

**THE BOARD OF COUNTY COMMISSIONERS  
DURHAM, NORTH CAROLINA**

Monday, June 11, 2001

4:30 P.M.

**Hearing on Possible Removal of ABC Board Members**

**MINUTES**

Place: Commissioners' Room, second floor, Durham County Government  
Administrative Complex, 200 E. Main Street, Durham, NC

Present: Chairman MaryAnn E. Black, Vice-Chairman Ellen W. Reckhow, and  
Commissioners Joe W. Bowser, Philip R. Cousin Jr. and Becky M. Heron

Absent: None

Presider: Chairman Black

The Board of Commissioners was requested to make a decision on the possible removal of the Alcohol Beverage Control Board members. The hearing on the possible removal was complete and closed. The one remaining item was the request for two of the ABC Board members to furnish evidence that they had reimbursed the ABC System for personal expenses. A copy of letters from John G. Horton and Mary Ellen Williams in reply to this request is entered into the record as requested.

Chairman Black gave the background of the ABC Board hearing and an update supplied by the ABC Board members addressing Commissioner concerns raised at that hearing.

Chairman Black read into the record the following letters:

June 6, 2001

MaryAnn E. Black, Chairman  
Durham County Board of Commissioners  
200 E. Main Street  
Durham, NC 27701

Dear Mrs. Black:

This letter is in response to your request from me to provide a copy of my reimbursement to the County for expenses accrued during a business trip

in August 2000. As I explained during the ABC Hearing, I was presented a copy of an expense which I wasn't sure about and asked for additional time to research my bank records. On June 5, 2001, I contacted Mr. Randy Mills to see if he could check the files in his office to verify any receipts he might have regarding my reimbursement. Later that afternoon, Mr. Mills contacted me and informed me that according to his records, I never receive(d) notification regarding the reimbursement of funds because he had given Karen Hall the information and amounts to collect from us, (as annotated on the bottom of the convention registration order form), which she never did.

Due to Ms. Hall('s) failure to following thought with instruction given to her by her Manager, this reimbursement was never collected. Since her *mistaken* has cause(d) concerns by *Mr(s)*. Heron, I have satisfied this obligation by writing a check to the Durham ABC Board Office plus 10% for accrued interest to resolve this issues. I apology(*apologize*) to the County Commissioners for any inconveniences that this has cause(d) but again I hope you can see that Ms. Hall had provided information to the Commissioners in an effort to have this Board removed. According to Mr. Mills, ABC Manager, Ms. Hall was instructed by him to provide this board with the reimbursement request, but she never did and I was never informed. Personally, I feel that if Ms. Hall was present on Monday's hearing for me to ask questions regarding this, the truth of this matter would have come out.

If any additional information is required, please feel free to contact me.  
Thank you.

Sincerely,

/s/John G. Horton  
Vice-Chairman Durham ABC

---

June 6, 2001

Mrs. MaryAnn E. Black, Chairman  
Durham County Board of Commissioners  
200 E. Main Street  
Durham, NC 27701

Dear Mrs. Black,

Upon researching the NCABC conference registration forms brought to our attention on this past Monday, we found that the Accountant did not notify any of us of the amounts due for reimbursement for spouse expenses. Instructions given by Mr. Mills to notify us of the amounts due were not followed. The registration forms were completed in late May 2000 and a note attached of the amounts to be reimbursed. The registration check was prepared June 2 and the Accountant instructed to collect the amounts noted on the forms which were copied and sent to the commissioners but were never given to us for collection or deducted from our reimbursement check for mileage at the end of the meeting. We all regret that this incident occurred but as you are aware our first meeting upon returning from this trip was when we were bombarded with problems from Mr. Randall. It is my belief that this omission of collection was intentional and your copies were made during our trip.

This matter has been corrected as of today. Since the reimbursements were ultimately our responsibility, we have each paid the amount due plus 10% in order to compensate for any lost interest that may have occurred and to show good faith.

Sincerely,

/s/Mary Ellen Williams  
Enclosures (3)

---

The Commissioners individually reported their findings on the evidence presented at the ABC Board hearing. The Chairman asked the Commissioners for direction.

Commissioner Heron moved, seconded by Vice-Chairman Reckhow, to ask the County Attorney to prepare the proper order to dissolve the current ABC Board.

Commissioner Bowser made a substitute motion, seconded by Commissioner Cousin, to leave the current ABC Board in place to serve their terms.

The substitute motion failed with the following vote:

Ayes: Commissioners Bowser and Cousin

Noes: Commissioners Black, Heron, and Reckhow

The first motion carried with the following vote:

Ayes: Commissioners Black, Heron, and Reckhow

Noes: Commissioners Bowser and Cousin

The County Attorney will draft the order and bring it before the Commissioners for approval at the June 25 Regular Session. The current ABC Board will continue in office until the order is approved by the Board of Commissioners and entered.

Vice-Chairman Reckhow moved, seconded by Commissioner Cousin, that the Board go on record to support legislation to increase the ABC Board to five members.

The motion carried unanimously.

Vice-Chairman Reckhow referenced a letter dated June 1, 2001 from District Attorney James Hardin advising that the State Auditor would not perform an audit of the ABC system as requested. The letter suggested an independent auditor conduct any audit. The County Attorney advised there would be an independent audit anyway due to the fiscal year end. The County Manager recommended that the contract with the County's auditor be amended to include an audit of the ABC Board operations.

### **Adjournment**

There being no further business, Chairman Black adjourned the meeting.

Respectfully submitted,

Garry E. Umstead, CMC  
Clerk to the Board

GEU:SBP