durham County ABC Board and no appeals have been filed. Those matters are now completed.

He also reported on a matter discussed in previous closed sessions; the Board has negotiated and completed a loan agreement with Mechanics and Farmers Bank.

Adjournment

On motion by Ms. White and seconded by Mr. Reese, the meeting was adjourned without objection.

Approved by:



Emily A. Page, Chairperson

Kimberly D. Shaw, PRESIDING