



National Conference of State Liquor Administrators

***Executive Board Meeting
December 1, 2007***

***The Fairmont Hotel
Chicago, IL***

Minutes

***The following are highlights of actions taken by the NCSLA Executive Committee.
This meeting was recorded and minutes posted on the website.***

Call to Order

John H. Cordrey, President called the meeting to order at 8:30 a.m.

Members Present

John H. Cordrey, President
Eric Honma, First Vice President
Hobert Rupe, Second Vice President
Danielle Elks, Third Vice President
Lou Bright, Past President
Robert Hill, Southern Chair
William Kelley, Northern Chair
Rick Garza, Western Chair
Pete Lobdell, Central Chair
James Webster, Associate Member Representative
Pam Frantz, Associate Member Representative
Pamela Salario, NCSLA Executive Director

Others Present

Lainie Krozel, Illinois Liquor Control Commission
William O'Donaghue, 2008 Conference Coordinator
Ted Penesis, Illinois Liquor Control Commission
Chuck McGrigg, Wine Institute

Minutes of the April 14, 2007

A motion was made by Hobert Rupe to approve the minutes of the April 14, 2007 meeting. Eric Honma seconded the motion. No Objections. Minutes are approved.

Minutes of the June 3, 2007 Executive Board Meeting

A motion was made by Lou Bright to approve the minutes of the June 3, 2007 Executive Board Committee meeting. Hobert Rupe seconded the motion. No objections. Minutes are approved.

Minutes of the June 6, 2007 General Membership Meeting

A motion was made by Lou Bright to approve the minutes of the June 6, 2007 Annual Membership meeting. Hobert Rupe seconded the motion. No objections. Minutes are approved.

John H. Cordrey, President discussed the issue of posting the minutes of all NCSLA meetings on the NCSLA website. The minutes of each meeting should have a statement that the meeting has been recorded. Hobert Rupe and James Webster will look into a retention schedule for NCSLA and bring a draft of the retention schedule (standard operating) to the spring meeting for the board's review.

A motion was made by Danielle Elks to have the minutes of the April 14th, June 3rd, and June 6th 2007 placed on the NCSLA website. Hobert Rupe seconded the motion. No objections. Motion approved.

Financial Report

NCSLA net worth as of \$681,581.50. The checking account balance is \$254,833.10 and \$426,748.40 in CD's. Category reports show income from states and other governmental entities \$11,025.00; associate dues collected to date is \$188,100.00; interest on checking account to date is \$2,246.24 and interest on CDs to date is \$9,757.26. Total of income \$199,125.00.

In order to centralize the checks for payment of dues and registration fees have all checks mailed to the NCSLA's office address and not each region. The checks for conference will be received by the office and deposited and the forms shall be faxed to the host administrator.

A motion was made by Danielle Elks to establish three accounts for the annual and regional meetings by the executive director. Hobie Rupe seconded the motion. No objection. Motion approved.

Expenses are President's travels \$2,219.50; Executive Director's travel \$1,851.92; Special Committees Meeting \$4,921.08 (this was Conference Planning meeting and the Mentoring Program). Conference expenses \$47,955.56 for the 2007 annual conference. Total office expenses \$1,905.14; Website Management for hosting and maintaining the website is \$1,014.00; Executive Director's contract \$16,670.68; and insurance \$1,109.00.

A discussion of the type of insurance policy that NCSLA currently holds and the type of policy NCSLA requires will be reviewed by Lou Bright and William Kelley.

A motion was made by Lou Bright to approve the financial report. Eric Honma seconded the motion. No objections. Motion approved.

2007-08 Membership Report

As of December 2007 we have 43 state members; 6 governmental; 9 trade associations; 17 suppliers; 69 allied members totaling 144 members. Michigan is under a budget crisis and not able to renew the membership fees.

A discussion on the topic of travel subsidies for those states in a budget crisis. John Cordrey pointed out to the executive committee that line item EB8 on the 2007-08 approved budget is for travel subsidies. The amount approved by the general membership was \$5,000. (This money is for those states that are currently under a travel ban)

A motion was made by William Kelley to subsidize a state who has been a paid member for prior three years. Lou Bright offered an amendment to Mr. Kelley's motion without objection from Mr. Kelley. The amended motion is to say upon appropriate request from the state the executive board will consider waiving the annual fees for any state that has been a member for the three previous years. Hobert Rupe seconded the motion as amended. No objections. Motion approved.

The State of Wyoming has decided not to renew their membership fees. Pam Salaro has sent out duplicate invoices to them and received a telephone call from the purchasing department stating that they do not wish to renew the fees at this time. Mr. Rupe suggested that the regional chair contact the state of Wyoming.

