

**Minutes of the Durham ABC Board's Board Meeting
September 20th, 2022**

The Durham County ABC Board met at the administrative office, located on 3620 Shannon Road, Suite 200, on the 20th day of September, 2022.

Board Chair Daniel Edwards called the meeting to order at 5:30 p.m.

In attendance were Board Chair Daniel Edwards, Board Member Gale Adland, Board Member Donald Lebkes, Board Member Frachele Scott, Board Member Ryan Urquhart, General Manager Lou Sordel, Assistant General Manager Deborah Warren, Human Resources Generalist Tristin Coleman, Visual Compliance Manager Ikzuri K. Garcia-Banda, and Board Attorney George Miller III. Joshua Anderson and Lowell Oakley Jr. with Dean Dorton, a public accounting firm in the Raleigh-Durham area, were also in attendance.

ALE Special Agent Sean Hamilton and Paul Young with DTW Architects were virtually present via Zoom.

Conflict of Interest Review and Declaration

Chair Edwards read the Board's Conflict of Interest Review and Declaration statement and asked Board members if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. All Board members verbalized that they have reviewed the agenda and do not have any conflicts.

Consent Item

The consent item approved was the August 16th, 2022 Board Meeting Minutes and the August 2nd, 2022 Special Meeting Minutes. Board Member Lebkes moved to approve the meeting minutes as presented. Board Member Scott seconded the motion. The Board approved unanimously.

Public Comment

No members of the public were in attendance. No public comments were made.

Law Enforcement Report

Agent Sean Hamilton discussed a search warrant that was executed a few weeks before the meeting, somewhere on south Alston avenue. During the search, ALE agents seized a few hundred containers of alcoholic beverages, methamphetamine, fire arms, and a large quantity of United States currency.

No further comments from Agent Hamilton.

Project Updates

Paul Young spoke to the Board regarding the progression of several projects:

Highway 55

The new location for DCABC Store 10, located on Highway 55, is now open. Mr. Young expressed his team's excitement about the store and its design. Mr. Young will be working on a list of items that need attention here and there. Once completed, DCABC will proceed to close out the project with the contractor.

Page Road

Mr. Young assured the Board that the project drawings for Page Road are still on target to be completed by the end of this year. At that point, Durham ABC can decide which path to take next.

General Manager Lou Sordel and Chair Edwards commended Mr. Young for his hard work on the opening of Store 10.

2022 Audit

Lowell Oakley and Joshua Anderson presented the Board with the status of the audit:

The field work has been completed, with the financial statement having been prepared by the firm (Dean Dorton). A draft of the completed financial statement and letter was transmitted to Rachel Wadsworth, Durham County ABC's interim Chief Financial Officer. Mrs. Wadsworth reviewed those documents and forwarded them to the Board in preparation for the night's meeting. Mr. Oakley explained that the action item for the Board during the night's meeting was to review those documents, and approve them once all Board members are comfortable to do so. Afterwards the audit should be sent to the North Carolina ABC Commission before September the 30th, 2022.

Board analyzed financial statement, with Mr. Anderson walking them through the specifics.

To see the 2022 audit for Durham County ABC, see attached document.

Board Member Scott moves to accept financial statement and audit from Dean Dorton, as well as the audit statement as it stands. Member Urquhart seconds the motion. The board approves unanimously.

General Manager's Report

General Manager Lou Sordel presented the Board with the General Manager's Report, opening the floor for members of the staff to speak:

Human Resources Generalist Tristin Coleman

Ms. Coleman reported to the Board that the Harassment and Communication Training for the Durham ABC store managers, mentioning that the managers had been very receptive and interactive. The training was comprised of the definitions of the different forms of harassment and different forms of communication. The training stressed the importance of store managers acting upon such reports, as well as understanding the different levels of communication – focusing on the nuances in the way that information is reported, such as nuance, cadence, tone, and how the information is received by the team members.

To round out the success of this training, Ms. Coleman will go over the same training on Thursday, September the 29th, 2022 with the assistant managers of every store, and stated her belief that, with both managers receiving the same message, the stores and their team members will have an easier time understanding what is expected of them.

Ms. Coleman closes with two key items for the month: She is focusing on conducting coaching sessions with team members and store managers, as well as reopening the search for new hires.

Visual Compliance Manager Ikzuri K. Garcia-Banda

Visual Compliance Manager Ikzuri K. Garcia-Banda presented the Board with a presentation of Durham County ABC's new website.

Assistant General Manager Deborah Warren

Assistant Manager General Warren presented the Board with several items:

Grand Opening of Store 10 on Highway 55

Along with Operations Manager Michael Mitchell, Ms. Warren reported a successful grand opening at Store 10, the newest location for Durham ABC. As Ms. Warren described: the parking lot was packed from 6:00 AM, which was confirmed by Mr. Mitchell – who added that several people had camped outside of the store overnight in preparation for the opening.

Ms. Warren commended the great staff and all of those who showed up to help with the store’s preparation up to its opening. This included Board Chair Edwards, who was commended on his hard work on the day of the opening. The new location made an approximate \$82,000 in sales that day, with \$30,000 of those sales taking place in the first hour.

Company Gathering

Organized by Durham ABC Store Manager Robin Roberts, Durham ABC held a company gathering on Sunday, September the 18th, 2022 at Southern Boundaries Park in Durham, NC. The team members played kickball, mingled, and enjoyed music and food provided by each other, with several of the Store Managers even taking responsibility of manning the grill!!

August 2022 Financials

Mr. Sordel briefed the Board on details of the financial report:

Durham County ABC sales of \$4,676,555 for August increased \$536,012 or 12.95% compared to the prior year. By business line, Retail sales increase \$359,276 or 3.98% and MXB sales increased \$90,919 or 23.17%. Budgeted total sales for August were \$4,456,774 so there was a positive budget variance of \$219,781 or 4.93%.

The August sales increase for Durham County ABC Board of 12.95% was ranked 5th among the 9 comparative boards (Cumberland, Orange, Wake, Mecklenburg, New Hanover, Greensboro, Triad and Asheville.). The statewide increase was 12.29%.

Total August accrued Profit Distributions (based on Sales) were \$237,024 versus \$202,086 the prior year, an increase of \$34,938

Closed Session

Board Member Scott moved for the Board to go into closed session. Board Member Urquhart seconded the motion. The Board approved unanimously. The Board went into closed session

Adjournment

Board Member Lebkes motioned to adjourn the meeting. Board Member Adland seconded the motion and the Board approved without objection, and the meeting was adjourned at 7:50 PM.

Approved by:  _____

Daniel Edwards, Board Chair