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**MINUTES**  
**SEPTEMBER 6, 2019**  
**9:00 AM**  
**REGULAR MEETING**  
**YOUNGSVILLE TOWN HALL CONFERENCE ROOM**  
**134 US 1A SOUTH**

Chairman Samuel Hardwick called the Board Meeting of the Town of Youngsville ABC Board to order at 9:00am. In attendance was Chairman Samuel Hardwick, Members Mary Margaret Norman, Rick Houser, and Todd Casado. Member Danny Stutzman was not in attendance. Also, in attendance was Town Administrator Phillip Cordeiro, ABC Store Manager Laurie Pritchett, Assistant Store Manager Stephanie Gallagher, and Town Clerk Emily Hurd. Finance Officer Jaclyn Patterson attended via phone conference.

The first item was to approve the Agenda.

**MOTION: TO APPROVE THE AGENDA AS SUBMITTED**

The motion was made by Member Houser and was seconded by Member Casado. The motion passed unanimously.

Chairman Hardwick read the Ethics Statement.

*In accordance with G.S. 18B-201, it is the duty of every Board Member to avoid both conflicts of interest and appearances of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matters coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.*

There were no conflicts of interest or appearances of conflicts.

The next item on the agenda was Citizens' Comments. There were no comments.

The next item on the agenda was the Financial Report. Patterson stated the financials were looking good and noted the audit was in process. She explained she changed the working capital by increasing it to hold more cash this year, mainly to pay for the registers that were budgeted last year but will be installed this fiscal year instead. This will keep more cash on hand. Patterson stated everything else looks fine.

Member Houser noted the Balance Sheet shows a balance due of \$22,000 to the Town and Patterson explained she made an estimation of the profits to be paid to the Town. Patterson noted this figure will change based on the final auditor adjustments. When asked, Patterson explained this figure was based on the minimum and maximum working

capital. She noted in previous years, the ABC Board always kept the minimum working capital and the rest of the profits went to the Town. Generally, the auditors make this adjustment every year, but she is trying to get it set where she will make the adjustment instead of the auditors. Patterson explained \$40,000 was automatically budgeted each year. However, if the ABC Store comes in over on revenues or under on expenses, the resulting increase in profits has historically been paid to the Town. This year, Patterson asked the auditors if we can increase the working capital above the required minimum to cover any extra expenses. Cordeiro summarized the \$22,000 represents profits the ABC Store retained above the amount budgeted and was now showing as a liability due to the Town. Member Houser stated that any amount the ABC Board voted to give to the Town should not show as a liability. Patterson explained it always shows as an expense in the prior fiscal year and a liability on the current balance sheet. Cordeiro explained it would be offset by the excess money that is currently in the bank account. Patterson noted the ABC Store has cash flow problems from not holding onto enough working capital. Member Houser inquired if the ABC Board could give the minimum 3.5% of sales to the Town this year, paid out monthly and if they decided to go this route, would it show up as a liability the following year, and Patterson stated it would not. Patterson noted the agreement between the ABC Board and the Town stated the excess profit was to be paid to the Town. Cordeiro stated that was correct, with the exception of keeping some for capital improvements and things of that nature. Member Houser stated their intent was to keep excess profits to pay down on the loan. He thanked Patterson and Cordeiro for their help.

Member Houser wanted clarification on the \$249,651 in sales and Patterson stated that was the total sales for July and August.

The next item on the agenda was the approval of the Consent Agenda.

**MOTION: TO APPROVE THE CONSENT AGENDA AS SUBMITTED**

The motion was made by Member Norman and was seconded by Member Casado. The motion passed unanimously.

