



## ***ANNUAL BUSINESS MEETING MINUTES***

**Mayflower Renaissance Hotel  
Washington, DC  
June 23, 2012**

### **Welcome and Call to Order**

President William A. Kelley, Jr. called the meeting to order and announced that everyone should have picked up a copy of the agenda and budget proposal for the next fiscal year that had been made available during the previous two days of the annual conference. He then asked Executive Director Pamela Frantz to conduct a roll call of the States.

**Attendees:** 19 States were represented (AL, AZ, CA, DE, DC, FL, Honolulu Liquor Comm., ID, IL, MA, MD, ND, NE, OK, OR, PA, TN, VA, and WA).

**Absentees:** 8 States were not present (CO, CT, IA, KS, KY, MT, NJ, and TX)

Hobert Rupe of the Nebraska Liquor Control Commission served as Parliamentarian of the meeting.

### **Regional Chairman Reports and Appointments**

President Kelley requested a report and officer appointments for FY 2012-13 from each of the NCSLA regions.

**Northern Region:** Curtis Coleburn, Northern Region Chairman, announced that he had been nominated as 3<sup>rd</sup> Vice President, Jerry Waters of Pennsylvania was elected Regional Chairman, and John Cordrey of Delaware as Regional Vice-chair. Mr. Coleburn acknowledged that it was the Northern Region's turn to host the next regional conference but no decision had been made at this time. Potential northern region state conference hosts and site locations for the 2013 Northern/Southern regional conference included Massachusetts, Pennsylvania, and New Jersey.

**Southern Region:** Keith Burt, Southern Region Chairman, announced that Bob Hill of Alabama was nominated 2<sup>nd</sup> Vice President, he was re-elected Regional Chairman, and Sherry Cook of Texas as Vice-chair. He added that the Oklahoma ABLE Commission was serving as conference host of the 2012 Northern/Southern regional conference to be held in Oklahoma City from September 30 – October 3<sup>rd</sup> and extended a heartfelt invitation to everyone to attend.

**Central Region:** Richard Haymaker, Central Region Chairman, announced that Anne Hutchison of North Dakota was nominated as 1<sup>st</sup> Vice President, he was re-elected Regional Chairman, and Sarah Byrne of Kansas as Vice-chair. The 2013 Central/Western regional conference is scheduled to be at the Hilton Omaha Hotel in Omaha, Nebraska from October 27-30<sup>th</sup>.

**Western Region:** Matthew Botting, Western Region Chairman, announced that Rick Garza of Washington was unanimously nominated as NCSLA President, he was re-elected Regional Chairman, and Rudy Williams of Oregon as Vice-chair. He added the 2012 Central/Western regional conference will be held at the Westin-Kierland Resort in Scottsdale, Arizona from November 1-4<sup>th</sup>.

## **Report of Audit Committee**

No report was given.

## **Report of Membership**

Ms. Frantz gave the membership report and advised there were 142 members in total and identified the number of members per category. Combined they generated \$290,875.00 in dues revenue FY 2011-12, an increase of over \$100,000.00 from the previous year. This substantial increase was attributed to the dues restructure that was implemented this year, although member numbers had declined some, primarily in the retail tier. President Kelley noted that he was told by a couple of previous retail members that non-renewal was due to their lack of budgeting and/or business judgment by the corporate offices. Mr. Rupe applauded the success of attendance of State members at this conference and inquired if there was any outreach to enlist the states who weren't currently members. Ms. Frantz indicated that there had been some turnover at state agencies so it was a matter of making introductions and educating them about the association. Mr. Rudy Williams offered to assist with outreach to Control States not active in NCSLA and discuss the benefits of this association.

President Kelley called for additional comments to the membership report. Mr. Paul Pisano brought up the request for state beer wholesaler associations to be able to attend conferences under the national association's membership dues. More state associations would like to participate and attend NCSLA meetings but it's not feasible within their small budgets. He added it would be an opportunity to increase attendance at these meetings and benefit NCSLA by getting more people involved that are active at the state level. President Kelley acknowledged that it is within the Boards' discretion to determine whether another category or definition should be specified.

President Kelley then asked for a vote to confirm the new associate members in accordance with Article 1, Section 4 of the NCSLA Bylaws. He asked Executive Director Frantz to identify the new members and she advised there were 16 new members comprised of four (4) law firms, one (1) trade association, one (1) wholesaler, one (1) retailer, four (4) suppliers, one (1) government associate, and four (4) other associates. She proceeded to name the businesses:

Kubasiak, Fylstra, Thorpe & Rotunno, PC of Chicago, Illinois – Small Law Firm  
Logan Yumkas Vidmar & Sweeney, LLC of Annapolis, Maryland – Large Law Firm  
Schwabe, Williamson & Wyatt of Portland, Oregon – Large Law Firm  
Winelaw.net/KC Branch Law Firm of San Luis Obispo, California – Small Law Firm  
Missouri Beer Wholesalers Association of St. Louis, Missouri – Small Trade Association  
Glazer's, Inc. of Dallas, Texas – Large Wholesaler  
Total Wine & More of Potomac, Maryland – Large Retailer  
Duckhorn Wine Company of St. Helena, California – Small Supplier  
Jackson Family Enterprises of Santa Rosa, California – Large Supplier  
North American Breweries of Buffalo, New York - Small Supplier  
Skyy Spirits of San Francisco, California - Large Supplier  
British Columbia Liquor Distribution Branch of Vancouver, British Columbia – Government Associate  
Federal ePermits of Centreville, Virginia - Other Associate  
Lot 18 Holdings, Inc. of New York, New York – Other Associate  
Responsible Retailing Forum of Chestnut Hill, Massachusetts – Other Associate  
Stephen Diamond of Coral Gables, Florida – Other Associate

Hobert Rupe of Nebraska moved to confirm the new members and Richard Haymaker of Illinois seconded the motion; motion passed unanimously 19 – 0.

