

**Minutes of the Meeting
February 15th, 2022**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on the 15th day of February, 2022.

Board Chair, Daniel Edwards, called the meeting to order at 5:31 PM.

Board Chair Daniel Edwards, Board Member Donald Lebkes, Board Member Ryan Urquhart, Fiscal Services Director Phil Bair, Durham County ABC Interim General Manager and Operations Director Misty Walters, Office Technology Assistant Ikzuri K. Garcia-Banda, and Board Attorney George Miller III were in attendance. Board Member Frachele Scott, Human Resources Generalist Wendy Thomas-Wilder, and ALE Special Agent Sean Hamilton, and Citizen Jonathan Burg were virtually present via Zoom.

Conflict of Interest Review and Declaration

Chair Edwards read the Board's Conflict of Interest Review and Declaration statement and asked Board members if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. All Board members verbalized that they have reviewed the agenda and do not have any conflicts.

Public Comment

Jonathan Burg, a resident of Durham County has been going to different ABC stores and asking the employees about their concerns. He wanted to make the Board aware of his *fingers, financial* specifically the employee bonuses that were said to be reevaluated. Mr. Edwards assured him the Board will take this matter under consideration and review it with the ABC staff.

Consent Item

The first consent item reviewed by the Board was the January 18th, 2022 Board Meeting Minutes. Board Member Lebkes moved to approve the meeting minutes as written. Member Urquhart seconded the motion and the Board approved unanimously.

Law Enforcement Report

Agent Hamilton had nothing to relay outside of the Law Enforcement report.

Financial Report

January 2022 Financials

Fiscal Services Director Bair reported the summary of income statement results as included in the board meeting packet for January 2022:

Durham County ABC sales of \$3,836,096 for January increased \$282,002 or 7.93% compared to the prior year. By business line, Retail sales increased \$34,828 or 1.07% and MXB sales increased \$247,174 or 85.65%. Budgeted total sales for January were \$4,166,685 so there was a negative budget variance of -\$330,589 or -7.93%. January MXB sales for 2019 & 2018 were \$754,561 & \$593,014, respectively.

The January sales increase for Durham County ABC Board of 7.93% was ranked 3rd among the 9 comparative boards (Cumberland, Orange, Wake, Mecklenburg, New Hanover, Greensboro, Triad and Asheville.). The statewide increase was 2.76%.

Mr. Bair discussed profit distribution with the Board:

Profit before distributions for January were \$448,182 compared to the Operating Budget amount of \$343,910 giving a positive budget variance of \$104,272 or 30.32%.

Total January accrued Profit Distributions (based on Sales) were \$189,763 versus \$179,203 the prior year, an increase of \$10,560 or 5.89%. The BUDGETED Profit Distributions were \$205,708 so the actual for January was \$15,945 or 7.75% less than budgeted.

The year-to-date Net Income at January 31, 2022 was \$1,715,229 (Seven months). This represents \$781,357 higher year-to-date net income than what was expected in the Operating Budget. Last year the same time period the seven months ended January 31 we were over budget in YTD Net Income by \$1,191,960. Year-To-Date Gross Sales are \$3,652,000 above Budget for the seven months ended January 31, 2022.

General Manager's Report

General Manager Misty Walters presented the Board with several topics of discussion:

Grant Report

Reports are in from all recipients and have been reviewed by the grant committee. Checks have been mailed, including additional funds discussed during January's (2022) Board Meeting. The revised grant process has been approved by the North Carolina ABC Commission.

Construction Projects

Ms. Walters relayed that she has been in contact with Paul Young of DTW Architects, getting continuous updates on each site.

The upcoming Page Road location site plan is nearing approval, pending the County releasing a hold on development in that area. It is expected to take bids sometime in September 2022.

The location on Highway 55 is nearing completion and should be finalized by the end of May, after which construction of its driveway will begin. Contractually, the entire project is set to be completed by June 21st, 2022. General Manager Walters projects an opening day of June 27th, 2022, tentatively – but is reliant on factors like occupancy permits, fire marshal inspections, etc.

Cooler Installation in Durham ABC Stores

Cooling units are due to be installed by February 22nd, 2022, with one location still waiting for final permitting. As of February 15th, 2022, two locations are fully prepared, having pulled products off the shelves and done what they can to clear their sites for refrigerator insertion.

Holiday Performance

Valentine's Day theme endcaps proved successful. Several stores focused on holiday themed

merchandising and saw great outcomes. The combination of Valentine's Day and Super Bowl weekend made for a small rise in sales.

2022: New Year, New Challenges Update

Ms. Walters announced that four new full time employees have been hired by DCABC, with more interviews are currently ongoing. Employee absence due to illness has also dramatically lowered since last month.

Employee Recognition Program

As the pandemic has impeded DCABC's employee appreciation gatherings, General Manager Walters explained that the administrative team is working on implementing a certificate based employee recognition program that is set to roll out in March. This program will be manager and peer nominated, giving every employee ample chances to be recognized for their dedication and hard work.

Employee Policy Updates: Hazardous Weather Policy and Passenger Vehicle Policy

As included in the Board packet for this month, Ms. Walters explained that (having personally reached out to Durham County's Human Resources department) she based these policies directly on those set by Durham County – with the Hazardous Weather Policy being almost verbatim, and the Passenger Vehicle Policy being edited only to directly pertain to Durham ABC's purposes. (See attached documents.)

Board Member Scott made a motion to approve both policies at once, but noted corrections that must be made to each document. Board Member Lebkes seconded this motion, including revisions brought forth by Ms. Scott, and the Board approved unanimously.

Adjournment

Mr. Urquhart motioned to adjourn the meeting at 6:11 PM. Mr. Lebkes seconded the motion and the Board approved without objection.

Approved By: _____



Daniel Edwards, Board Chair