

MINUTES

Indian Trail Alcoholic Beverage Control Board

Law Offices of Goodwin & Hinson, PA
June 21, 2012 6:30 PM

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

Attendees: Charles Fowler, Nancy Ratcliffe, Gary D'Onofrio

Call to Order

The meeting was called to order by Ken Porter at 6:30 PM.

Presentation

Jan Brown made a motion to approve the agenda. Seconded by Wes Hinson, and approved unanimously.

Approval of Minutes

Prior meeting minutes were reviewed for February, April, and May. Comments and minor revisions were made. Wes made a motion to approve the minutes as revised, seconded by Ken, and unanimously approved.

Public Comments

Ken Porter opened the floor for public comments. Nancy requested that handouts provided during meetings be listed in the minutes and attached as part of the minutes.

Store Business, General Operations, and Sales Reports

- Charles Fowler provided handouts on May sales figures. He reported \$236,948.03 total for May, up 21.24% from the Indian Trail store sales last year, which is double the state average.
- Charles feels good about the employee changes and believes it will put the store in the best possible position going forward.

Store Financials, End of Year Audit

- Nancy provided year-end reports and reviewed them in detail with Board.
- The cost of liquor will be figured differently with the new budget. It will be a more accurate in and out, based on inventory and sales. All liquor bills are current, next bill is not due until July 18th.
- Now that actual cost of operations can be determined, it can be adjusted in new budget. Also, rent computation was corrected. Supply and incidentals budget can also be corrected to match actual costs.

Budget Discussion

- Nancy submitted a budget amendment form for review and discussion. Travel budget to increase by \$2,000.00, insurance to increase by \$5,500.00, and bank card to decrease by \$7,500.00, maintenance increase \$8,500.00, interest increase \$6,400.00, supplies decrease \$14,900.00, 6/30/2012 rent to increase to \$101,005.47, and contingencies to decrease \$101,005.47.

- Ken made a motion to accept and approve all budget amendments submitted by Nancy. Seconded by Jan and approved unanimously.
- Nancy submitted current budget for review and adoption. A copy has submitted to NC ABC and after Board approval tonight, a copy will be submitted to the town. Ken reviewed budget in detail and discussed with Board. Projected revenues are expected to be \$2.7 million.
- Wes made a motion to adopt the budget. Seconded by Ken and approved unanimously.

Board Discussion & Possible Action/Comments

N/A

Next Meeting

Next meeting is July 19, 2012, at 6:30 PM at the Law Offices of Goodwin & Hinson, PA.

Adjourn

Motion to adjourn made by Wes Hinson, seconded by Jan, and was passed unanimously.

Indian Trail Alcoholic Beverage Control Board

Budget for the fiscal year ended June 30, 2013

The annual budget for the fiscal year July 1, 2012 through June 30, 2013 has been prepared in accordance with General Statute 188-702 "Financial Operations of local boards". The ABC Board determines through adoption of an annual budget, the level of customer services that the ABC Board will provide and the resources available for operations and capital projects.

The primary drivers used in the preparation of this budget include projecting operating costs required to sustain acceptable levels of customer service based on our limited operation for the year ended June 30, 2012 and the need for revenues sufficient to fund debt repayments and accumulation of needed working capital.

The budget consists of projected revenues from liquor sales of 2.7 million, taxes related to income of \$756,000, cost of sales of \$1,309,500, operating expensed and costs of \$540,000 and income distributions of \$158,000.

Highlights of the Budget:

- Sales increases are based on our limited (18 ½ months) experience in our new store
- The board's intent is to retire all accumulated debt in 1-2 years
- We interpreted section 188-805 to the best of our ability given the talents and background of our board members. The wording of this provision is very confusing and subject to multiple interpretations.
- This is our second 12 months in operations. As we gain experience with the financial successes of our store, our basic assumptions will change.