The next item on the agenda was Old Business. The first item under Old Business was to continue the discussion on the proposed remodel of the ABC Store. Chairman Hardwick stated the more he thought about the situation, the more he felt the ABC Board should move forward with the new building instead of investing money in the old building. He expressed several concerns, including shutting down the store, and felt it was time to plan for the future and a fresh start. Member Norman agreed. Chairman Hardwick felt the ABC Board would be spending money on a band aid instead of putting their efforts into something new. He noted they would need better financing, but he would prefer to put money towards paying off the loan and building a new store. Member Norman agrees putting money into the old building is like throwing it away. Pritchett noted Laurie Lee had said the same thing. Member Norman worried the contractors will find all kinds of things that need to be fixed and the ABC Board will end up spending more than they planned. She felt the money should go into new construction. Chairman Hardwick stated his first initial thought was updating the building and adding new shelving. However,

four years later, the shelving will be old and may not be worth the money. He noted a better return on investment was to start on the new building or at least start on the process. Chairman Hardwick suggested the ABC Board start building in back and sell the front building to help cover costs. He stated the developer he spoke with previously is now moving away from that type of development. Chairman Hardwick stated it made him think it might be smart to do a little bit here and there if possible and Member Casado agreed. Member Casado stated he did not think there would be a good return on investment for the renovations and it would set everything else further behind. Pritchett stated she could add more shelving for under \$2,000. When asked, Pritchett stated she could add another shelf like the one that currently holds the 200ml. She noted they could add to the existing shelves in the form of endcaps. Pritchett stated they would have more vertical shelves instead of horizontal. Chairman Hardwick clarified this would be a temporary fix and Pritchett stated she felt it would look good for what they have.

Pritchett noted floor is starting to slope more, which was causing some cracking. Chairman Hardwick noted there had been a sinkhole in the parking lot a few years back and Gallagher stated the sinkhole was due to a garbage dump. Member Houser noted that may not be the reason for the current problems in the ABC Store. Chairman Hardwick felt this showed even more reason to get rid of it all together. Member Houser noted that when Rick Turner was here at the previous Board Meeting, he stated that he could get shelving for under \$10,000. Pritchett stated the quote came in over \$20,000. She stated that she had received the quote only the day before and handed out copies. Chairman Hardwick noted this starts to add to costs. He stated the ABC Store was a center point of the town and they can do their part to affect changes in Town by building something new that people want to go to. They would still need to come up with something this season for parking, even if it was gravel. Chairman Hardwick noted the new cash registers will help get people out quicker, then adding extra parking in the back lot may help eliminate some of the other problems. Pritchett agreed about the parking lot, noting it was the cause for some of the lost customers. Chairman Hardwick stated if they can do all of that, then temporary shelving may help and would go a long way towards getting through until we get the new store.

Pritchett stated she did not want shelves in the warehouse, as the shelving won't set flush with the walls due the steel beams. She felt they would lose space and the warehouse is already too small. Chairman Hardwick did notice that once it was cleaned and reorganized, there seemed to be more space. Pritchett stated she would rather it be left alone, noting she can make more room by removing items if they needed to. Chairman Hardwick stated this was information they needed to know when building a new facility, especially concerning how much square footage they would need to have. He stated they needed to set the goals for what they want. Member Houser stated previous discussions were for less than 10,000 square feet. Chairman Hardwick wondered how much they could get for that size of a building that would also blend with the current buildings in town. He stated the ABC Board needed to get prices on what we can do and what kind of loans were available. Pritchett noted that Laurie Lee does not like the idea, nor does she understand, putting money into the old building and stated they needed to focus on the new building instead. When asked, Pritchett stated there would be two weeks of downtime if they redid the shelving, per Mr. Turner's comments at the last ABC Board

Meeting. Member Houser thought Mr. Turner stated he could redo the shelving over the weekend, with only one day missed. Member Norman agreed and expressed concerns about missing a couple of weeks' worth of sales. Hurd clarified that if the ABC Board decided on just the shelving, it would be just a weekend's worth of work, however, if the ABC Board wanted to go with the remodel, the ABC Store would be closed for two weeks. Member Casado stated it was not worth it in the end and Pritchett agreed. Member Casado noted that the shelving would not be easy to move and we don't want to have plan the new building around what we already have. He expressed concerns about being tied down to what we install now. Member Houser noted the proposal was to only move the shelves and not the back units.

