

Chuck Wooten

From: Paige Dowling
Sent: Thursday, January 08, 2015 2:17 PM
To: Chuck Wooten
Subject: Re: Alcohol Education Funds
Attachments: ABC Alcohol Education Rehab Funding Guidelines.pdf

Hi Chuck,

We send the attached document along with a letter stating the deadlines to applicants for the ABC distribution. We are always a year behind in the distributions because we wait for the 4th quarter payment and to close out the books. This year we will distribute the required percentage from revenue collected July 2013 through June 30, 2014. We always send the guidelines to the Police Dept., Sheriffs Dept., WCU, and anyone else like Life Challenge or Mountain Projects that might request it.

Thank you,
Paige

Paige R. Dowling
Town Manager
Main Street Director
Town of Sylva
83 Allen Street
Sylva, NC 28779
(828) 586-2719

From: Chuck Wooten
Sent: Thursday, January 08, 2015 1:30 PM
To: Paige R. Dowling
Subject: Alcohol Education Funds

Paige,

Does the Town have written guidelines and an application process for awarding alcohol education funds. This is new to the County and we need to establish a process for allocating these funds. Any suggestions or assistance will be appreciate.

Thanks
Chuck

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**TOWN OF SYLVA
ABC REHABILITATION /EDUCATION
CONTRIBUTION PROGRAM**

Based on Chapter 347 senate bill 342, the Town of Sylva will contribute seven percent (7%) of the net profits received from the Sylva ABC Store for education on the excessive use of alcoholic beverages and for the rehabilitation of alcoholics. Expenditures for the purpose may be made for programs carried on by the town, appropriations to nonprofit corporations, or agencies sponsoring or engaging in such education, research or rehabilitation within Jackson County.

In order to meet the seven percent (7%) requirement, the Town of Sylva may contribute to an **Alcohol Awareness Scholarship Program** sponsored by the Town of Sylva Board of Commissioners. The feasibility of this scholarship program will be determined yearly, based on the availability of a facilitator to oversee the program. When offered, the scholarship program will be available to all seniors attending Jackson County High Schools who plan to attend an institution of higher learning following high school graduation.

Another way the Town will meet the seven percent (7%) requirement will be to fund non-profit agencies that either provide alcohol education or rehabilitation programs. Agencies that wish to participate in the **Alcohol Education /Rehabilitation Grant** must submit their request, in writing, no later than **January 31st** of each year. Request shall include:

- (1) A detailed description of the program requesting funding.
- (2) A budget on how the money will be used within the context of Alcohol rehabilitation or education.
- (3) A statement that the awarded money will be used for programs within Jackson County only.
- (4) If applicable, an annual report on how the previous year's grant money was used and the success of the program.

Request will be reviewed by the Town Manager who will make recommendations to the Board of Commissioners. Since funding is based on net profits, grant monies available will vary from year to year. Grant recipients will be notified and receive their disbursement the month of March.

§ 18B-805. Distribution of revenue.

(a) Gross Receipts. - As used in this section, "gross receipts" means all revenue of a local board, including proceeds from the sale of alcoholic beverages, investments, interest on deposits, and any other source.

(b) Primary Distribution. - Before making any other distribution, a local board shall first pay the following from its gross receipts:

- (1) The board shall pay the expenses, including salaries, of operating the local ABC system.
- (2) Each month the local board shall pay to the Department of Revenue the taxes due the Department. In addition to the taxes levied under Chapter 105 of the General Statutes, the local board shall pay to the Department one-half of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9).
- (3) Each month the local board shall pay to the Department of Health and Human Services five percent (5%) of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9). The Department of Health and Human Services shall spend those funds for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse.
- (4) Each month the local board shall pay to the county commissioners of the county where the charge is collected the proceeds from the bottle charge required by G.S. 18B-804(b)(6), to be spent by the county commissioners for the purposes stated in subsection (h) of this section.

(c) Other Statutory Distributions. - After making the distributions required by subsection (b), a local board shall make the following quarterly distributions from the remaining gross receipts:

- (1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 1/2%) markup provided for in G.S. 18B-804(b)(5) and the bottle charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.
- (2) The local board shall spend for law enforcement an amount set by the board which shall be at least five percent (5%) of the gross receipts remaining after the distribution required by subdivision (1). The local board may contract with the ALE Branch to provide the law enforcement required by this subdivision. Notwithstanding the provisions of any local act, this provision shall apply to all local boards.
- (3) The local board shall spend, or pay to the county commissioners to spend, for the purposes stated in subsection (h), an amount set by the board which shall be at least seven percent (7%) of the gross receipts remaining after the distribution required by subdivision (1). This provision shall not be applicable to a local board which is subject to a local act setting a different distribution.

(d) Working Capital. - After making the distributions provided for in subsections (b) and (c), the local board may set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system. With the approval of the appointing authority for the board, the local board may also set aside a portion of the remaining gross receipts as a fund for specific capital improvements.

(e) Other Distributions. - After making the distributions provided in subsections (b), (c), and (d), the local board shall pay each quarter the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is

provided for by law. If the governing body of each city and county receiving revenue from an ABC system agrees, those governing bodies may alter at any time the distribution to be made under this subsection or under any local act. Copies of the governing body resolutions agreeing to a new distribution formula and a copy of the approved new distribution formula shall be submitted to the Commission for review and audit purposes. If any one of the governing bodies later withdraws its consent to the change in distribution, profits shall be distributed according to the original formula, beginning with the next quarter.

(f) **Surcharge Profit Shared.** - When, pursuant to G.S. 18B-603(d1), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located outside the city, the local board operating the store at which the sale is made shall retain seventy-five percent (75%) of the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) and the remaining twenty-five percent (25%) shall be divided equally among the local ABC boards for all other cities in the county that have authorized the sale of mixed beverages.

When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located at an airport outside the city, the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) shall be divided equally among the local ABC boards for all cities in the county that have authorized the sale of mixed beverages.

(g) **Quarterly Distributions.** - When this section requires a distribution to be made quarterly, at least ninety percent (90%) of the estimated distribution shall be paid to the recipient by the local board within 30 days of the end of that quarter. Adjustments in the amount to be distributed resulting from the closing of the books and from audit shall be made with the next quarterly payment.

(h) **Expenditure of Alcoholism Funds.** - Funds distributed under subdivisions (b)(4) and (c)(3) of this section shall be spent for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. The minutes of the board of county commissioners or local board spending funds allocated under this subsection shall describe the activity for which the funds are to be spent. Any agency or person receiving funds from the county commissioners or local board under this subsection shall submit an annual report to the board of county commissioners or local board from which funds were received, describing how the funds were spent.

(i) **Calculation of Statutory Distributions When Liquor Sold at Less Than Uniform Price.** - If a local board sells liquor at less than the uniform State price, distributions required by subsections (b) and (c) shall be calculated as though the liquor was sold at the uniform price. (1981, c. 412, s. 2; c. 747, s. 52; 1983, c. 713, ss. 102-104; 1985 (Reg. Sess., 1986), c. 1014, s. 116; 1991, c. 459, s. 3; c. 689, s. 306; 1991 (Reg. Sess., 1992), c. 920, s. 4; 1993, c. 415, s. 27; 1997-443, s. 11A.118(a); 1999-462, s. 8; 2011-145, s. 19.1(q); 2014-100, s. 17.1(xxx).)