

Hyde ABC Board Meeting

11.19.18

6:15.pm

Open: 6:16 pm Greeting by Meredith. All Board members, GM and FO present along with Auditor Scott May.

Ethics Commitment: reminder by Meredith

Prior Month Board Minutes: There are a couple of typos in the October 2018 Board minutes Vicki sent out. She will make the corrections noted. The Board adopts the minutes with the corrections made.

The meeting is turned over to Auditor Scott May. Scott presents the annual audit review for 2017- 2018 fiscal year. There is discussion on the distributions we make and how they show up in Quick Books. There was a discussion of the required distribution for Alcohol Education and Law Enforcement and how they appear in the audit. The auditor computed the distributions based on the ABC Commission formula, which amounts were less than what we had actually distributed. As discussed the last two years, we have had to pay more for these distributions than is required, because we have not been able to find anyone to perform the required duties for less. This is due to our being such a small Board and our stores being quite remote. Finance Officer Gary Davis and Scott will discuss this further during our next audit.

A motion was by board Chair Meredith to adopt the Audit. Glenda 2nd the motion. Audit adopted. Scott said his goodbyes around 6:30 and resumed the Board meeting

Old Business:

1. Meredith will take the County distribution check to them next week. She will meet with the County Commissioners during the Jan. 2019 meeting.
2. Meredith asks if the Laurie Lee and the County Commissioners got their copy of the Audit and Gary believes Scott sent them out.
3. Ocracoke shelving that we put on hold until this winter. Vicki will contact the company and see if we can get it scheduled during Feb.

2019. We will not be getting the Swan Quarter shelving at this time. Vicki thinks there will be some issues if we set it up the way it was scheduled.

Gary's Financial Statement for October Finances:

It has been an interesting month as I think you will see from my comments which follow.

Balance Sheet:

- **Checking/Savings:** We continue to carry a healthy cash balance of \$157,139, although it is down by \$10,504 from last year.
- **Inventory** is up by \$18,482 which is one reason for cash to be down.
- **Accounts Payable:** Another reason cash is down is that we paid down our balances by \$2,916. Our Total Liabilities have overall declined by \$13,486.
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- **MTD Profit & Loss:**
 - **Sales** jumped \$8,766 and our Gross Profit improved by \$2,333.
 - **Expenses:**
 - **Salaries and Wages** were up \$4,202 primarily because we had a three payroll month which only occurs twice a year.
 - In addition, **Legal & Accounting** was up \$5,200 due to having paid for our audit in October.
 - **Total Expenses** were up \$9,553 (see above)
 - **Other Income** fell \$5,537, because last year we collected the PCL settlement of \$5,663.
 - **Law Enforcement** jumped \$623 of the \$823 expense this month which comes about, because I decided to eliminate the negative payable our auditors set up which I will attempt to explain at our meeting.

- **Net Income:** We incurred a loss of \$3,318 as compared to a profit of \$10,653 last year. Putting the major pieces together, the improved **Gross Profit** of \$2,333 was not enough to offset the increased **Total Expense** of \$9,553 and loss of the \$5,663 PCL settlement income .

YTD Profit and Loss:

- **Sales** are up \$21,643 and Gross Profit jumped \$7,199.
- **Salaries & Wages** jumped as noted above. Last year there had not been any three payroll months.
- **Net Profit** was \$25,076, down from \$31,947, for all the reasons previously noted.

YTD Profit & Loss Budget vs. Actual:

- We continue to be within our Budget with the exception of **Bank Fees** which results from our implementing the Positive Pay System.
- Our **Net Income** of \$25,076 exceeds our **Budgeted Annual Net Income** of \$15,155 by almost \$10,000.

Overall, I feel that we're doing very well, having had to endure the usual weather related problems we always seem to face

General Manager Comments: October sales were great due to the 300th Black Beard Anniversary. Tourists came in all during the week causing our sales to look like a summer week of \$20,000! State sales were up 10.81% and we were up 13.14 %. Surrounding counties were up 10% and one county in the negative.

Our next board meeting is scheduled for Monday 12.10.18 at 6:15pm.

Meeting Adjourned 6:40 pm