Member Norman stated business is not hurting because of shelving, though parking was an issue. She stated that may be where they need to focus on. Gallagher stated as long they have what customers want, they are fine. Chairman Hardwick noted that if the public sees us moving forward with some new upgrades, it should draw in more people. He noted the ABC Store already generates a decent amount of income. When asked, Cordeiro noted the Town would like to see a new building. He stated they understand finances and constraints but would love to see the new building sooner rather than later. Chairman Hardwick was curious to see if could subdivide the property and sell some of it to a developer and Cordeiro said that was a valid option. Member Casado asked if he could seek a developer on his own and Cordeiro stated yes. Cordeiro asked that Pritchett be kept informed because she is their full time Staff member. Cordeiro also asked the ABC Board to keep quorum laws in mind when having discussions with other Members.

Member Houser asked if any of the back-storage racks were included on the quote and Pritchett stated she did not see them on the quote. Member Houser wanted to clarify that 90% can transfer to new building and the answer was yes. Chairman Hardwick inquired how long it would take to design and set up and Member Casado stated they could do a Sheetz in approximately six months. Member Casado noted they have the process down to a science, but it was also dependent on the land as well. As far as just the building, four months if they are aggressive. Chairman Hardwick stated a six to eight-month timeframe would be safe. Member Houser reminded the ABC Board they would need to get ABC Commission approval on the design but noted they have already received approval on getting a new building. Chairman Hardwick clarified that the ABC Commission has already approved putting a store in that location, they just need to get the plans approved and Member Houser stated yes. Member Houser stated he expected six to eight months to get the approvals before they can start construction. Chairman Hardwick stated they would also need to look at the timeframe for tearing down the old building. Pritchett explained shipments would start going to new building, so they could set up the new store while still operating in the old store. She expressed concerns that if they did have to move shelving, it would require them to shut down during the move from the old store. Pritchett stated this way they won't miss any sales. She stated she has it worked out to add shelving in the meantime and save money. Pritchett stated she would rather see the money go into the parking. Cordeiro stated they can use working capital to move forward on some of the smaller things, such as surveys. Hurd stated they could sell the lumber when clearing the new lot. Member Houser stated they have money set aside in loan for those items like surveys. Chairman Hardwick asked if there was any

government type construction loan, possibly small business, and Cordeiro stated he would investigate it. Cordeiro noted that buying the land first was great as collateral. Chairman Hardwick stated he thinks this is the right direction. Member Casado stated they needed to decide if they want to remodel or rebuild, as it was not feasible to do both. He noted that Sheetz would sometimes sacrifice for a few years before moving on a project. Member Casado stated there was no good reason to put money into what we have now outside of things that can drive sales, such as parking.

Chairman Hardwick stated he would like to see something so the ABC Board could see what our possibilities are. Member Houser stated FLM was working on plan for parking and he would get Mr. Massey to present at our next meeting. Chairman Hardwick agreed that parking was the first step. Pritchett noted it should be done on the back side near loading dock because the tree line creates issues with the delivery truck. Chairman Hardwick noted it would be easier for people pulling in back there instead of near 1A. The biggest problem is getting in and out of the ABC Store. Chairman Hardwick stated he feels that we need to move forward and come up with a plan.

