

# MINUTES

## **Indian Trail Alcoholic Beverage Control Board**

Law Offices of Goodwin & Hinson, PA

February 14, 2012 5:30 PM

**Board Members:** Ken Porter- Chairman, Wes Hinson, Jan Brown

**Attendees:** Charles Fowler, Nancy Ratcliffe

### **Call to Order**

The meeting was called to order by Ken Porter at 5:30 PM.

### **Presentation**

Jan wanted to add Business Scholarships for Schools to agenda, Charles requested adding security system and HVAC, and Ken requested adding Distributions to the Town. Jan made a motion to add as item e) Business Scholarships, item f) security system and HVAC, and item g) Distributions to the Town. Seconded by Wes Hinson, and approved unanimously.

### **Approval of Minutes**

September and October minutes were reviewed. Wes Hinson made an amendment to minutes for October meeting. Jan Brown made a motion to approve meeting minutes as amended. Seconded by Wes Hinson and carried unanimously.

### **Public Comments**

Ken Porter opened the floor for public comments, but there were no public members present.

### **Store Business, Staff and General Operations, and Sales Reports**

- Charles Fowler provided Jan 1, 2011- Dec 31, 2011 sales numbers and reviewed them in detail with the Board. \$2.44 million total for year is outstanding, especially considering circumstances.
- November sales were up 142.25%, December up 36.53%, & Jan up 14.71% over previous year. Charles has been looking at these numbers in comparison to the sales that the Monroe store lost when they opened versus when construction started on the new Firestone building in the shopping center. Charles voiced concerns about the parking lot access during Firestone construction.
- Every store employee has taken and passed drug tests.
- Charles feels store is operating very well and making good profit. He wants to make sure quarterly disbursements are made on schedule, so as not to create problems with ALE Commission.
- Thief that hit the store and several others in the area has been arrested and will be prosecuted.
- Board discussed what financial reports and distributions are required to who and when.
- Nancy reported that the board can make a distribution to an alcohol education program of their choice. Board discussed local options. Ken made a motion to investigate and consider future disbursements of alcohol education funds to Turning Point, seconded by Wes, approved unanimously. Ken made a motion to have Wes contact Turning Point to discuss, seconded by Jan, and approved unanimously.
- Charles is cross training Melissa and Will on management responsibilities.

### **Store Financials**

- Nancy reviewed reports and updates in detail with Board.
- Credit card fees were discussed. Wes has spoken with our bank and advised them that competitive quotes are being obtained from other providers.
- Wes is following up on upfit reimbursement that is past due.
- Nancy reported that inventory numbers are looking good.
- Ken made a motion to accept the year-end financial reports, as well as the January and February reports. Seconded by Wes, and approved unanimously.

### **Parking Lot Issues**

- Charles brought pictures to show the Board the mess the Firestone building construction is creating in the parking lot and how access to the store is blocked from both sides. He has also had to chase trucks delivering construction supplies out of the few parking spots that remain in front of the store. All the businesses in the shopping center have complained of the mess and reduced parking space issue.
- Board discussed the negative impact all of these issues have been having on the store and sales. They agreed some of this is temporary, as construction will be completed soon, but are looking into solutions for long-term issues.
- Ken made a motion for Jan to approach the Town about additional parking spaces on site, seconded by Wes and approved unanimously.
- Ken made a motion for Wes to speak with the landlord regarding possible alternative space in the same shopping center, seconded by Jan and approved unanimously.

### **Update on Site Flooring Issues**

- Board discussed the flooring issue and feel they have resolved the problem.
- The linoleum has been replaced with VCT flooring tiles.
- Board agreed to hold off on the replacement of the carpet until construction on the Firestone building is completed and mud/debris from the construction site is cleared from the parking lot that is tracking into the store.

### **Business Scholarships**

- Jan presented idea of ABC Board offering a \$500 scholarship for a Sun Valley High School senior pursuing a business degree. He offered to approach the principal or guidance counselor regarding guidelines that may need to be set for such a scholarship and report back to the board at the next meeting for further discussion and voting.
- Wes made a motion to authorize Jan to approach the school regarding the scholarship offer options and criteria, seconded by Ken and approved unanimously.

### **Security System, HVAC**

- Charles reported the security cameras currently installed have some limitations that are a concern. Board agreed. Ken made a motion to request a representative from Double Radius, who did our security installation, come to next meeting and give presentation of options/solutions. Seconded by Wes and approved unanimously.
- Ken made a motion to authorize Charles to contact an appropriate HVAC servicer to determine the problem and recommend a solution. Seconded by Wes and approved unanimously.

### **Distributions to the Town**

- Ken voiced concerns about the Joe Fivas' memo on the Board's Distributions and Reporting as he felt there were misconceptions regarding the state statutory distribution requirements.

- Board discussed and analyzed the Distribution of Revenue Statute, N.C.G.S. 18 B-8.05, and the 3.5% Mark Up in N.C.G.S. 18 B-8.04 B 5, and the Bottle Charge provided for in N.C.G.S. 18 B-8.04 B 6 B. Board concluded that their distributions are to be quarterly, subject to reservations for working capital.
- Board reviewed financials and determined that their 1<sup>st</sup> fiscal quarter of the year, July 1, 2011 - September 30, 2011, they operated at a loss, so there was no distribution to the Town for that quarter. For their 2<sup>nd</sup> fiscal quarter, there was sufficient profit to make a 3.5% distribution to the Town as calculated by Potter & Company's annual auditing report and N.C.G.S 18 B- 8.05. Board authorized the financial officer to contact the auditors and the state to determine exactly what the distribution amount should be and immediately report back to the Board.

**Board Discussion & Possible Action/Comments**

N/A

**Next Meeting**

Next meeting is third Thursday in March, March 15, 2012, at 6:30 PM at the Law Offices of Goodwin & Hinson, PA.

**Adjourn**

Motion to adjourn made by Ken Porter, seconded by Jan Brown, and was passed unanimously.