

# February 23, 2023 Board Meeting

Virginia ABC Board of Directors



# Agenda

- Welcome Breakfast
- 9:30 Call to Order
- Approval of Minutes
  - *Approve minutes from January 11 and February 2, 2023 board meetings*
- New Business
  - *Approve recommendations of Real Estate Committee (REC) from January 2023 (Hill)*
  - *Strategic Plan Executive Summary (Chu)*
  - *Listings Report (Hill)*
  - *Pay for Performance (Alfano)*
  - *IT Security Exemption (Hill)*
  - *Summary Suspension Orders (Daniels/Curtis)*
  - *COVID Penalties (Hill)*
  - *Legislative Action Summary and Electronic Bill*

*Review Summaries (Daniel)*

- Chief Reports
  - *CTO –Elizabeth Chu*
  - *CDBO – Vida Williams*
  - *GAO – John Daniel*
  - *CLEO – Tom Kirby*
  - *CROO – Mark Dunham*
  - *CAO – Dave Alfano*
  - *CIO – Paul Williams*
  - *CEO – Travis Hill*
- Comments from the Board
- Public Comments
- Adjournment



# Minutes: January 11, 2023

## Required Action

Approval of Minutes from January 11, 2023 meeting

## BOARD MEETING MINUTES: January 11, 2022 ABC Headquarters

**Call Meeting to Order at 9:08 a.m.**

### **At Attendees**

Board Chair Maria Everett  
Board Vice-Chair Beth Hungate-Noland  
Board Member Greg Holland  
Board Member William Euille  
Board Member Mark Rubin  
Chief Executive Officer, Travis Hill  
Chief Government Affairs Officer, John Daniel  
Chief of Law Enforcement, Tom Kirby  
Chief Retail Operations Officer, Mark Dunham  
Chief Digital and Brand Officer, Vida Williams  
Chief Administrative Officer, David Alfano  
Chief Transformation Officer, Elizabeth Chu  
Deputy Secretary, Chris Curtis  
Chief Information Officer, Paul Williams  
Office of the Attorney General, Jim Flaherty  
Director of Marketing and Merchandising, John Shiffer  
Business Analytics Manager, Greg Ackerman  
Senior Legal Counsel, Tonya Hucks-Watkins  
Executive Assistant, Kathleen LaMotte

### **Approval of Minutes**

The board reviewed the minutes from the November 30, 2022 and December 8, 2022 board meetings. Board Member Euille moved to accept the minutes as amended to correct a typographical error, Board Member Holland seconded the motion. The motion passed on a roll-call vote of 5 – 0.

### **Regulatory Changes**

LaTonya Hucks-Watkins, Senior Legal Counsel, reviewed proposed changes to 3VAC5-30-30 and 3VAC5-70-60. The change to 3VAC5-30-30 (Tied House) amends the regulation to reflect the Board's ability to accept payment for taxes, fees, penalties, charges and costs through the Authority's online licensing system. The update to 3VAC-5-70-60 (Other Provisions) amends the section to reflect the current fee for industrial permits. After discussion, Board Vice-Chair Hungate-Noland moved to approve the amended proposed regulations to post to Town Hall for further comment. Board member Rubin seconded the motion. The motion passed on a roll-call vote of 5 – 0.

### **ABC Product Management Processes**

John Shiffer, Director of Marketing, reviewed his presentation previously provided to the Board.

## General Assembly Update

John Daniel, Chief Government Affairs Officer, shared an update on anticipated actions by the Virginia General Assembly this year that may impact the Authority.

## Financial Update

Dave Alfano, Chief Administrative Officer, reviewed the financial reports through the month of November 2022 previously provided to the Board.

## New Business

### Approve Recommendations of Real Estate Committee

Board Member Euille moved to accept the REC's recommendations as amended for three new stores, Store 825 (Alexandria), 530 (Compass Creek), and Lovettsville Town Square, two relocations, Store 044 (Ladysmith) and 058 (Bristol), and two renewals 085 (Sterling – Cedar Lakes) and 205 (Henrico – Colley Village). Board Member Holland seconded the motion, and the Board adopted the recommendations of the REC on a roll-call vote 5– 0. The expansion recommended by REC not going through because landlord found another tenant.

### Review Summary Suspension Issued

Travis Hill reviewed the Summary Suspension issued to El Tenampa Bar and Grill in Manassas. On the early morning of 12/19 a stabbing at a licensee resulted in a life-threatening situation. This licensee had prior public safety incidents and they had received a reasonable measures letter which was not acted on. There was an initial hearing that the licensee did not appear, they remain suspended. Awaiting hearing officer decision.