Member Houser wanted clarification on the term remodel and inquired if the ABC Board was talking about remodeling the building or just replacing the shelves. Chairman Hardwick stated he doesn't want to do anything to the current building at this time other than adding a couple of shelves on the end and Pritchett noted where she could put extra shelving, such as end caps. When asked, Pritchett stated she would ask Mr. Turner about the costs of replacing the fifth shelf. Member Houser stated it would increase shelf space by 42% and Pritchett stated there were other options for shelving that she can add to increase shelf space as well. Member Casado asked Pritchett if she felt they were losing sales because of not having the extra shelves and Pritchett stated absolutely not. Member Casado noted that even if they did get more shelving, without advertising the additional stock, people are not going to know that we have increased the shelving space. Meaning, the customers we are already missing are not going to come in. Pritchett stated they get more people from Wake Forest coming in every week. She stated that they will order items for the new customers if they don't carry it.

Chairman Hardwick noted the volume of traffic at that intersection and Pritchett stated the traffic was the biggest reason people did not stop. Chairman Hardwick noted he has seen the ABC Store when there was no parking available. As traffic is sitting at the intersection, he noted the new shelves can't be seen from the road. However, if that same amount of money was put into the parking lot, people at the intersection will now stop and start coming to the ABC Store if they notice that parking is now available. Chairman Hardwick noted that when people see the survey stakes and the tree removal, it will help draw them in as well.

Pritchett noted the Wake Forest ABC Store employees have come in to take pictures of what Staff has done with our ABC Store and the stock we carry. Pritchett noted that Wake Forest does not carry the 200ml bottles. Chairman Hardwick stated he has been to the Wake Forest ABC Store and was impressed at how much Youngsville has on their shelves in comparison. Gallagher stated that salesmen will come in with displays and they will note that some ABC Stores in Wake County won't order their items because

they say they don't have enough room. She noted one salesman stated he wished he could show them how Youngsville utilized their shelving space. Chairman Hardwick agreed with what Mr. Turner said last month about Youngsville getting the amount of sales that larger stores get. Member Norman noted that doing work on the outside, such as work on the new lot and additional parking, will get more interest in the ABC Store.

Chairman Hardwick asked the ABC Board which direction they wanted to head in. Member Norman asked how they went about finding an investor. Member Houser explained if they decided to find an investor, then the ABC Store would have to lease the space. Member Norman asked if that was a bad thing and Member Houser stated the ABC Board would have to sell out and not own the building. Member Norman reminded the ABC Board they were willing to lease on Capital Boulevard at one time and Member Houser stated he still wanted to do that. Chairman Hardwick thought a developer would allow them the opportunity to get out of that particular area if they needed to instead of being stuck with the property. He stated he was thinking along the lines of selling the property so they could get a place they would be happy with or if things were to change, then the ABC Store could move without having the expense of being stuck with the property. After thinking more about it, Chairman Hardwick stated he felt they could have a standalone building that could be a center piece for downtown and sell the rest of the property to a developer. He wanted clarification from the ABC Board on what they felt the first step should be. Cordeiro explained the first step would be for the ABC Board to decide if they want to own or lease the property for the ABC Store. He recommended this decision be made before any more money was spent. Member Norman noted she did not have a problem with leasing property, noting it gives the ABC Board an out if needed. Pritchett expressed concerns about the lease affecting profits. She explained that a mortgage will eventually go away, but the lease will continue to eat into profits. Member Norman stated it also depended on the length of the mortgage, as it could eat into profits for decades. Cordeiro noted, after seeing other towns, he thought it would be best served to have a multiuse commercial and retail space that incorporated residential into the lot. Unfortunately, as the ABC Board is the owner of the lot, we can't go in that direction, but a developer could. For the long-term vision, if the ABC Board wanted to go in that direction, a developer would be the logical answer. Chairman Hardwick expressed concerns that a developer could possibly slow the timeline down. Member Casado asked what the current timeframe was, and Member Houser noted the ABC Board needed to put a plan together and look at it. Member Houser noted they haven't had the opportunity to build any working capital and don't always have access to cash. Member Houser also noted the current building appraised low and they did not have any equity for collateral. Member Casado stated these circumstances were not going to change anytime soon and Member Houser agreed. Member Houser stated the most prudent approach is to build up inventory so we can increase sales. He noted that Youngsville turns inventory over quicker than the average store. With extra shelving, he felt they could lower the turn around time and not have problems with running out of inventory. Member Houser stated they just needed more inventory in the store, approximately \$30,000 worth. When asked, Pritchett stated deliveries were twice a month and they pack the warehouse. She explained there was a lot of inventory for the restaurant that took up extra space. Member Houser stated he has never been in a liquor store that didn't have five shelves and felt the fifth shelf would increase sales by 20% and

