

**Cumberland County ABC Board
September 10, 2018
Regular Meeting
Main Office, 1705 Owen Drive, Fayetteville, NC 28304**

PRESENT: Lee Boughman, Chairman
 Frances Jackson, Vice-Chair
 Tammy Sinclair, Board Member
 Paul Crenshaw, Board Member
 Neil Yarborough, Attorney
 Commissioner Jeannette Council, Liaison
 Scott May, May & Place, PA
 David Horne, General Manager
 John Russell, Deputy Director
 Rick Libero, Chief Law Enforcement
 John Crawford, Law Enforcement
 Debbie Disbrow, HR Director
 Carolyn Parker, Finance Officer/Secretary

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

Mr. Boughman welcomed our guest Commissioner Jeannette Council and Mr. Scott May, May & Place, PA to the meeting.

Mr. Libero introduced Mr. John Crawford, new ABC Law Enforcement Officer, to the Board.

Mr. Boughman asked were there any agenda adjustments. There was none.

Mr. Boughman asked were there any announcements. There was none.

Required Reading

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

Mr. Boughman asked for the approval of August 13, 2018 minutes.

MOTION: Mr. Crenshaw moved that the Board accept the August 13, 2018 minutes as mailed.

SECOND: Ms. Jackson

VOTE: Unanimous

Auditors' Report

Mr. Scott May, May & Place PA, presented the audit for fiscal year ending June 30, 2018 to the Board. The audit includes the Independent Auditor Report, Management Discussion & Analysis, Basic Financial Statement, which includes Notes & Disclosures and Supplemental Schedules required by the NC ABC Commission. Mr. May highlighted the Statement of Net Position, the Statement of Revenues, Expense, and Changes in Fund Net Position, and Statement of Cash Flows.

The Board's working capital increased to \$3.1 million this year, upgraded fixed assets and opened a new store in Ramsey Commons. The Board had a 3.65% growth in FY 2018 sales and gross profit increased 4.14%. All Stores were profitable this year.

The Net position was \$8,281,202, which is an indicator of the fiscal health of the Board. The largest component of net position was the investment in capital assets. The Board upgraded its office equipment, opened a new store and purchased two new vehicles.

This year the audit included the new GASB Statement No. 75 (GASB 75) which establishes accounting and financial reporting requirements for governmental employers who have other postemployment benefits (OPEB) plans. The OPEB is treated like a pension expense. The Local Government Retirement net pension liability number went down this year.

The Board has one outstanding note with Cumberland County that will be paid off in two years.

The Board gave the County \$3,569,168 in profit and \$215,391 in AER for the fiscal year.

The financial records are accurate and properly reflect the financial position of the Board. He said it was a pleasure working with the staff and they do an excellent job.

MOTION: Ms. Sinclair moved to accept the Auditors' Report prepared by May & Place, PA for June 30, 2018.

SECOND: Ms. Jackson

VOTE: Unanimous

Law Enforcement Report

Mr. Boughman asked for the approval of the August 2018 Law Enforcement Report in the package.

Mr. Libero said August was a good month. The officers provided assistance to other agencies. There were 235 store visits and 272 compliance checks.

MOTION: Mr. Crenshaw moved to approve the August 2018 Law Enforcement Report in the package.

SECOND: Ms. Sinclair

VOTE: Unanimous

General Manager's Report

Mr. Boughman asked for the approval of the August 2018 General Manager's reports.

Mr. Horne said the State was up 5.02% in July and we were up 6.17%. Mr. Horne said the August sales were up \$338,590, Over-the-counter sales were up \$277,978 and Mixed Beverage sales were up \$60,612. The year-to-date sales were up \$507,353. The August's Condensed Schedule of Revenue and Expenses by Store Location the Income from Operation was \$381,236 and year-to-date the profit is \$630K.

Mr. Horne said the Ramsey Commons store had a break in three weeks ago. They broke the entrance door and we had it replaced with shatter proof glass. The plans are to change the other entrance door to shatter proof glass.

The NC ABC Association is looking into partnering with the NC Prison System to providing paper bags and cleaning supplies to the ABC Boards. We spend over \$100k a year for paper bags.

As of today, we have not reached a settlement with PWC for the damages at the Ramsey Street store.

We have been working with our Jack Daniel Representative and they are going to put a motorcycle in our store. The motorcycle will be in the Raeford Road store in September & October and in the Hope Mills store in November & December. The Jack Daniel Reps are going to have a raffle where you will text a number and they will pick a winner to give the motorcycle away on New Year's Eve. They are hoping that a military person wins the motorcycle.

OLD BUSINESS

Personal Conduct Policy

Mr. Boughman asked Mr. Yarborough to review the Personal Conduct Policies. Mr. Yarborough recommended to the Board to adopt Exhibit C – Off Duty Conduct to be placed in the Policy and Procedure Manual after Workplace Monitoring Policy.

MOTION: Mr. Boughman made a motion to adopt Exhibit C – Off Duty Conduct without what so ever.

SECOND: Ms. Sinclair

VOTE: Unanimous

NEW BUSINESS

November 2018 Board Meeting

Mr. Boughman asked for a motion to move the November 12, 2018, Veterans Day, board meeting to November 5, 2018.

MOTION: Ms. Sinclair made a motion to move the November 12, 2018, Veterans Day, board meeting to Monday, November 5, 2018.

SECOND: Ms. Jackson

VOTE: Unanimous


Ms. Jeannette Council informed the Board that the County Commissioners Agenda for Monday, September 17, 2018 includes the nomination of a new board member for the ABC Board.

Mr. Boughman asked for a motion to adjourn.

MOTION: Ms. Sinclair moved to adjourn.

SECOND: Ms. Jackson

The meeting adjourned at 7:00 PM.



Chairperson