

**Durham County ABC Board
Minutes of the Meeting
April 15, 2013**

The Durham County ABC Board met at the administrative office, 3620 Durham Chapel Hill Boulevard, on the 15th day of April 2013.

Board Chair, Kim Shaw, called the meeting to order at 5:30 p.m.

Board members Wayland Burton, Deirdre Guion, Kevin Nelson and Erroll Reese were present. General Manager Emily Page and Attorney George W. Miller, Jr. were also present.

Conflict of Interest Review and Declaration

Ms. Shaw read the Board's Conflict of Interest Review and Declaration statement and asked Board members if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. All Board members verbalized that they do not have a conflict.

Consent Items

Consent agenda items included the Board Attendance Report, Adoption of Agenda and Minutes of the March 18, 2013 meeting.

Ms. Shaw motioned for the consent agenda items to be accepted and the Board approved the motion without objection.

General Business

Law Enforcement Report for March 2013

Investigators participated in state mandatory training this month which completes all present requirements. The next training scheduled is firearms training which is held in the summer. Law Enforcement is operating with one less investigator than last year.

Financial Reports for March 2013

Ms. Page noted from the financial reports that Durham County ABC's March sales exceeded its neighboring and comparable counties' increases and the state's overall increase. She also noted that the Highway 55 and Durham Chapel Hill Boulevard stores were down in sales but that this change was to be expected with the opening of the Woodcroft store. The overall sales at the three locations in South Durham are higher than last year's total at the two locations that were open then. Ms. Page attributes this to a "balancing" of the sales through customers finding a preferred location now that the additional option is available over last year.

Total sales for the month were \$2,419,309 which is an increase of 9.8% over last year and 5.51% over budget. Year-to-date sales were \$20,380,788 which is 6.75% over actual and 5.24% above budget.

Profit before distribution was \$217,360 for the month and \$1,680,607 year-to-date which is a 18.93% change over the same period last year and 36.39% increase over year-to-date last year.

After profit distributions, net income was \$149,612 for the month which is an increase of 23.76% over the same period last year. Year-to-date net income was \$1,107,660 which is an increase of 60.75% over last year.

Holloway Street Properties – Eminent Domain Update

Ms. Page reported that after a meeting with the City of Durham Planning Department, it has been determined that when the site plan was approved for the new location, the projected widening of the road by NCDOT was included in the plan. Some modifications will have to be made to the front parking spaces which will result in the loss of three spaces but, with this change, the parking lot will still meet all City Planning requirements. Dan Jewell of Coulter, Jewel & Thames, whom accompanied Ms. Page to the City Planning office, estimates that the work to redesign the front spaces will cost approximately \$5K.

Ms. Page reported that Mr. Jewell also noted that a Duke Power easement was not in the original site plan and that it will have implications for future development of the lot which may impact salability.

Ms. Shaw suggested that the customer service impact be considered due to less than optimal parking arrangements. The Board agreed that in addition to appraiser Jarvis Martin looking at the issues from a property value standpoint, it would be prudent to hire a consultant to evaluate the business impact.

If the Board has not decided upon a value to request for the property being taken by their May meeting, the Board may want to consider an Agreement for Entry which allows Durham County ABC the right to continue negotiations even while the Department of Transportation goes forward with its project.

At this time, Dr. Guion and Mr. Reese entered the meeting. Ms. Shaw again read the Board's Conflict of Interest Review and Declaration statement. Ms. Shaw asked Dr. Guion and Mr. Reese if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. Both Board members verbalized that they do not have a conflict.

Strategic Planning and General Manager's Report

Ms. Page provided the Strategic Planning and General Manager's Report in the Board meeting packet which was distributed prior to the meeting. Topics from the report that were discussed include:

- FY2014 Budget
 - The budget process will begin in May. Ms. Page suggested a change to the Board's budget approach to include a more realistic estimate of contributions to the city and county based on the history of actual contributions. After discussion, Dr. Guion suggested an increase of 25% over the statutory amount. Other Board members agreed to this budget approach.
 - Ms. Page will initiate a scheduling poll in order to determine a date for a public hearing on budget.

- Technology System RFP Update
 - Evaluation of the bid received continues with a recent visit to Orange County and a scheduled visit to New Hanover County, both of which utilize the proposed system.
 - A recommendation is expected to be presented at next month's Board meeting with the conclusions from the bid review.
- Grant Program
 - Ms. Shaw indicated that she will send e-mail reminders to local nonprofits regarding the April 30th deadline for submission of grant applications.
- Store Locations
 - The Roxboro Road store has leakage problems which have been unresolved for a number of years.
 - A building envelope consultant is being contacted to assess the issues from a broader perspective.

Other Business

Ms. Page provided the Other Business Report in the Board meeting packet which was distributed prior to the meeting. Topics from the report that were discussed include:

- An Employee Recognition Event is scheduled for May 1, 2013 from 1:30 until 3:30 p.m. Ms. Page will send out a notice to employees of the rescheduled date and time. A press release is to be published. An annual budget of \$1,200 for Employee Recognition Events was motioned by Dr. Guion and the Board approved the motion without objection.
- The Board will decide upon the members who will attend the National ABC Association annual conference and inform Ms. Page.
- The Board agreed to review suggestions collected from the store suggestion boxes in closed session as they may include confidential personnel matters.

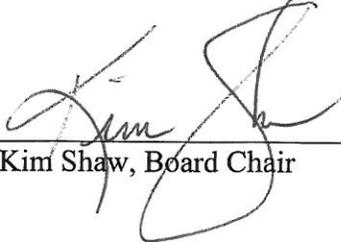
Closed Business

Mr. Nelson made a motion for the Board to go into closed session per G.S. § 143-318.11(a): (3) consult with attorney and (6) personnel matters. Dr. Guion seconded the motion and the Board approved without objection.

Adjournment

The Board returned from closed session. Mr. Nelson made a motion to adjourn the meeting and Mr. Wayland seconded the motion. The Board approved without objection.

Approved By: _____


Kim Shaw, Board Chair