



# MECKLENBURG COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD OF DIRECTORS MEETING MINUTES

January 18, 2011 @ 12:00 Noon  
3333 North Tryon Street Charlotte, North Carolina 28206

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*DIRECTORS: Cleveland Edwards, Chairman*

*Angeles Ortega-Moore, David Conway and via teleconference Harry Lomax*

*STAFF: Chief Executive Officer Paul Stroup*

*Chief Financial Officer Mike Tully; Operations Director Jason Hughes; Law Enforcement Division Director Mike Crowley, Human Resource Director Laura Sherer; Education/Community Relations Director Mary Ward and Administrative Assistant Dawn Carey*

*GUESTS: Howard Phillips, HMP Service*

## ITEMS OF BUSINESS DISCUSSED AND ACTION TAKEN:

Chairman Edwards called the meeting to order.

### I. CHAIRMAN REPORT

Motion was made by Chairman Edwards, seconded by Director Conway and unanimously carried to approve the November 16, 2010 meeting minutes.

Future meetings were confirmed for February 15 and March 15, 2011.

There were no presenters for public comment.

### II. STORE OPERATIONS

Mr. Hughes thanked board directors for their visits and contributions in the stores during the holiday season. Director Ortega-Moore suggested for future visits, board directors offer help where needed (i.e. stocking, cashiering, assisting customers on the floor).

Mr. Hughes reviewed the November and December 2010 sales reports. Mr. Hughes also reported on the 2010 seasonal sales performance, highlighting significant statistics from the 2010 holiday season.

In addition, he informed of a newly opened ABC store in Indian Trail. Sales for this new location in December totaled approximately \$250k causing a combined \$55k decrease in sales for our Matthews, Independence and Mint Hill locations.

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Director Conway inquired as to what was the contributing factor for Pittsboro County's average transaction being ten dollars (\$10) more than any of the larger board's average transaction during the months of November and December 2010. Management posed different scenarios for explanation but gave no definitive answer. Mr. Stroup advised that management would research and report its findings back to the board at the February meeting.

### III. FINANCE

Mr. Tully reviewed the November and December 2010 financial highlights.

Chairman Edwards asked why law enforcement expenses were 10% above budget during the month of November. Mr. Crowley responded that health care costs contributed to law enforcement's budget being above budget.

Mr. Stroup commended Mr. Tully for his work to ensure the new point of sales software system was running smoothly before the start of the holiday season.

Director Conway questioned why Mecklenburg County had the largest average inventory among the top six boards (Wake, Greensboro, Triad Municipal, Cumberland and New Hanover). He requested a more detailed explanation as to how the inventory fits in relation to our system. Mr. Tully explained that inventory volume is driven by sales; however, Mr. Tully stated Mr. Stroup has challenged management to decrease inventory volume by increasing inventory turnover.

For the board's awareness, Mr. Tully explained from his report that the large swings in the line labeled "Cash Over/Short" were being created by increased number of special orders being placed by customers. When a customer wants to special order a product that the Commission does not list, the customer has to buy full cases and prepay for the item ordered. When this occurs, there appears to be an overage at that store since monies have already been collected yet no sale created to offset it. When the customer picks the order up, an apparent shortage is created because the sale is then recorded, but no money collected at that time as it was already pre-paid. Management is working on changing how this is recorded or labeled as this can seem confusing.

### IV. ALCOHOL EDUCATION

Ms. Ward reviewed highlights from the November and December 2010 Activity Reports

### V. LAW ENFORCEMENT

Mr. Crowley reviewed the November and December 2010 activity reports.

Mr. Crowley highlighted two events during the month of December:

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- Mecklenburg County ABC Board Law Enforcement officers, ABC sales associates, and CMPD/ABC officers put on an ASSET class for members of the Hispanic and Latino business community. Over thirty (30) people attended this training session; however, all Hispanic and Latino permit holders in our community were invited to attend. Business owners were given information on the ABC system, what to expect from ABC officers when they conduct inspections in their establishments and mixed beverage operations.
- Mecklenburg County ABC Board Law Enforcement division partnered with Charlotte Catholic High School and sponsored a parent's forum at St. Matthews Catholic Church. Parents along with all freshman, sophomore and junior students at Charlotte Catholic attended this event. Estimates placed the number of attendees at 2800 people. Participants discussed the dangers of alcohol in the hands of individuals under the age of twenty one (21) and the dangers of hosting parties for high school students. ABC Officer Chesser represented the Board at this forum. The Board's golf carts were also on display.

Both proved beneficial as requests continue to come in requesting that law enforcement continue such events in the future.

Director Conway noted that he along with Mr. Crowley and Ms. Ward have begun working to put together a presentation for the board to introduce and promote the new golf carts.

## VII. MANAGEMENT

Mr. Stroup updated the board on real estate matters:

- Carmel Road move-out has been delayed. Currently awaiting the city council's rezoning decision February 21. Estimated move-out date March 6.
- South Boulevard new location bid process has begun.

Mr. Stroup informed of no new information on privatization. The report from Governor Perdue's office regarding the appraisal of the North Carolina ABC system is expected within the next few weeks.

As a reminder, the Ethics Reform Program and Class will be held at Central Piedmont Community College, Charlotte. All board directors are registered to attend.

Mr. Stroup made the board aware of new changes to the application process for board appointments to the Mecklenburg County ABC Board. The deadline for applications is May and appointments will be made in June.

There being no further business, the meeting was adjourned at 1:15 p.m.

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Cleveland Edwards, Chairman