

Cumberland County ABC Board
February 10, 2020
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
 Alex Warner, Board Member
 Neil Yarborough, Attorney
 David Horne, General Manager
 John Russell, Deputy Director
 Debbie Disbrow, HR Director
 John Crawford, Chief Law Enforcement
 Carolyn Parker, Finance Officer/Board Secretary

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

Mr. Boughman asked were there any agenda adjustments. Mr. Horne said he would like to delete under New Business, Item A – Insurance Quotes and Item B – Policy Manual Review. He said Ms. Mozingo would have the health insurance quotes next month and the Policy Manual’s first 10 pages are the table of contents.

Mr. Boughman asked were there any announcements. There were 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 January 13, 2020 minutes.

MOTION: Mr. Crenshaw moved that the Board accept the January 13, 2020 minutes as mailed.

SECOND: Ms. Jackson

VOTE: Unanimous

Law Enforcement Report

Mr. Boughman asked for the approval of the January 2020 Law Enforcement Report in the package.

Mr. Crawford gave the January 2020 Law Enforcement report. He said there were 7 thief and the thieves have been ID and warrants were served. We have arrested 3 of the 4 thieves. We had two ABC store disturbances, conducted 13 underage campaign checks with one sell to underage. Conducted 20 investigate followups. There were 312 compliance checks, 280 were ABC stores and the remaining 32 were bars, restaurants and convenience stores. There were 14 permitte inspections. The officers assisted 5 other LE agencies.

Mr. Horne complimented Chief Crawford and the two officers on their outstanding teamwork for continuing to do a good job finding thieves, sell to underage campaign checks and compliance checks. The numbers on the law enforcement report reflects their work.

MOTION: Ms. Sinclair moved that the Board accept the January 2020 Law Enforcement Report.

SECOND: Ms. Jackson

VOTE: Unanimous

General Manager's Report

Mr. Boughman asked for the approval of the January 2020 General Manager's reports.

Mr. Horne said the January sales were up \$162,287, Over-the-counter sales were up \$195,756 and Mixed Beverage sales were down \$33,469. So far, this fiscal year sales are up \$1,824,438. Estimated sales for the year-end at \$42.3 million. February sales are up \$43K after 7 selling days.

Mr. Horne said the office has received one call about the Cedar Creek store closing. The store will close Saturday, 02/15, at 5 PM. Starting Monday, 02/17, for a week the staff will inventory the liquor and equipment. The remaining liquor will be transferred to other stores. The signs will be covered and the lights in the parking lot turned off. For insurance purposes, the building will be used to store display fixtures.

Mr. Horne said he has reduced the liquor supply in the stores from 6 weeks to 4 weeks, which is a savings of \$700K. He said most Boards only keep 4 weeks of liquor in stock and estimated by June 30 a savings of \$500K to \$800K. Also, by reducing the cost of liquor the income from operations would increase from \$4.3M up to \$5M.

We had 2 tastings in January with NC products. The products are not selling well during the tasting due to Fayetteville's melting pot. The plans for March tasting is to promote high-end Scotch whiskeys and bourbons around St. Patrick's Day.

Mr. Horne said the Income from Operation was \$338,470. Last January Income from Operation was \$176,671. Law Enforcement's percentage of sales was 1.7% last year and is down to 1%, Salaries' percentage of sales was 7% and is down to 6.6%, and supplies and repairs & maintenance is down this year compared to last year. Also, we had the highest percentage of sales increase for Fiscal Year 2018-19 of the top 12 Boards.

Mr. Boughman asked about the profit analysis for Ramsey Street. Mr. Horne said he would like to see the final June 30 numbers for Ramsey Street before a decision is reached to close the store. It will probably be a 150K profit store.

MOTION: Mr. Warner made a motion to accept the General Manager's report.

SECOND: Ms. Jackson

VOTE: Unanimous

Mr. Horne said the NABCA conference is scheduled for May 18 -24, 2020.

NEW BUSINESS

FMLA

Mr. Horne said FMLA is 12 weeks rolling period per year. The issue is we have employees asking for extensions and we continue to pay our share of their health insurance and the employee pays their portion. During the 12 week period, we are required to pay for employee insurance. There is nothing in the policy manual addressing extended FMLA. In order to address extended medical leave in the future, the Board needs to have a policy. There are 3 questions for the Board to consider:

- 1) Does the Board want to continue the medical extensions?
- 2) Does the Board want to pay for the employee health insurance while on extended medical leave?
- 3) How long does the Board want to pay for employee health insurance?

Mr. Yarborough said that it is not called FMLA extension but unpaid medical leave. Ms. Disbrow said we call it non-FMLA.

Mr. Boughman suggested the Board think about it and table FMLA until March.

MOTION: Mr. Boughman made a motion to table FMLA until March.

SECOND: Mr. Warner

VOTE: Unanimous

CLOSED SESSION

MOTION: Mr. Warner made a motion go into closed session to discuss real estate, GS 143-318.11(a)(5).

SECOND: Ms. Sinclair

VOTE: Unanimous

The Board went into closed session.

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


SECOND: Ms. Sinclair

VOTE: Unanimous

MOTION: Mr. Boughman moved to adjourn.

SECOND: Ms. Sinclair

The meeting adjourned at 6:54 PM.



Chairperson