### APA Audit

The Board reviewed the Audit for year ending June 30, 2022. Mr. Alfano will update the board on these efforts in future meetings

### OND Update

The Board reviewed preliminary holiday season sales results and celebrated the accomplishments of the Distribution Center.

### Resolution for Wiley Ruth

The Board reviewed and adopted a resolution honoring the contributions of Earl Wiley Ruth to the Virginia distilled spirits industry. Moved Rubin seconded Hungate-Noland The amended resolution was approved on a roll call vote of 5 – 0.

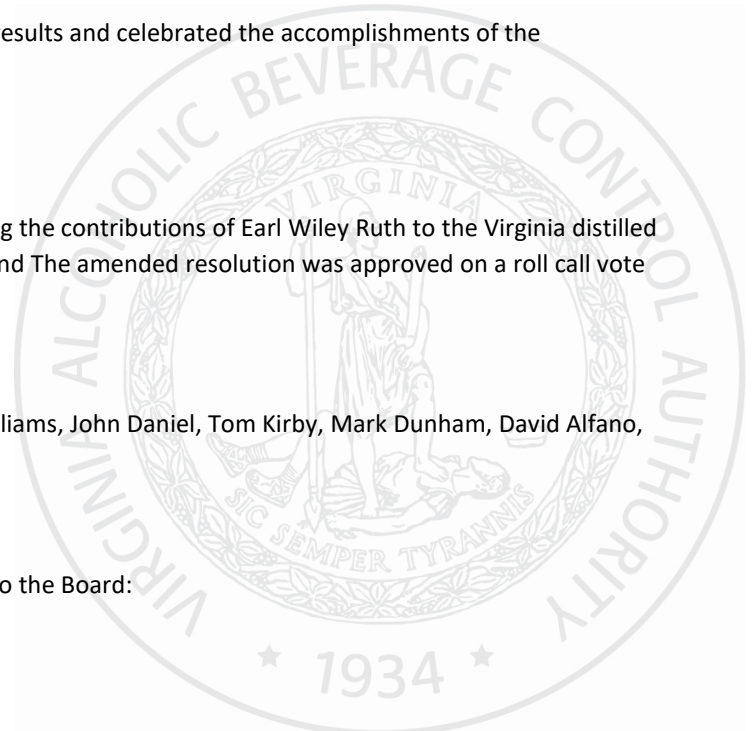
## Chief Reports

The Board heard updates from Elizabeth Chu, Vida Williams, John Daniel, Tom Kirby, Mark Dunham, David Alfano, Paul Williams, and Travis Hill.

## Comments from the Board

The Chair reviewed some upcoming dates of interest to the Board:

January 30 – Roanoke Store grand opening



February 2 – DC Luncheon Event

February 8 – FOIA Training

February 23 – Board Meeting

March 12 – 15 – NABCA Legal Symposium (Northern Virginia)

March 20 – March board meeting

## **Public Comments**

None

## **Meeting Adjournment**

Meeting adjourned at 2:11 p.m.



# Minutes: February 2, 2023

## Required Action

Approval of Minutes from February 2, 2023 hearing

# Board Meeting Agenda

## Virginia Alcoholic Beverage Control Authority Board Meeting

February 2, 2023 – 1:30pm

### **Call Meeting to Order**

Authority Board Chair Maria J.K. Everett called the Board Meeting to order at 1:30 pm.

### **Attendance**

Board Chair Maria Everett  
Board Member William Euille  
Board Member Mark Rubin  
Chief Executive Officer, Travis Hill  
Chief Government Affairs Officer, John Daniel  
Chief of Law Enforcement, Tom Kirby  
Attorney General’s Office Representative, James Flaherty  
Deputy Secretary, Chris Curtis  
Office of Legal Counsel, Sarah Ross

### **Appeal Hearing**

In the matter of:

El Tenampa Bar and Grill, Inc.  
El Tenampa Bar and Grill  
9015 Centreville Road  
Manassas, VA 20110-5257

The Board granted a joint motion by counsel to remand this case to the Hearings and Adjudication Division for the purpose of taking further evidence. This motion was approved through a roll-call vote of 3 – 0.

### **Chief Executive Officer Travis Hill General Updates**

Mr. Tim Hugo was appointed as a Board Member effective January 31, 2023 to fill the unexpired term of Beth Hungate-Noland.

A Freedom of Information Act request was received asking for all emails dealing with counter stores sent or received for five employees between the dates of December 2, 2022 and December 22, 2022.

Virginia ABC has identified additional profits (\$15,000,000) that may be transferred this fiscal year and has notified the House Appropriations and Senate Finance and Appropriations committees.