Recommendations for Future Budget Considerations:

- Establishing a flexible monthly sales budget based on the sales history of our store
- Developing financial performance standards as incentives for managers and all employees

Conclusion:

This budget reflects the Board's commitment to fulfill its mission based on known information



Kenneth C. Porter, Chairman

AMENDED COPY BUDGET DOCUMENT
 Indian Trail ABC #180
 Fiscal Year 2012 - 2013

The following budget establishing revenues and setting expense appropriations is hereby adopted and effective July 1, 2012, through June 30, 2013.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the state ABC Commission.

Estimated Revenues:	
Sales	\$2,700,000
Other Income	\$2,700,000
Total	\$0
	<u>\$2,700,000</u>

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2012 - 2013 and are funded by the revenues made available through Section 1, herein.

Appropriations:					
Taxes Based on Revenue					\$756,000
Cost of Goods Sold					\$1,309,500
Operating Expenses	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries & Wages					\$183,000
Board Member Per Diem					\$1,000
Unemployment Insurance					\$2,000
Rent					\$104,000
Repairs & Maintenance					\$3,000
Utilities					\$14,000
Insurance - General & Bonds					\$16,000
Store/Office Supplies					\$12,000
Travel					\$1,900
Professional Fees					\$8,000
Accounting Office					\$24,000
Cr. Card/Bk Chrgs/Interest					\$40,000
Uniforms					\$1,000
Contingencies					\$5,100
Total					<u>\$415,000</u>

	Store(s)	Admin.	Warehouse	Law Ent.	Total
Capital Outlay:					
(define)					\$0
Debt Proceeds	\$	\$	\$	\$	\$0
Debt Service/Lease:					
(define)	\$	\$	\$	\$	\$41,500
					\$0

Total Estimated Expenses \$ \$ \$ \$ \$ \$ \$0 \$2,522,000

Distributions:

Mandatory 3 1/2% & Bottle Tax	\$94,500
Law Enforcement Contract	\$30,000
Alcohol Education & Rehab.	\$0
Other County/Municipal	\$0
Other Distributions	\$33,500
Total Distributions	<u>\$158,000</u>

Working Capital Retained	\$20,000
(Appropriated Fund Balance)	\$0
Total Expense, Distribution & Reserve	<u><u>\$2,700,000</u></u>

Section 3. Copies of this Budget Document shall be furnished to the [appointing authority], the state ABC Commission, and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted by the INDIAN TRAIL ABC Board on ~~06/04/2012~~ 06/21/12

AMENDED COPY

BUDGET AMENDMENT FORM

Indira Tailor #1810 ABC BOARD

The following amendment to the annual budget document for the fiscal year ending June 30, 2012 has been approved and adopted

Section 1.

Acct. No.		Decrease	Increase
425,10	Travel		2000.
420,10	Insurance		5500.
448,10	Bank Cost Charges	7,500.	

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Board of Indira Tailor (appointing authority), ABC Commission, and to the Budget Officer and the Finance Officer for their direction.

Adopted this 21ST day of JUNE 2012

BUDGET AMENDMENT FORM

Indian Trail #180 ABC BOARD

The following amendment to the annual budget document for the fiscal year ending
June 30, 2012 has been approved and adopted

Section 1.

Acct. No.		Decrease	Increase
912.10	Maintenance		8500.
940.10	Intrest		6400.
928.10	Supplies	14,900.	

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the
Town of Indian Trail (appointing authority), ABC Commission, and to the Budget Officer
and the Finance Officer for their direction.

Adopted this 21st day of June 2012

BUDGET AMENDMENT FORM

Madison Trail #180 ABC BOARD

The following amendment to the annual budget document for the fiscal year ending
June 30, 20 12 has been approved and adopted

Section 1.

Acct. No.		Decrease	Increase
<i>799.10</i>	<i>Rent</i>		<i>101,005.47</i>
<i>490.10</i>	<i>Contingencies</i>	<i>101,005.47</i>	

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the
Town of Madison Trail (appointing authority), ABC Commission, and to the Budget Officer
and the Finance Officer for their direction.

Adopted this 21st day of JUNE 2012