

**Cumberland County ABC Board  
September 14, 2015  
Regular Meeting  
Main Office, 1705 Owen Drive, Fayetteville, NC 28304**

PRESENT: Johnson Chestnutt, Chairman  
Wade Hardin, Vice-Chairman  
Alice Stephenson, Board Member  
Bob Lewis, Board Member  
Neil Yarborough, Attorney  
Gene Webb, General Manager  
David Horne, Deputy General Manager  
Bill Belvin, Chief Law Enforcement  
Rick Libero, Assistant Chief Law Enforcement  
Carolyn Parker, Finance Officer/Secretary

ABSENT: Terri Thomas, Board Member

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

Mr. Chestnutt welcomed our guest Scott May, May & Place, PA to the meeting.

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

Mr. Chestnutt asked were there any announcements. There were none.

**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 10, 2015 and August 18, 2015 minutes.

**MOTION:** Mr. Hardin moved that the Board accept the August 10, 2015 and August 18, 2015 minutes as mailed.

**SECOND:** Mr. Lewis

**VOTE:** Unanimous

**Auditors' Report**

Mr. Scott May, May & Place PA, presented the audit for fiscal year ending June 30, 2015 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.

Mr. May said this year the GASB 68 was implemented for the Net Pension Asset and added \$200,100 to the Statement of Net Position. This created the Deferred Outflows and Deferred Inflows of Resources which comes off the actuarial studies from the Local Government Employee Retirement System (LGERS).

There is a new account for the Pension Plan on the Statement of Revenues, Expense, and Changes in Fund Net Position. The GASB 68 took the Employer Retirement off the Profit and Loss Statement and put it on the Balance Sheet. Over a period of time the Pension Plan entry will increase and may exceed the cash payout for the Employer Retirement.

There was a Gain on Disposal of Assets for \$115,488 due to all the monies have been received for the NCDOT Condemnation. Also, the restatement of the Retained Earnings reduction of \$228,107 was due the GASB 68 implementation.

Mr. May said it is time for the Board to request updated actuarial studies for the OPEB and the LEOSSA for the new fiscal year.

The Board gave the County \$2,685,022 in profit and \$205,405 in ARE for the fiscal year. Every store in the system is profitable. 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:** Mr. Lewis moved to accept the Auditors' Report prepared by May & Place, PA for June 30, 2015.

**SECOND:** Mr. Hardin

**VOTE:** Unanimous

**Law Enforcement Report**

Mr. Chestnutt asked for the approval of the August 2015 Law Enforcement Report in the package.

Mr. Belvin said the agents assisted the State and Federal agencies with investigations and completed 6 MXB re-labeling requests.

**MOTION:** Mr. Hardin moved to approve the August 2015 Law Enforcement Report in the package.

**SECOND:** Mr. Lewis

**VOTE:** Unanimous

**General Manager's Report**

Mr. Chestnutt asked for the approval of the August 2015 General Manager's report.

Mr. Webb said he was proud of the \$2.7 million in profit to the County. The sales were up \$1.4 million for FY15. August sales were down \$48,000 due to how the holiday fell on the calendar. For the year the sales are up \$145K and thus far we are up for September.

**MOTION:** Mr. Lewis moved that the Board accept the August 2015 General Manager's report.

**SECOND:** Mr. Hardin

**VOTE:** Unanimous

### **NEW BUSINESS**

#### **Wholesale 2000 Ford Crown Victoria**

Mr. Webb said we have a 2000 Ford Crown Victoria that is aging and we do not get a lot of use from it. He would like to sale it at wholesale and take it off of the insurance.

**MOTION:** Mr. Lewis made a motion to declare the 2000 Ford Crown Victoria surplus and to authorize Mr. Webb to sale it at wholesale.

**SECOND:** Mr. Hardin

**VOTE:** Unanimous

#### **Budget Adjustment for Handheld Registers from Dalcom**

Mr. Webb said that at the NC ABC Board conference this summer there was a demonstration for iPhone size hand held Point of Sale machines to check out customers with credit cards only purchases. He said these hand held units would help with sales in the stores especially during the holidays. These units can also be used to scan the items to verify that the monthly price changes are correct on the tags, check off the truck orders from LBB, check off the truck orders delivered to the stores, check off the MXB orders, and help control inventory in the warehouse and the stores.

Mr. Webb said that we would need 11 units, one for each store and one for the warehouse. The IPod POS hardware and software would cost \$2,820 per location and an estimated \$31,111. There is a \$34.99 per month cost for 250 transaction per location. Mr. Webb said a standalone register would cost \$30,000. The units are cellular so if the Internet goes down we can continue to take credit cards.

Mecklenburg have been using the IPod units for 7 months. They said the IPod units are the best thing they ever tried. They saved enough time in the warehouse they were able to move one employee out to another job.

Mr. Chestnutt asked for a motion to approve the FY16 Budget amendment 2 to decrease Contingencies by \$32,000 and to increase the Capital Outlay by \$32,000 for 11 IPod Handheld POS machines.

**MOTION:** Ms. Stephenson made a motion to purchase four, (3 for top sales stores and 1 for the warehouse) IPod Handheld POS machines to try for 60 or 90 days; and to amend FY16 Budget to move \$12,000 from Contingencies to Capital Outlay.

**SECOND:** Mr. Lewis

**DISCUSSION:** Mr. Lewis stated there may be an issue when the remaining stores hear that 3 stores got the new IPod handheld machines.

Ms. Stephenson withdrew her Motion and Mr. Lewis withdrew his Second.

**MOTION:** Mr. Lewis made a motion to purchase 11 IPod Handheld POS machines, one for each store and one for the warehouse; and to amend FY16 Budget to move \$32,000 from Contingencies to Capital Outlay.

**SECOND:** Mr. Chestnutt

**VOTE:** Unanimous

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

**MOTION:** Mr. Lewis made a motion to go into Closed Session for real estate matter, GS 143-318.11(5).

**SECOND:** Mr. Hardin

**VOTE:** Unanimous

**MOTION:** Ms. Stephenson made a motion to end Closed Session.

**SECOND:** Mr. Lewis


**VOTE:** Unanimous

Mr. Chestnutt asked for a motion to adjourn at 7:15 PM.

**MOTION:** Ms. Stephenson moved to adjourn.

**SECOND:** Mr. Lewis

**VOTE:** Unanimous

  
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Chairperson