Lou Bright wanted to ensure that the issue of membership structure and dues is carried through. This is an issue that Lynn Walding looked at long and hard through his presidency.

2008 NCSLA Annual Conference

Budget Report

The 2008 NCSLA Annual Conference will be in Chicago. Illinois June 29 through July 3, 2008 at the Fairmont Chicago Hotel. Lainie Krozel, Executive Director of the Illinois Liquor Control Commission, Ted Penesis and William O'Donaghue made a presentation to the executive board.

The proposed budget for the 2008 Annual Conference reflects an increase in registration fees. Fees for state attendees is \$300; governmental attendees \$375; associate members fee did not increase it will remain at \$450; and member guest fee is \$200. The room rate is \$179.00. The rate is secured through the weekend.

A motion was made by Lou Bright to authorize going up to no more than double the normal subsidy for the 2008 annual conference making the subsidy for the 2008 annual conference \$100,000. Hobert Rupe seconded the motion. All in favor to increasing the annual subsidy to \$100,000. No objection. Motion approved.

Program Agenda Report

Lynn Walding, 2008 Conference Planning Committee Chair was unable to attend the meeting, however gave his presentation via telephone. Lynn stated that the 2008 Conference Planning Committee met in October in Chicago for the initial discussion. In attendance at that meeting was Tony Abbinante (Diageo), Karla Carey (Barton), Dwayne Kraft (Miller), Pam Frantz (Beam Global), Lainie Krozel (Illinois), Chuck McGrigg (Wine Institute), Dawn McNeely (Paterno Wines), Phil Moses (Siegel Moses), Paul Pisano (National Beer Wholesalers) James Webster (Webster Powell), Soyoni Wilson (Webster Powell), John Cordrey (Delaware), Lynn Walding (Iowa) and Bill O'Donaghue. Mr. Scott Bruner, (City of Chicago) was invited and unable to attend, however two ladies attended in his absence. Mort Siegel (Siegel Moses) was not able to attend.

Some topics discussed were The M & A Games (mergers and acquisitions – understanding the business we regulate); Who's the 800 Pound Gorilla in the Room? (Tide House Powers) National Call to Action on Underage Drinking; Alcohol, Athletes & Addictions (problems facing sports); There's Nothing Common About Common Carriers; True Cost of Pricing Regulations; Dram Shop Liability; The Views from Behind the Bar; Mike Ditka, Former Coach as a Luncheon Speaker; The Gross Report (on Direct Shipment) by Steve Gross; A Sidebar with Richard Blau; Demographics of Today's Drinkers; Administrative Rulemaking 101; Green – its not just for St. Patrick's Day Anymore; Digital Regulation; The Unauthorized Sale of Alcohol; Alcohol in the Courtroom and Best Practices Report.

Lynn Walding will email the revised program to the executive board members and get there comments. John Cordrey and Lynn Walding will review the comments from the board. The deadline for the completed program is March 15, 2008.

Pam Frantz will serve as Co-Chair of the Best Practices Committee. John Cordrey will call for a volunteer to serve with Pam Frantz on the Best Practices Committee. Hobert Rupe recommended Jerry Oliver, Arizona DLLC Director, as a good candidate for co-chair.

Conference Reports

2007 Annual Conference

2007 NCSLA Annual Conference was held at the Red Lion Hotel in Seattle, Washington June 3 through 7th. Rick Garza reported that they had 329 attendees at the conference. The total income was \$131,000 and the expenses were \$179,000. The total subsidy from NCSLA was \$47,955.56 (this excludes the \$10,000 seed money). Rick Garza and his staff did an outstanding job on the conference.

John Cordrey informed Danielle Elks that NCSLA has allowed an employee to attend the conference and work with the host staff in order to learn the workings of the conference. They are expected to work at the registration desk and help the conference staff.

2007 Central/Western Regions Conference

Central Western Region Conference was held October 28 through 31, 2007 at the Coeur d'Alene Golf and Spa Resort hosted by Mr. Robert Clements. The estimated income is \$43,875.00 and estimated total of expenses were \$46,707.45. The NCSLA subsidy based on the preliminary financial report is \$2,832.45.

A motion was made by Robert Hill to give the executive director the authority to pay up to \$5000 in additional expenses for the Central/Western conference subsidy. Hobert Rupe seconded the motion. No objections. Motion approved.

2007 Northern/Southern Regions Conference

Northern/Southern Regions Conference was held November 12 through 15, 2007 at the Hotel Viking in Newport, Rhode Island. Mr. William Kelley reported that 106 registered for this conference. In a summary he reported the total revenue was \$51,275 and total expenses were \$40,237.05 showing a net profit of \$9,037.95. Mr. Kelley did an outstanding job.

