



Youngsville ABC Board  
P. O. Box 387  
101 N College Street  
Youngsville, NC 27596  
(919) 556-3590  
ABCStore@townofyoungsville.org

## MINUTES

**JUNE 15, 2021**  
**9:00 AM**

### REGULAR MEETING

### YOUNGSVILLE TOWN HALL CONFERENCE ROOM

**134 US 1A SOUTH**

**(Teleconference and Web Conference was available)**

Vice-Chairman David called the Board Meeting of the Town of Youngsville ABC Board to order at 9:03am. In attendance was Members Kirk David, Lila Hedlund, and Mason Hurt. Chairman Rick Houser and Member Danny Stutzman were not in attendance. Also, in attendance were ABC System General Manger Bridget Stanley, Town Administrator Phillip Cordeiro, and Clerk Emily Hurd.

The first item was to approve the agenda.

#### **MOTION: TO APPROVE THE AGENDA AS SUBMITTED**

The motion was made by Member Hedlund and was seconded by Member Hurt. The motion passed unanimously, 3-0.

Vice-Chairman David went over the Ethics Statement. There were no conflicts of interest.

*In accordance with G.S. 18B-201, it is the duty of every Board Member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.*

The next item on the agenda was a Public Hearing for FYE 2022 Proposed Budget. Vice-Chairman David opened the Public Hearing at 9:05am. Stanley stated the proposed budget totaled \$3.5 million and noted the table on page 7. She stated the Youngsville



Youngsville ABC Board  
 P. O. Box 387  
 101 N College Street  
 Youngsville, NC 27596  
 (919) 556-3590  
 ABCStore@townofyoungsville.org

Crossing ABC Store will open July 9<sup>th</sup> and she has adjusted the proposed income accordingly. Stanley explained that was the only major change from the proposed budget previously presented.

7

### FINANCIAL STATEMENTS

**Statement of Financial Position**

- Single Store sales are projected to increase by 6.5% in the Youngsville Crossing shopping center.
- College Street store projected to maintain approximately 50% of sales from previous year.
- Efforts made to reduce expenses by finding more cost effective and efficient services.

**Statement of Comprehensive Income (Profits and Losses)**

- System sales growth will be inclusive of maintaining a two store ABC System.
- Total Youngsville ABC System growth projected to be +55% versus previous year.
- Distributions adjusted to be paid monthly to tighten financial controls and awareness of real time profitability.

**Statement of Budget Lines**

Well, it wouldn't be an annual report without a lot of numbers, right? This is the section for all those financial tables! Let's get the exciting stuff!

DESCRIPTION	College Street	Youngsville Crossing	Total
<b>Total Revenues</b>	\$1,118,743	\$2,440,500	\$3,565,253
<b>Taxes from sales:</b>	\$253,954	\$553,993	\$798,435.36
<b>Cost of Goods Sold</b>	\$863,674	\$1,882,787	\$1,888,312
<b>Salaries &amp; Wages</b>	\$118,010	\$216,850	\$334,860
<b>Net Income</b>	\$45,924	\$116,951	\$172,885

**Statement of Mixed Beverage Sales**

- We are projecting maintaining one Mixed Beverage customer for this Fiscal Year, but for that customer to increase sales by approximately 21%, as seen in their Q3 and Q4 spending for FY 20-21.

Hurd stated no one had registered to speak and Stanley polled those on teleconference. As there were no comments, Vice-Chairman David closed the Public Hearing at 9:07am.

The next item on the agenda was Citizens' Comments. There were no comments.

The next item on the agenda was the Financial Report. Stanley noted they passed the \$2,000,000 mark in sales and staff appreciated their bonuses. She stated the ABC Store broke their record sales and continue to exceed expectations.

Stanley stated she was working with Patton-Motluck to make sure most of the expenses were paid before the end of the fiscal year. She explained Budget Amendment #5 will finalize the current fiscal year. There were no additional changes.

Cordeiro inquired if QuickBooks would allow for a Budget vs Actual report and Stanley stated she will have Patton-Motluck include one in the Finance Report. Cordeiro noted a month-by-month basis would be best.