## **2011-12 Financial Updates**

Ms. Frantz presented a statement of net worth and informed the members the total worth of CDs, Checking and Savings accounts was \$529,343.91. She noted the Bank of Internet CD would mature on September 7, 2012. She proceeded to report Y-T-D income was \$295,932.78. Ms. Frantz continued to report that operating expenses to date totaled \$349,941.83 and exceeded the budget primarily in the areas of: Executive Committee travel (increases due to a change to 2-day meetings) and the website (redesign and security). President Kelley interjected that NCSLA logoed Polo shirts were created this year to help promote the newly designed NCSLA logo, and could possibly provide an additional revenue stream for the association. The small inventory that remains is to be sold for \$30 per shirt plus shipping. Ms. Danielle Elks of Tennessee inquired if other logoed merchandise besides the Polo shirts might be marketed? She suggested hats (ball caps). President Kelley indicated it would be considered along with other items upon monitoring the shirt sales.

## **Laddering of CDs**

President Kelley informed the members that an Investment Subcommittee within the NCSLA Executive Committee had researched CD investment options for reinstating the laddering of CDs and presented two proposals (Barclays and Ally) to the Board for consideration. Mr. Matthew Botting continued to explain the Board's recommendation of Barclays given the advantages of better rates, relatively small penalty for early withdrawal, and only one reinvestment action was required between 2012 and 2016. President Kelley asked if members had any questions and Mr. Hobert Rupe sought clarification on the amount to be invested. Mr. Botting advised the amount of \$180,000.00 would be invested, utilizing the CD that would be maturing in September and approximately \$80,000.00 from the Bank of America Savings account. President Kelley added that the Board moved, voted, and approved unanimously to engage in the laddering of CDs as proposed, and to instruct the Executive Director to execute accordingly. President Kelley thought it appropriate for the members to ratify and approve the investment decision of CD laddering by the Executive Committee. Mr. John Cordrey of Delaware made the motion and Mr. Hobert Rupe seconded; motion passed unanimously 19 - 0.

## **NCSLA Website Update – Daniel McDonnell, CTO, TactiCom, Inc.**

Mr. McDonnell reported on the many enhancements to the NCSLA website, including security, and the plans to redesign and further modernize the association image, features and functionality to improve communication and facilitate recruitment of new members. This also included a new social media component on *LinkedIn* as an added value and marketing tool.

## **2012-13 Proposed Budget**

Mr. Rick Garza, NCSLA 1<sup>st</sup> Vice President, presented a budget proposal for FY 2012-13. He discussed the variances of income, an increase of \$16,000 due to seed money reimbursement from the regional conferences to counter the loss of interest from CD investments, and the reductions in expenses of roughly \$15,000 from Executive Committee travel and the Special Committee meeting along with various office expenses. Together these changes would result in a more balanced operating budget – neutral with regards to revenues vs. expenses. Mr. Garza closed by committing to membership as his priority and focus in the coming year, and recruitment of new members. Ms. Danielle Elks of Tennessee moved to approve the budget proposal and it was seconded by Mr. Keith Burt of Oklahoma; the motion passed unanimously 19 – 0.

### **2014 Annual Conference Proposal from Texas ABC**

President Kelley reminded the members that in accordance with the Bylaws we are required to choose the site of the annual conference two years in advance and for it to be voted on by the membership. On behalf of Assistant Administrator Sherry Cook he announced that the Texas ABC had proposed to host the 2014 Annual Conference in San Antonio, Texas. Ms. Frantz worked together with Ms. Cook and ConferenceDirect, a conference event planner, on site selection. The Executive Committee reviewed proposals from eight (8) hotels and identified The Westin Riverwalk as the desired location, with a room rate of \$179/night and the usual contractual terms and concessions. Mr. Hobert Rupe made the motion to approve the 2014 Annual Conference location in San Antonio, Texas and Mr. Robert Hill seconded the motion; motion passed 19 – 0.

### **Closing Remarks and Adjournment**

Mr. Rupe wished to recognize and express gratitude to President Kelley for his year of leadership and service in the organization. He made a motion for a vote of appreciation and it was seconded; motion carried.

Mr. Rupe also made a motion for a vote of appreciation to Director Fred Moosally and his staff for putting forth a wonderful conference in Washington, DC. The motion was seconded by Ms. Elks and unanimously carried. President Kelley also expressed his appreciation to Director Moosally and the DC staff.

President Kelley reminded everyone of the pre-banquet reception at 6:30 that evening followed by the banquet.

There was no further business or remarks so Mr. Jerry Waters of Pennsylvania moved to adjourn the meeting and it was seconded by Hobert Rupe; motion carried 19 – 0.