

MINUTES

Indian Trail Alcoholic Beverage Control Board

Law Offices of Goodwin & Hinson, PA

September 30, 2010 6:30 PM

Board Members: Ken Porter- Chairman, Wes Hinson, Jan Brown

Attendees: Trish Porter

Call to Order

The meeting was called to order by Chairman Ken Porter at 6:30 PM.

Presentation

Motion made by Ken Porter to approve the agenda, seconded by Wes Hinson, and approved unanimously. Ken Porter opened the floor for public comments, but there were none.

Approval of Minutes

Meeting minutes for March 22, 2010 reviewed by board. Motion to approve made by Wes Hinson, seconded by Jan Brown, and approved unanimously. Meeting minutes for April 1, 2010 also reviewed by board. Motion to approve made by Wes Hinson, seconded by Jan Brown, and approved unanimously.

Financing

- Ken outlined financing proposal package received from First Citizens for board review. 1st line is for non-revolving line of credit for \$134,400.00 for upfit that will be reimbursed by the landlord. Floating rate, currently 4%. 2nd line is irrevocable stand-by line for \$150,000.00 for security of lease, with 4% floating rate. 3rd line is non-revolving line for \$265,000.00 with fixed 3.85% tax-exempt rate; with prepayment penalty of 2% because bank wants this loan to stay on books instead of being refinanced. 4th line is revolving line of credit commitment for \$175,000.00 with floating rate of 100 basis points over prime rate, which is 4.25% now. Commitment letters received for all four credit facilities.
- Board greatly thanks Richard Jones and his staff at First Citizens Bank for their outstanding service with these credit facilities and look forward to working with them.
- Wes Hinson made a motion to approve and accept all four credit facilities as listed in the commitment letters from First Citizens Bank. Motion seconded by Jan Brown, and approved unanimously.

Store Upfit

- Jan gave update report: fixtures are in place, painting completed today, panels for display area to be installed by Wednesday, waiting for mirrors to be delivered next week. Can not get certificate of occupancy until water and sewer is changed over to Indian Trail ABC Board, so Jan will do this as soon as possible next week.
- Electricity also has to be changed over to IT ABC board, which Jan will do this week.
- Jan is also going to apply for a PO Box for the store.
- Insurance must be changed over to IT ABC Board.
- Once certificate of occupancy is received, first product order can be placed.
- Board toured store site today and is very pleased and proud of how everything looks. They believe it is outstanding and will be an excellent reflection on our community.
- Jan is meeting with Guy Potts from state ABC Commission on Tuesday to tour the facility. Mr. Potts has expressed an interest in helping with the labeling for the store.

- Signage work will be started Wednesday.
- Wes Hinson has received several lien waivers contingent upon payment from the general contractor and several subcontractors. Also received invoices for building permits and inspections that have been completed.
- Board discussed making arrangements to start paying upfit invoices once financing with bank is complete. Also, board agreed that all transactions will be reviewed by entire board for at least the first 30 days.
- Ken Porter made a motion to set threshold for checks requiring 2 board member signatures at \$1,250.00. Anything less than \$1,250.00 can be signed by one board member. Motion seconded by Jan Brown and passed unanimously.
- Jan Brown made a motion to accept a promissory note to Janis Nahm in the amount of \$6,304.00 at a rate of 5.75%, which was advanced to pay the security deposit to the landlord that was due before bank financing was complete. Seconded by Wes Hinson and passed unanimously.

Point of Sale Systems

- Board previously agreed to go with the point of sale system from Carolina Data Systems.
- Board discussed negotiating the terms of the proposal. Ken will contact Carolina Data Systems to see what discount may be available if system package is purchased up front instead of financed through Carolina Data Systems. Also, see if credit card machines can be included in quote from Carolina Data Systems and compare that price to what is being offered by the bank. Board agreed to pay deposit after negotiations to have Carolina Data Systems start installation as soon as possible.
- Wes Hinson made a motion to accept proposal from Carolina Data Systems with terms of \$22,122.26 total, with 50% down, balance due upon delivery and set up, 12 months free financing on \$11,000.00 after \$11,000.00 deposit; and empower Ken Porter to negotiate final terms with this proposal as maximum, make deposit, and authorize Carolina Data Systems to begin installation. Seconded by Jan Brown and passed unanimously.

Personnel and Store Manager Hiring

- Board agreed to extend offer of general store manager to Todd Shreve with agreed upon salary.
- Wes Hinson made a motion to empower Jan Brown to make this offer. Seconded by Ken Porter and passed unanimously.
- Board discussed possibly introducing a salary bonus incentive program at beginning of second fiscal year once some operating numbers are established.
- Board wants store manager involved in interview and selection process for assistant store manager. Candidate resumes for different positions reviewed so additional interviews can be scheduled. Personnel needed to unload and stock first order, so hiring process needs to move quickly over next few weeks.

Board Discussion & Possible Action/Comments

Board very pleased with store upfit. Maxco Construction, Rick Turner, and Jan Brown have done great work to complete a nice store facility. Security system vendors and store manager will be invited to next meeting. Grand opening plans will be discussed at next meeting.

Next Meeting

Board agreed to set next meeting for October 14, 2010, at 6:30 PM at the Law Offices of Goodwin & Hinson, PA.

Adjourn

Motion to adjourn made by Wes Hinson, seconded by Jan Brown, and was passed unanimously.