Youngsville ABC Board  
P. O. Box 387  
101 N College Street  
Youngsville, NC 27596  
(919) 556-3590  
ABCStore@townofyoungsville.org

The next item on the agenda was the approval of the Consent Agenda. The Consent Agenda included Minutes from the ABC Board Regular Meeting on May 18, 2021.

**MOTION: TO APPROVE THE CONSENT AGENDA**

The motion was made by Member Hurt and was seconded by Member Hedlund. The motion passed unanimously, 3-0.

The next item on the agenda was Old Business. The first item under Old Business was an update on the renovation and relocation of the ABC Store. Stanley noted progress was going great, but the opening was delayed until July 9<sup>th</sup> at which time they will do the Grand Opening. She explained there were additional costs included in Budget Amendment #5 due to delays and price increases. Stanley stated the vendors were coming along nicely and she continues purchasing supplies. She noted the walls were now up. When asked, Stanley stated the ventilation was finished the previous week and they were currently waiting on the painters to finish the ceiling. Member Hedlund asked if they could stop by to see the progress and Stanley stated they could go by now. Vice-Chairman David stated he stopped by last week and noted how impressive the different trades were working together. Stanley stated Brookwood has been great to work with. She noted the fixtures would be delivered on the 17<sup>th</sup>. Stanley stated the site manager is working on confirmation of their stocking permit. This will allow them to store product onsite. She explained they currently had NC ABC Commission permission to store stock offsite. Stanley stated she has been purchasing items with every order but just placed the large order for the new store. There is still time to order any items that may not be currently in stock. Cordeiro inquired what percentage was on hand and Stanley stated currently 30% but would be 80% after this shipment. She stated they will not be able to stock the shelves until they receive their stocking permit, hopefully by June 22<sup>nd</sup>. Stanley explained they would not be allowed to have items on the shelves until after they receive their Certificate of Occupancy.

Cordeiro asked about the line of credit and Stanley stated staff has done their part though they have not yet needed to use it. Even with the new shipment coming in, they still have money in the account. Cordeiro requested the line of credit be updated separately on the Financial Report to keep the ABC Board apprised on the usage and balance.

The second item under Old Business was FYE 2022 Proposed Budget.



Youngsville ABC Board  
P. O. Box 387  
101 N College Street  
Youngsville, NC 27596  
(919) 556-3590  
ABCStore@townofyoungsville.org

**MOTION: ADOPT FYE 2022 BUDGET AS PROPOSED**

The motion was made by Member Hedlund and was seconded by Member Hurt. The motion passed unanimously, 3-0.

The next item on the agenda was New Business. The first item under New Business was Budget Amendment 2021-5. Stanley explained this budget amendment was cleaning up for the end of the fiscal year. She noted they were projected to finish the year at \$2.27 million in sales, more than \$341,000 than was currently budgeted for. Stanley has been working with Patton-Motluck forecasting where they will be at year end for appropriations and revenues. The budget amendment nets out the changes in revenue and expenses and she added some money to line items such as capital outlay for new store opening amounts such as supplies. Stanley stated payroll was under \$10,000 so she increased the capital outlay amount. She explained Rick Turner had noted costs were increasing on construction materials. Stanley stated the ABC Board would pay Brookwood separately from the landlord because she was unable to secure a person in town for the work on the emergency exit railing and display wall.

**MOTION: APPROVE BUDGET AMENDMENT 2021-5**

The motion was made by Member Hurt and was seconded by Member Hedlund. The motion passed unanimously, 3-0.

The next item on the agenda was Reports and Other Business. Stanley stated there were no major changes due to the pandemic. Screens will not be installed at the new ABC Store, and she will discuss with staff if they want to have the screens removed at the current ABC Store. With the current directives from the Governor regarding vaccinations and masks, Stanley will leave it up to staff to decide if they wanted to wear their masks or get vaccinated. Stanley stated she wanted to get their thoughts regarding the screens before removing them but noted the screens create a hindrance with staff's interactions with customers. Member Hedlund commended Stanley on her communication and both Members Hurt and David agreed.