Pritchett stated she could ask Mr. Turner about the fifth shelf. However, Pritchett wanted to note that she could still add more linear feet of shelving. She noted that adding extra shelving didn't mean that inventory would sell and expressed concerns about dead stock. Pritchett explained she always adds new items that will sell but there is already some dead stock that is an issue.

Member Norman inquired about the mandatory amount of profits the ABC Board was required to pay the Town and Cordeiro explained the minimum and maximum requirements. He noted they were currently at the middle range, though they had previously been at the maximum. Member Norman suggested paying only the minimum to the Town so they could work on building up their working capital and Member Houser stated it was a decision they could make. Chairman Hardwick agreed that as long as they pay the minimum, then it was their decision on whether to pay more, up to the maximum. Member Casado asked why the ABC Board would pay more than the minimum. Chairman Hardwick explained there had been confusion as to who owned the ABC Store and how much they needed to pay. Now that it has been cleared up, the goal is to pay as much as we possibly can out of goodwill. Member Casado stated now that they are trying to build a new store, it's a no brainer to only pay the minimum and Member Norman agreed.

Pritchett felt that the ABC Board needed to understand they could increase sales tremendously by expanding the parking lot. She noted the ABC Store was losing people, some of them are regular customers, due to the traffic and parking. Member Houser reiterated FLM was drawing a plan to expand the parking lot and Chairman Hardwick stated that something would be done on the parking lot.

Member Norman reiterated the need to go back to paying the minimum to the Town so they could keep as much as they can. Chairman Hardwick noted the ABC Board had agreed to pay the minimum plus a percentage over. But if the ABC Board was going to pay off the loan, they were going to have to cut that amount. Cordeiro stated that in the interest of fiscal responsibility, that any money not budgeted went to the Town. It would require a Budget Amendment to change the amount paid to the Town by directing the monies to a line item, such as loan payments. They could also create a project fund in the Chart of Accounts. Cordeiro noted that getting these items in the budget would reduce the amount paid to the Town at the end of the day. Chairman Hardwick noted the line item that currently holds \$25,000 towards a new store and Patterson explained that money was included in last year's budget but was not used. Cordeiro explained the need to create a Capital Projects Fund, noting it was like a savings towards projects, and these funds would not go to the Town. Chairman Hardwick stated the ABC Board needed to move forward on this as soon as possible and Member Norman agreed. Cordeiro asked Patterson to get a reasonable amount, based on the current budget, to put into a Capital Projects Fund. He stated he would do some research to make sure they are compliant with the legal requirements. Cordeiro stated a motion was needed for the record.

**MOTION: TO SET UP A CAPITAL PROJECT FUND FOR THE CONSTRUCTION OF A NEW STORE**

The motion was made by Member Norman and was seconded by Member Casado. Member Houser asked for clarification on the motion and Cordeiro clarified the wording. The motion passed with three aye votes. Member Houser abstained from voting. Member Houser stated he thought they had previously decided that any excess profits would be used to pay down the debt and Member Norman stated they had discussed it but never made it official.