As a result of this legislative session, Virginia ABC is likely to be tasked with studying “slotting fees” which was the subject of SB 1387 and HB 1971. Other notable legislation that our legislative team is following deals with placement of crossover products in retail establishments (HB 1979 and SB 809) and the creation of the Virginia Beer Distribution Company (HB 2258 and SB 885).

A proposed ABC store at 825 S. Washington Street in Alexandria has led to comments from local citizens that both support and oppose the establishment of an ABC store at that location. The site is still being evaluated.

### **Summary of Delegated Items:**



In addition to the case heard on this date, two other summary suspensions were issued since the last Board meeting.

- 1) Kera, Inc.  
T/A The Crystal Cabaret  
3926 George Washington Highway  
Portsmouth, Va. 23702

91581 - Wine and Beer On and Off Premises  
91581 – Mixed Beverage Restaurant

- 2) Siddik Enterprises, Inc.  
T/A 7-11  
13990 Jefferson Davis Highway  
Woodbridge, Virginia

86327 – Convenience Grocery Store Off Premises

In both instances, there was an act of violence that occurred at the licensed premises resulting in serious bodily injury or death. (Board Orders attached)

**Comments from the Board**

- None received.

**Public Comments**

- None received.

**Meeting Adjournment**

At approximately 2 pm with no further business, Board Chair Everett adjourned the meeting.

# New Business

Board Review: Real Estate Recommendations (Hill)

Board Review: Strategic Plan Executive Summary (Chu) (Daniel/Curtis)

Board Review: Listing Report (Hill)

Board Review: Pay for Performance (Alfano)

Board Review: IT Security Exemption (Hill)

Board Review: Summary Suspension Order

Board Review: COVID Penalties (Hill)

Board Review: Legislative Action Summary and Electronic Bill Review Summaries (Daniel)

# Real Estate Committee Recommendations

## Overview

December:

2 New Stores

2 Relocations

0 Expansion

3 Renewals

## Action

Approve Real Estate Recommendations

# Real Estate Committee Recommendations

ACTION	COMMENTS
<b>December 2022</b>	
<b>New Stores</b>	
<b>Lovettsville (Lovettsville Town Square)</b>	2125 square feet at \$26.50 per square foot; however, RE may be able to get the rental rate down a bit more. Space/delivery issues were resolved. This will be Store #531
<b>New Store #529 (Alexandria)</b>	RE informed the Committee that is has received correspondence from concerned citizens regarding this new store; the Committee reaffirmed its decision to place a store here; the Committee also discussed changing the notification policy to a “coming soon” notice rather than asking for public comment
<b>Relocations</b>	
<b>Store #045</b>	Subsequent to the Meeting, RE met with the Director of RO and the Director of Spirit Supply Chain to discuss a potential relocation within the same center; both voting members were in favor of relocation, as we knew when we placed a store in this center that it was too small, but we wanted to get our foot in the door; we have the opportunity to relocate to 4020 square feet; we currently lease 2320 square feet at \$44.58 per square foot; RE has negotiated a rental rate of \$35 per square foot for the larger space; RE is currently working out the details with Landlord
<b>Store #294 (Baileys Crossroads)</b>	Relocation to Leesburg Pike Plaza; 4906 square feet at \$34 per square foot with 2% annual increases
<b>Expansions</b>	
<b>Renewals</b>	
<b>Store #239 (Bowling Green)</b>	2000 square feet at \$15.68 per square foot, flat for a 5 year term
<b>Store #270 (Henrico – Parham Road)</b>	4437 square feet at \$22.57 per square foot, with 3% annual increases, for a 5 year term
<b>Store #385 (Fairfax – Twinbrook)</b>	2500 square feet at \$32.91 per square foot, with 2% annual increases, for a 5 year Option Term



# Strategic Plan Executive Summary

## Overview

Review of Va ABC's strategic objectives to improve its capabilities.

## Action

Review Strategic Plan Executive

# Strategic Plan

## Executive Summary



# Strategic Planning Process



# Strategic Planning Timeline

2021

## April – May

- Facilitated Strategic Planning sessions conducted
- SWOT, Mission, Vision, Priorities
- 16 sessions with 80+ participants including Board members and 300+ pages of feedback resulting from those activities

## June

- Session results presented to C-Suite and Directors for review and discussion
- Session results presented to Board with leadership present

## August

- Revised Mission Statement – continued to a future meeting

2022

## February

- Planning begins for Jan 1, 2023, strategic plan

## March

- Mission statement finalized
- C-Suite begins to review and assess vision and values

## July – August

- 1:1 Discussions held with Directors to review current and future state documents

## August – October

- Strategy & Analytics conducts Gap Analysis

## November – December

- Strategic framework drafted








# Virginia ABC's Strategic Framework

## Customers

Customers are the reason why Virginia ABC exists; they are all the people to whom the Authority provides services. While customers include the people and businesses that buy spirits or obtain licenses from Virginia ABC, that is not the entirety of the Authority's customers. Customers also include the suppliers from whom we buy spirits; the in-state distilleries that rely on the Authority to provide a market for their products; local, state, and national organizations in the beverage alcohol industry, public health and safety organizations; legislators and policymakers who affect the regulatory environment; and all the residents of the Commonwealth for whom Virginia ABC exists to serve.