Future Conferences

2008 Central/Western Regions Conference

Mr. Pete Lobdell reported that he is negotiating with the Marriot Hotel in Kansas City to host the 2008 Central/Western Regions conference. The dates available are October 25 through 29, 2008. The room rate would be 139.00 per night. Tom Groneman, Kansas

Alcoholic Beverage Control will co-host the conference with Mr. Lobdell. They are planning some events in Missouri and some in Kansas.

A motion was made by Hobert Rupe to authorize Mr. Lobdell to go forward and secure a contract with the Marriott Hotel for October 25 through 28, 2008. Danielle Elks seconded the motion. No objections. Motion Approved.

2008 Northern/Southern Regions Conference

Mr. Robert Hill reported that he is looking into hosting the Northern/Southern Regions conference on October 5 through 8, 2008 at the Perdido Beach Resort in Orange Beach, Alabama. The room rate is \$168.00.

A motion was made by William Kelley to approve the Northern/Southern Regions Conference October 5 through 8, 2008 at the Perdido Beach Resort, Orange Beach. Mr. Hobert Rupe seconded the motion. No objections. Motion approved.

2009 Annual Conference

Danielle Elks reported that the 2009 NCSLA Annual Conference will be at the Loews Vanderbilt Hotel in Nashville, Tennessee, June 14 through June 18, 2009. The room rate at the hotel is \$199.00. Danielle Elks will present a budget at the next executive board meeting.

Presidential Committees

Best Practices Committee

Pam Frantz will co-chair this committee.

Mentoring Program

John Cordrey and Lou Bright met in Idaho to discuss the Mentoring Program. *How to be a good administrator.* Mr. Cordrey would like to have each region chair contact each of their states and find out if there are any new administrators and provide that list to him and Pam Salario. We would like to encourage each of them to attend the annual conference. It is his hope that we can pay for them to come in on Saturday evening. His hope is to have a program for them on Sunday afternoon or perhaps a lunch on Sunday.

Old Business

On the issue of Brand Registration Jerry Langlais and John Cordrey met with Ms. Renee Loring and her boss who is in charge of that region in Rhode Island. They are now ready to assist us in the project of Brand Registration. Mr. Cordrey indicated that this could be a

service for industry and a funding source for NCSLA. John Cordrey will talk to Mr. Gary Horton with E.J. Gallo.

A motion was made by Hobert Rupe to authorize John Cordrey to continue his exploration on the issue of Brand Registration. Mr. Robert Hill seconded the motion. No objections. Motion approved.

Pam Frantz has volunteered to assist John Cordrey on the Brand Registration.

New Business

Lou Bright suggested that we have some issues that are vital to this association. Some of these issues have been addressed in prior years and he feels that we should continue these studies.

1. *Develop letters to update our members. Keep members informed*
2. *Membership Structure - Define categories*
3. *Who should be a member of this association*
4. *NCSLA needs to review funding sources*
5. *Process paperwork to streamline paperwork*
6. *NLLEA – Association with NCSLA*

John Cordrey suggested composing a small group to look into membership. He will contact individuals to see if they are interested in participating in these discussions. Lou Bright will serve as chairman of the committee and a representatives from beer, wine, distilled spirits and retailers shall be appointed to serve on this committee.

Robert Hill voiced concerns of state representatives attending these meetings and their authority to vote on issues, such as the budget. He suggested that we should have the state administrator appoint someone to make decisions for the state. This person will serve as the contact person for the state and the NCSLA Representative. John Cordrey will send out a letter requesting each state's representative/designee for voting.

Hobert Rupe made a motion that we have John Cordrey acquire the necessary information for incorporating NCSLA to bring before the general membership at the up-coming June/July 2008 annual conference. Danielle Elks seconded the motion. No Objections. Motion approved.

Mr. William Kelley suggested that we look at getting a tax-exemption status.

Hobert Rupe made a motion in conjunction with the investigation into the possibility of incorporating NCSLA that the president and executive director bring the information on not-for-profit tax exemption. Robert Hill seconded the motion. No objections.

NABCA has invited John Cordrey, NCSLA president to attend the NABCA executive committee meeting in Arizona January 5 through 9, 2008. John Cordrey attended last year

as NCSLA first vice-president and found it to be very informative to him as becoming NCSLA president. Eric Honma, NCSLA 1st Vice President will also attend the NABCA meeting in Arizona.

William Kelley and Pam Frantz will look into fingerprint project with the Racing Commission. Mr. Kelley stated that there are 18 other FBI approved channelers and that perhaps NCSLA can be a broker/solicitor. There may be other ways to provide the service to our members.

Adjournment

A motion was made by Hobert Rupe to adjourn the meeting at 6:00 p.m. Lou Bright seconded the motion. No objections. Motion approved.

Minutes submitted by:

*Pamela D. Salario
NCSLA
Executive Director*