Cordeiro stated that a Capital Projects Fund is a better way to account for those funds. He explained how the fund worked and how it would show up on the financial statements. Member Houser asked if the ABC Board needed to set an amount and Cordeiro stated Patterson would do some research and bring that information back to the ABC Board. When asked, Cordeiro clarified that Patterson would bring back a recommendation on both a dollar amount and a percentage. Patterson asked for clarification about the loan payments. Member Houser asked how much was in the budget for that and Patterson stated \$30,000. Member Houser stated he wanted to leave it like it was. Monies put into the Capital Projects Fund would then be used at their discretion. Cordeiro stated he had no objection as long as they stayed in compliance with finance laws. Chairman Hardwick stated this put their extra profits into an account and it will be there when they make their decision as to how much they will pay the Town. Member Norman felt they should stick with the minimum as they need to keep every dime. Member Houser asked Patterson to bring back a recommendation on making extra loan payments. Patterson stated the loan was currently set up as a construction loan for the first year, so they could continue to draw on it as needed. Member Houser stated he would have FLM at the next ABC Board Meeting. Cordeiro inquired about the contract with FLM and Member Houser stated they are currently working for free.

Chairman Hardwick reiterated the need to decide whether they ABC Board wanted to build their own ABC Store or get involved with a developer. Cordeiro also offered another option of purchasing the property, like a condo, from the developer. After a brief discussion, Member Houser stated when FLM comes in, they could ask them to come up with a preliminary site plan to give the ABC Board more information to make a better decision. Chairman Hardwick suggested they find more information regarding builders and developers for the next ABC Board Meeting as well. Once all the information has been presented, then they can make a more informed decision. Cordeiro suggested putting a sign on the property of a proposed site plan, which may draw some interest from developers. Chairman Hardwick asked Pritchett to call Mr. Turner regarding the fifth shelf for next month's ABC Board Meeting. Member Casado asked if any Member strongly objected to any of the options and Member Houser expressed concerns about not having control of the parking lot. Member Houser stated they would be competing with other businesses for parking if they leased from a developer. He stated there are a lot people in town that he does business with that would rather they move out because they felt something nicer than a liquor store should go there. Chairman Hardwick stated a developer may have the options or money to purchase additional land to make the site bigger. It opened the option of having a small development with the ABC Store as a separate building. Member Casado noted a lot of businesses already have a good idea on the number of parking spaces needed when they start to build. Chairman Hardwick stated he felt the entire ABC Board was receptive to all ideas at this time. Now, they

needed to compare all options to see what is feasible and will work best for them. Chairman Hardwick reiterated that fixing the parking problem would make a huge difference and the ABC Store will see their sales increase. Add in the two cash registers and people will be able to get out quicker. Member Houser agreed that current parking was an issue and asked that Staff park by the dumpster. Pritchett explained that employees with longer trucks, such as hers, were a hindrance that blocked through traffic. She noted some customers preferred to park on the Holden Road side as it was easier to exit. Chairman Hardwick stated the information from FLM should help a lot.

The second item under Old Business was to continue the discussion of the 401(k)/457 and LGERS Plan implementation. Pritchett explained the options presented at the previous ABC Board Meeting had been explained more clearly, especially concerning the LGERS benefits. She noted one of the concerns that she and Gallagher had included no longer getting actual raises if their salaries were increased to cover their contributions. Pritchett noted she had a conversation with Member Stutzman about these concerns. Patterson stated she emailed the figures to the ABC Board regarding the costs. She summarized the LGERS would cost approximately \$14,000 and the 457B Plan, at 10% contribution, would cost approximately \$8,300 a year. Cordeiro asked what the preference of the ABC Board and ABC Store employees was. He gave examples of the options presented. Pritchett noted the 401K option had not been discussed with her and Cordeiro explained how the LGERS / 401K systems worked in conjunction and noted if the ABC Board chose the same options as the Town, it would increase the costs to approximately \$18,000 - \$20,000. When asked, Patterson recommended starting with one option, then adding a second option as sales increased. Chairman Hardwick agreed that would be the smartest option. Cordeiro recommended starting with LGERS as it was more difficult to get started. He noted the ABC Board could create the 401K option with a 0% contribution that allows employees to contribute on their own if they wish. The 0% contribution can be raised by ABC Board action later. Member Houser discussed the five-year phase in, and Member Norman noted the first five years would not cost the employees, but it would get them vested into the system. After the first five years, the employees would then take over their contributions. When asked, Patterson noted those costs were included in the figures presented. Cordeiro summarized the proposed options, noting the ABC Board would begin their membership with LGERS, employee contributions are 6% but the ABC Board would give the employees a raise equivalent to the 6% contributions. He noted this was for current full-time employees only. Cordeiro stated they would also create a 401K with 0% employer match. Chairman Hardwick noted that when sales increase, so will benefits. Patterson summarized the concerns expressed by Pritchett. She explained the employees were concerned the 6% pay increase will in theory be money they won't see as it will go towards their LGERS contributions. This creates the concern the employees won't see an actual raise in pay for the five years the ABC Board is contributing for them. Member Houser noted pay raises were under the purview of the ABC Store Manager who will need to budget for them each year. He stated he did not think it would be an issue. Member Houser noted they were paying for past sins by covering the 6% contributions with no thoughts on restricting pay raises and Chairman Hardwick agreed. He noted if raises could be afforded, then they would do them.

