

Cumberland County ABC Board
September 9, 2013
Regular Meeting
Main Office, 1705 Owen Drive, Fayetteville, NC 28304

PRESENT: Johnson Chestnutt, Chairman
Alice Stephenson, Vice-Chairman
Terri Thomas, Board Member
Bob Lewis, Board Member
Wade Hardin, Board Member
Kenneth Edge, Liaison
Neil Yarborough, Attorney
Phillip Robertson, The Mercer Group
Linda Suggs, Cherry Bekaert, L.L.P.
Gene Webb, General Manager
John Russell, Deputy General Manager
Bill Belvin, Chief Law Enforcement
Debbie Disbrow, Human Resource Director
Rick Libero, Assistant Chief Law Enforcement
Walter Rea, Law Enforcement
Carolyn Parker, Finance Officer/Secretary

Mr. Chestnutt called the meeting of the Cumberland County Alcoholic Beverage Control Board at 6:00 PM to order.

Mr. Chestnutt welcomed Commissioner Kenneth Edge, Mr. Phillip Robertson, The Mercer Group and Ms. Linda Suggs, Cherry Bekaert to the meeting.

Mr. Chestnutt asked were there any agenda adjustments. There were none.

Mr. Chestnutt asked were there any announcements. Mr. Chestnutt announced that he received a letter from James Gardner, State ABC Commission Chairman, requesting our cooperation and participation to support the initiative for underage drinking. Mr. Gardner provided useful information on what it cost NC and the problems that occur with underage drinking.

Chairman Keefe asked Mr. Hardin to explain how the Alcohol Rehabilitation Education funds are disbursed. Mr. Chestnutt responded with a letter explaining that all funds are given to Cumberland County.

Required Reading

Mr. Chestnutt read the required reading statutes GS 18B-201. The Board members did not have any conflicts of interest pertaining to the meeting.

Mr. Chestnutt asked for the approval of August 12, 2013 minutes.

MOTION: Ms. Stephenson moved that the Board accept the August 12, 2013 minutes as mailed.

SECOND: Ms. Thomas

VOTE: Unanimous

Auditors' Report

Mr. Chestnutt introduced Ms. Linda Suggs, Cherry Bekaert LLP, to present the preliminary audit for fiscal year ending June 30, 2013 to the Board.

Ms. Suggs reviewed the *Audit Wrap Up & Presentation* of the fiscal year ending June 30, 2013 preliminary draft to the Board. She informed the Board that an actuarial study of the Law Enforcement Officers' Special Separation Allowance (LEOSSA) was obtained for the first time in 2013. The Board's previously position was that the liability was immaterial to the financial statements, and had not been accruing for the LEOSSA. This year management elected to accrue half of the liability, which totaled \$117,685, and to record this amount as current year expense. Management intends to record the remaining half of the LEOSSA liability, which also totaled \$117,685, in the future years. The Board gave the County \$2,472,525 in profit and \$149,960 in ARE for the fiscal year.

Ms. Suggs said there were no significant difficulties encountered during the audit and the staff was very cooperative.

Law Enforcement Report

Mr. Chestnutt asked for the approval of the August 2013 Law Enforcement Report in the package.

MOTION: Mr. Hardin moved to approve the August 2013 Law Enforcement report in the package.

SECOND: Ms. Stephenson

VOTE: Unanimous

General Manager's Report

Mr. Chestnutt asked for the approval of the August 2013 General Manager's report.

MOTION: Ms. Stephenson moved that the Board accept the August 2013 General Manager's report.

SECOND: Mr. Hardin

VOTE: Unanimous

Compensation and Classification Study

Mr. Chestnutt introduced Mr. Phillip Robertson from The Mercer Group to review, explain and discuss the *Compensation and Classification Study* for the ABC Board. Mr. Robertson said that the purpose of the classification and compensation study is to update the Board's current pay structure to ensure that the Board is competitive with the market.

The classification is the pay grade and the compensation is the pay range. The two processes are separate until the end of the study. The employees completed a questionnaire, were interviewed and ten factors from The Mercer Group Factor Evaluation System (FES) were used to provide a numerical rating to classify all positions. The classification is based on the minimum requirement to hire for a position. He was able to obtain information from eight comparable organizations to be surveyed regarding the minimum, midpoint, and maximum salary offered for the Benchmark positions. Based on the findings the new pay plan places the Board overall at the approximate average of the market.

Mr. Robertson recommendations were to increase part time employee rate to \$11.59, to increase employee salaries to the minimum of their new range, to ease in salary compression throughout the organization, and to ensure that all employees receive at least a 2% increase. The total implementation cost for full and part time employees is \$119,567.03.

The Board thanked Mr. Robertson for the Compensation and Classification Study and said they would be in touch with further questions.

Approval to Sale 1999 GMC Box Truck

Mr. Yarborough said the Board could advertise to sale the 1999 GMC box truck to all the ABC Boards. The three ways to advertise the truck are to advertise seal bids, to sale at public auction, and to accept offers and upset bids. Ms. Disbrow suggested the Board use Gov Bids. Mr. Hardin recommended the Board use Gov Bids to sale the truck.

MOTION: Mr. Hardin made a motion to declare the 1999 GMC box truck surplus and to authorize the general manager to obtain a minimum bid and advertise on Gov Bids.

SECOND: Mr. Lewis

VOTE: Unanimous

Mr. Chestnutt asked for a motion to go into Closed Session.

MOTION: Ms. Stephenson made a motion to go into Closed Session for personnel matter, GS 143-318.11(a)(6).

SECOND: Ms. Thomas

VOTE: Unanimous

Mr. Chestnutt asked for a motion to come out of closed session.

MOTION: Ms. Thomas made a motion to come out of closed session.

SECOND: Ms. Stephenson

VOTE: Unanimous

Mr. Chestnutt asked for a motion to approve the June 30, 2013 financial audit.

MOTION: Ms. Thomas moved to accept the Auditor Report prepared by Cherry Bekaert, LLP for June 30, 2013.

SECOND: Ms. Stephenson

VOTE: Unanimous

Mr. Chestnutt asked for a motion to adjourn at 7:40 PM.

MOTION: Ms. Stephenson moved to adjourn.

SECOND: Ms. Thomas

VOTE: Unanimous



Chairperson