



**MINUTES OF THE REGULAR MEETING OF THE TOWN
OF LAKE LURE ABC BOARD**

MONDAY, JUNE 20, 2022
3:30 PM.

THIS MEETING WAS HELD AT LAKE LURE TOWN HALL.

Present: Linda Samarotto, Chair
Richard Sayles, Board Member
Peter O’Leary, Board Member
Esther Lusk, Board Member

Russ Dunst, ABC Store Manager
Rhonda Cook, Accountant
Jim Proctor, Town Council Liaison

Absent: Bob Cassano, Board Member

Town Staff: Olivia Stewman, Town Clerk

I. CALL TO ORDER

Chairwoman Samarotto called the meeting to order at 3:31 p.m.

II. AGENDA ADOPTION

Mr. Richard Sayles requested a motion to adopt the agenda. Ms. Esther Lusk seconded. All present board member voted in favor.

III. CONFLICT OF INTEREST STATEMENT

There were no conflict of interests.

IV. CONSENT AGENDA

A. Approval of the May 16, 2022 Regular Meeting Minutes

Mr. Sayles made a motion to approve the May 16, 2022 regular meeting minutes, as presented. Chair Samarotto seconded and all voted in favor.

V. NEW BUSINESS

A. ABC Store Manager Report

Store Manager Russ Dunst deferred to Rhonda Cook, the accountant for the ABC Board, who presented financial and budget information. The Board determined that members need to be informed how much they are paying the Town. Ms. Cook noted that the ABC Store had been experiencing issues regarding non-compliance with North Carolina (NC). Ms. Cook explained that she has filed sales tax from November 2020 through November 2021 and July 2021-May 2022, paid penalties because NC withholding taxes were unpaid by former accountants. Ms. Cook also noted that the E-500E Form had not been filed since November 2020. Ms. Lusk asked if the board or store management should have been receiving notices from the state and Ms. Cook expressed that they should have been. Ms. Cook summarized that the store is not getting ahead, improving, and not receiving as many notices of non-payments.

Commissioner Proctor asked why non-payments occurred. Board members noted that these occurrences took place when a previous accounting firm and management were present.

Ms. Cook ensured the Board that the store is becoming more compliant with state Department of Revenue and the main issue at this time is paying Form 941.

It was discussed that there are 80 to 100 invoices per delivery because the store is billed per distiller. Mr. Dunst noted that the LDB website shows bills paid but the website provides no additional information.

Chair Samarotto asked if Ms. Cook had obtained a new accounting program. Ms. Cook answered that she is using the same program as the previous accountants, but would like to revert to QuickBooks desktop.

Mr. Dunst thanked Ms. Cook for her work with him thus far and reported good communication between the two.

Mr. Dunst reviewed the financial report from May 2022. Dunst reported a cut back on overtime and announced that the store is now fully staffed.

Mr. Dunst provided an update on the LBD liquor delivery mandate and thanked Ms. Lusk for her help with addressing the issue.

Mr. Dunst reported supply and demand issues with LBD. He explained that store staff is prepared for busy a 4th of July but LBD had cut orders. Dunst cited two warehouses not communicating as the main issue. Mr. Dunst explained that the store has not had certain products for months, but staff have been trained to provide comparable suggestions for these products.

Mr. Dunst reported that the refrigerated cooler is doing well and having to be stocked twice a day.

Mr. Dunst explained that specialty drinks such as certain bourbons will be distributed as a limited amount every other month to some stores and other stores will not receive them at all.

Mr. Dunst and the Board members reviewed the proposed budget for FY 2022-2023. After some discussion, Ms. Cook suggested tweaking numbers. Mr. O'Leary recommended basing numbers on profit loss this year. Mr. O'Leary identified various errors and issues with the budget. It was determined that the proposed budget is low. Mr. Dunst stated that he will make revisions and provide the board with an updated proposed budget.

Mr. Dunst provided an update on business license permitting, noting that most have gotten re-permitted, but two had not. Dunst also noted that Riverside Events Center had requested to transfer stores and the request was denied by the state.

Mr. Dunst noted that the refrigerated cooler is adding to sales. Dunst announced that the store has remained in the top 5 for credit card sales in the state.

Mr. Dunst informed the Board that the store will will be closed on June 30th for end of year inventory and the new budget will begin in July.

Mr. Sayles asked if the Board could have a state representative attend a board meeting to discuss issues. Mr. Dunst stated that he will request that this happen.

The Board discussed obtaining a bourbon barrel in relation to dirty dancing.

An ongoing issue with parking was discussed and will continue to be addressed.

B. Discussion of ABC Store Operations

There was no additional discussion of ABC Store Operations.

VI. CLOSED SESSION

Ms. Lusk made a motion to enter closed session in accordance with G.S. 143-318.11(a) (5) for the purpose of discussing employment contracts. Mr. Sayles seconded and all voted in favor.

The ABC Board entered closed session and discussed pay rates for a contracted employee.

Ms. Lusk made a motion to return to open session. Mr. O'Leary seconded and all voted in favor.

VII. ADJOURNMENT

With no further business, Ms. Lusk made a motion to adjourn the meeting. Mr. Sayles seconded and all voted in favor. The meeting was adjourned at 4:47 pm.

ATTEST



Olivia Stewman, Town Clerk



Linda Samarotto, Board Chair