Vice-Chairman David stated he walked through the new ABC Store and noted there had been a conversation regarding installing a cooler for premixed drinks. Stanley stated she wanted to make sure it was allowed by the NC ABC Commission before moving forward with the idea. She noted how popular the premixed drinks were at this time and it would be great to sell them cold as people head out to the lake or parties. Stanley stated that if



Youngsville ABC Board  
P. O. Box 387  
101 N College Street  
Youngsville, NC 27596  
(919) 556-3590  
ABCStore@townofyoungsville.org

they were allowed, she could purchase a cooler from Sam's Club. When asked, Stanley explained that getting a cooler from a vendor presented some complications as most vendors only allowed their products. Member Hedlund stated it was a great idea, especially that close to FoodLion and Member Hurt noted it was something other ABC Stores have not done.

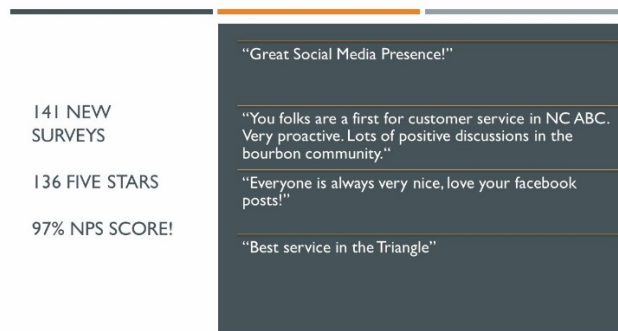
Cordeiro inquired about the status of curbside pickup and Stanley explained it was delayed about a month. She stated they will start using the curbside pickup app at the Grand Opening. Stanley stated the app will be available on Google Play Store and the Apple Store. Customers will be able to use the app to order online from either store. Stanley noted Youngsville was the only system in North Carolina that has the app, though she noted the developer will release it for other stores at some point. At this time, we are getting it for free so that it can be tested. Once a customer logs into the app, it will show Youngsville's branding and inventory on hand. Once the Bill passes through legislation, customers will be allowed to pay online. Stanley stated she is securing handheld payment devices so staff can accept payments at curbside. She stated mobile ordering will allow Youngsville to get away from the lottery system as it will allow access to new items immediately to customers. Cordeiro asked if there will be alerts to let customers know when new items were in stock, and Stanley stated the developer was working on a list of items including notifications. When asked, Stanley explained if there was an item they did not want online, staff would be able to remove it. She noted the lottery was a huge time commitment for staff as they must send emails and make calls. Using the app would be the best way to continue making access to new stock fair to everyone. Stanley stated this app will help with transparency, especially regarding the hard-to-get items like bourbons. She explained some ABC Stores will hoard items and wait to drop items only on one day. The app will allow for less chaos and will make the customers happier. Cordeiro noted it was also a good way to get people to come to Youngsville. Stanley stated a customer shared their experience on one of the national bourbon group webpages, noting people continue to be excited about what Youngsville is doing.

Stanley showed the ABC Board a small slideshow regarding customer's positive feedback. She explained that once the bars and restaurants reopened, the state started to see a massive increase in mixed beverage sales which has inflated sales numbers. The state as a whole increased 13% over this time last year. However, retail saw a 4.7% decrease versus this time last year. Though other ABC Stores are seeing decreases in sales versus last year, Youngsville grew by 14.28% in retail sales and 15.9% when mixed beverage sales were included. Stanley stated Franklinton ABC Store showed an 8.62%



Youngsville ABC Board  
P. O. Box 387  
101 N College Street  
Youngsville, NC 27596  
(919) 556-3590  
ABCStore@townofyoungsville.org

loss and Louisburg saw an 9.32% loss. Cordeiro noted it was the first month on record that Youngsville exceeded sales in Franklin County and Stanley stated they will continue to exceed expectations.



Stanley showed the ABC Board the new T-shirts that were ordered for staff. She explained she was able to order them at a discount thanks to the Town and their Parks and Recreation Department. Stanley stated they were fun and colorful which reflects the new culture of the ABC System.

Cordeiro shared the benefits portfolio with the ABC Board. He explained the ABC System was included with the Town for benefits due to the group rate. Cordeiro ran through the list of benefits offered, both employer paid, and employee paid.

The next item on the agenda was Closed Session. Vice-Chairman David stated there was no need to go into Closed Session.

The meeting adjourned at 9:49am upon a motion made by Member Hedlund, seconded by Member Hurt, and passed unanimously, 3-0.