Approved	
Robinson:	___________
Riecke:	___________
Jones:	___________
Pearsall:	___________

MINUTES
BREVARD ABC BOARD
November 18, 2020

Due to the Thanksgiving Holiday, the regular meeting of the Brevard ABC Board was held on Wednesday, November 18, 2020 at 8:30 a.m. in the City Hall Administrative Conference Room.

Members Present:	Jack Jaisler, Chair Kevin Jones Frank Pearsall
Members Absent:	Tim Robinson Dr. William Riecke
Staff Present:	Mark Balding, ABC General Manager

A. Welcome & Call to Order

B. Quorum

The meeting was called to order by Jack Jaisler at 8:31 a.m. and a quorum was noted.

C. Approval of Agenda

Motion by Mr. Jones, seconded by Mr. Pearsall to approve the agenda as presented. The motion carried unanimously.

D. Approval of Minutes

1. Minutes from Regular Session – October 22, 2020

Motion by Mr. Jones, seconded by Mr. Pearsall to approve the minutes of the Regular Session meeting on October 22, 2020 as presented. The motion carried unanimously.

E. Law Enforcement Changes

Mr. Balding reported that Lt. Robert Shuler had planned to attend the meeting, but he was unable to be here so this item was postponed.

F. New Business

1. Manager's Report and Operations Discussion

Mr. Balding reported that he has some questions regarding distributions shown in the financials for October so he asked that the Board not approve those at this time. He said Teri Rahn will start next week and he will review these numbers with her.

Mr. Balding reported that October was a really strong month with sales at $545,393 which is up 33%. Percent profit for the first four months of the year is very strong at almost 14%. He reported that the Bogue Sound Distillery in-store tasting on October 23rd was very successful and 26 fifths of their product were sold during the 2-hour event.

Mr. Balding said Brevard College reported that their on-campus Halloween event was very successful and they are very appreciative of the $800 donation.

BioPURE has completed the second monthly disinfectant service of both stores and the third is scheduled for next week.

Mr. Balding updated the Board on law enforcement changes. He reported that Robert Shuler, who headed up the Narcotics Task Force with three other officers, has officially retired. Mr. Balding explained that the Narcotics Task Force tends to concentrate on opioids and alcohol enforcement has taken a back seat. Robert Shuler will be returning to the Sheriff's Department on a part-time basis and will assume the role as primary ABC Officer and do only ABC Law enforcement. Mr. Balding noted that we are heading in the right direction with this change.

Three Board members are due for ethics training and Mr. Balding will send each of them a link for the online training course.

Mr. Balding reminded the Board that one topic they wanted to talk about today was fraud and risk management, however the Board felt it would be best to have that discussion when the full Board was present so that discussion was postponed to the next meeting.

Mr. Balding informed the Board that in order to hold a Christmas Eve bourbon lottery this year, the ABC Commission is requiring that the Board develop and approve a written policy, which will also need to be sent for review and approval by the ABC Commission. Mr. Balding noted that in the past, we have required a purchase in order to get a ticket, but by law we can't force people to make a purchase. Mr. Jones suggested there be a limit of one entry per person. Due to COVID-19, it was decided to not hold an in-person drawing this year. Following discussion, Mr. Jones moved, seconded by Mr. Pearsall to generate a policy that will be circulated to Board members via email for their approval. The motion carried unanimously. Mr. Jones will assist Mr. Balding in writing the policy.

Mr. Balding said the next step before purchasing a new POS system would be for the company to come do a demo for the Board. It may require holding a special meeting in January in addition to the regular monthly meeting.

The Board discussed revising the profit sharing schedule to the City and County. Mr. Jones distributed the attached proposal for the Board's consideration. He noted that the proposal is designed to increase profit sharing to the City to $200,000, which also increase the County's distribution to $66,666. Following discussion, Mr. Jones moved and Mr. Pearsall seconded to approve the Actual/Proposed Schedule for Fiscal Year 2021 for the reasons stated. The motion carried unanimously.

Mr. Balding informed the Board that it is time for him to do performance evaluations and bonuses for employees. He explained that full-time employees can make up to 10% based on performance but part-time employees can only make up to 6%. He asked the Board to consider making the performance incentive plan the same for all employees. He also asked if the Board would consider giving employees another COVID hazard pay bonus. Motion by Mr. Pearsall, seconded by Mr. Jones to award $500 COVID incentive pay to both full-time and part-time employees. The motion carried unanimously. Motion by Mr. Jones, seconded by Mr. Pearsall to increase the maximum performance incentive pay from 6% to 10% across the board. The motion carried unanimously.

G. Unfinished Business

1. **Review and Approve Accountant's Reports for September and October, 2020**
2. **Review and Approve Reconciliations and Bank Statements for September and October, 2020**

Review and approval of the accountant's reports and reconciliations and bank statements was postponed until the next meeting.

Next regular meeting: Due to the December regular meeting date falling on Christmas Eve, Mr. Pearsall moved and Mr. Jones seconded to schedule the next meeting for Wednesday, December 16, 2020 @ 8:30 a.m. The motion carried unanimously.

H. Adjourn

There being no further business the meeting adjourned at 9:45 AM.

Mark Balding, General Manager

Jack Jaisler, Chair

Minutes Approved: Jan 28th, ~~2020~~ 2021

Denise Hodsdon, Executive Assistant

RETAINED PROFIT AND PROFIT SHARING

Currently the ABC board has a sharing schedule with the City of Brevard of $150,000. The city is requesting increases for the 2021 year totaling around $200,000. The city has received a $20,000 extra payment and is looking for additional monies by second quarter. If the Q2 money is distributed we will be up to $190,000so we may as well be at $200K. The chart below shows original Scheduled and Actual Q1 plus proposed rest of the year

Quarterly	Q1	Q2	Q3	Q4	Total
Schedules	$37,500	$37,500	$37,500	$37,500	$150,000
Actual/Prop	$57,500	$57,500	$42,500	$42,500	$200,000

The county's total would rise from $50,000 to $66,666.

Should we do this? I think the answer is yes. Here's why in short:

Our current retained earnings is $637,105 which is from page 23 of the Carland Anderson report. This is roughly analogous to our Cash and cash equivalent of 642,426 . From the statement of revenue, page 7 our net position changed by $275,926. Cash and Cash equivalents (from page 6) increased by more than that (though the amount of payables brings that number into line. The maximum that we can retain is a moving target and will certainly increase over the next couple of years but even if it rises to 1.1MM we will reach that in FY 2023 even with us making upgrades to store 1 and installing a new POS system. Do we need a new vehicle?

The city will receive the money sooner or later. They could use it now. We don't need it now. The city is not just a beneficiary of our activities they are an ally and partner.

I move we approve the Actual/ proposed schedule for FY 2021 for reasons stated.- Kevin Jones