Pritchett also wanted to mention longevity bonuses again. She noted other ABC Stores issued longevity bonuses around Christmas and wanted to put the information out there. Chairman Hardwick stated the goal of the ABC Board is to grow the sales and revenue and to make sure they have happy employees that want to stay long term. He stated they are not looking past employees when they look to build a new store. The ABC Board will protect the people that make the ABC Store what it is today. Pritchett stated she just wanted to make the ABC Board aware of the options as most of the employees are part-time. She stated she wants to reward good employees and noted that there were three excellent part-time employees that go above and beyond. Member Houser suggested Pritchett reach out to Members Norman and Stutzman, as well as Patterson, to see what has been budgeted. He recommended creating a policy for the future. Member Houser asked what they did last year, and Pritchett explained during previous administration, they received Christmas bonuses, but they were taken away.

Chairman Hardwick asked Pritchett and Gallagher if they wanted to become members of LGERS based on the proposed option and Pritchett stated yes. Pritchett also stated yes on the option of 401K. Patterson stated she would get it worked out. Member Houser stated it would cost approximately \$1,200 a month and Chairman Hardwick stated he felt sales would start to increase soon. When asked, Cordeiro explained the 457B option.

**MOTION: TO OFFER EMPLOYEES LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM AND 401K (WITHOUT EMPLOYER CONTRIBUTIONS)**

The motion was made by Member Norman and was seconded by Member Houser. The motion passed unanimously.

**MOTION: TO GIVE CURRENT EMPLOYEES A RAISE AT A PERCENTAGE THAT WILL OFFSET THEIR LOCAL GOVERNMENT EMPLOYEES RETIREMENT SYSTEM CONTRIBUTIONS WHEN RETIREMENT STARTS**

The motion was made by Member Norman and was seconded by Member Casado. Member Norman asked if it was 6% and Patterson explained the actual raise would cover the 6% plus payroll taxes to offset the costs. The motion passed unanimously.

The next item on the agenda was New Business. There was no New Business.

The next item on the agenda was Reports and Other Business. Member Houser asked if there were provisions for Closed Session regarding personnel and Cordeiro explained the rules of Closed Session. Member Houser asked for a Closed Session regarding personnel for the October ABC Board Meeting.

Member Houser inquired about the grass at the Youngsville ABC Store. He noted it looked bad and thought it was supposed to be cut on a regular basis. Hurd explained the Town was short staffed and was behind schedule. She stated they would get to it soon.

Patterson inquired about who would be needed in Closed Session so they could prepare for it. Hurd also noted that minutes would need to be taken, either by her or the ABC Board could designate another person.

Cordeiro stated he would investigate a construction loan and will work with Patterson on the Capital Project Fund.

The meeting adjourned at 10:30am.