 **Digital Experience** – Define and deliver on a digital brand that provides the capabilities that our customers need

 **In Store Experience** – Define and deliver a brick and mortar strategy that meets the location, product and customer service needs of our customers

 **Engagement** – Define and deliver an engagement model that meets the needs of our communities, customers and stakeholders

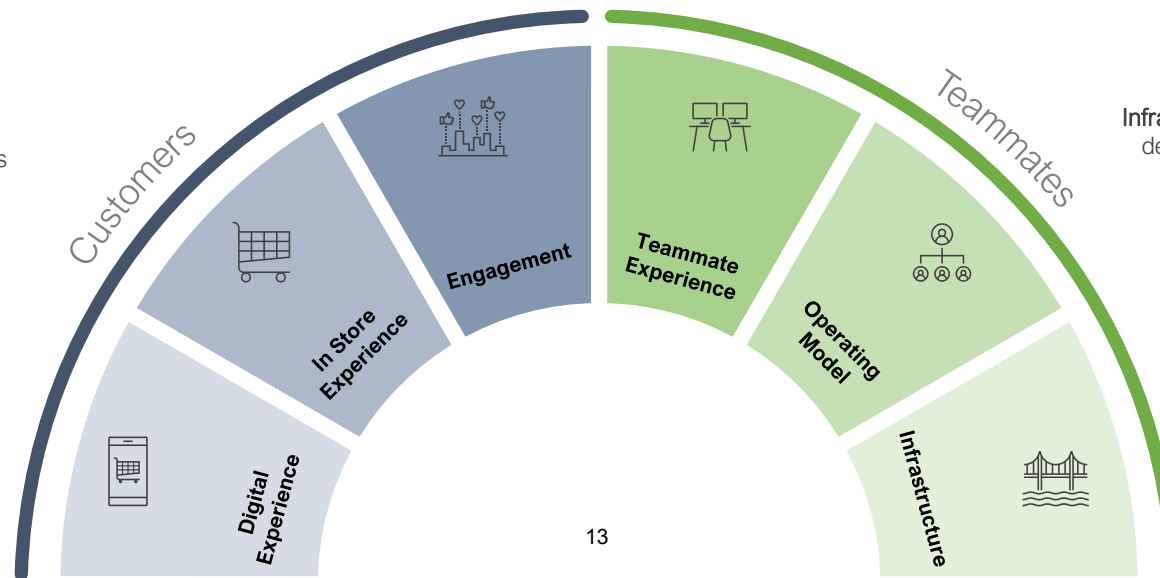
## Teammates

Virginia ABC's teammates are the backbone of the Authority; without our teammates, the Authority could not meet the growing needs of the various customers we serve. There are many different types of teammates at Virginia ABC: full time and part time, wage and salaried, individual contributors and people managers. Every teammate has value and each individual contributes to the success the Authority has enjoyed over our shared history. As demand for the Authority's services grows, so too do the number of teammates needed to provide those services, as well as the need to ensure that teammates have the tools and capabilities to efficiently and effectively deliver those services.

**Teammate Experience** - Build an inclusive, engaged, collaborative team that reflects our values

**Operating Model** - Improve organizational structures and processes to allow Virginia ABC to deliver on the intended advantages of the Authority model


**Infrastructure** - Invest in technology and tools designed to replace outdated solutions and reduce or eliminate, time-intensive documentation and redundant work





# Virginia ABC's Strategic Framework

## Customers

Customers are the reason why Virginia ABC exists; they are all the people to whom the Authority provides services. While customers include the people and businesses that buy spirits or obtain licenses from Virginia ABC, that is not the entirety of the Authority's customers. Customers also include the suppliers from whom we buy spirits; the in-state distilleries that rely on the Authority to provide a market for their products; local, state, and national organizations in the beverage alcohol industry, public health and safety organizations; legislators and policymakers who affect the regulatory environment; and all the residents of the Commonwealth for whom Virginia ABC exists to serve.


 **Digital Experience** – Define and deliver on a digital brand that provides the capabilities that our customers need

 **In Store Experience** – Define and deliver a brick and mortar strategy that meets the location, product and customer service needs of our customers


 **Engagement** – Define and deliver an engagement model that meets the needs of our communities, customers and stakeholders

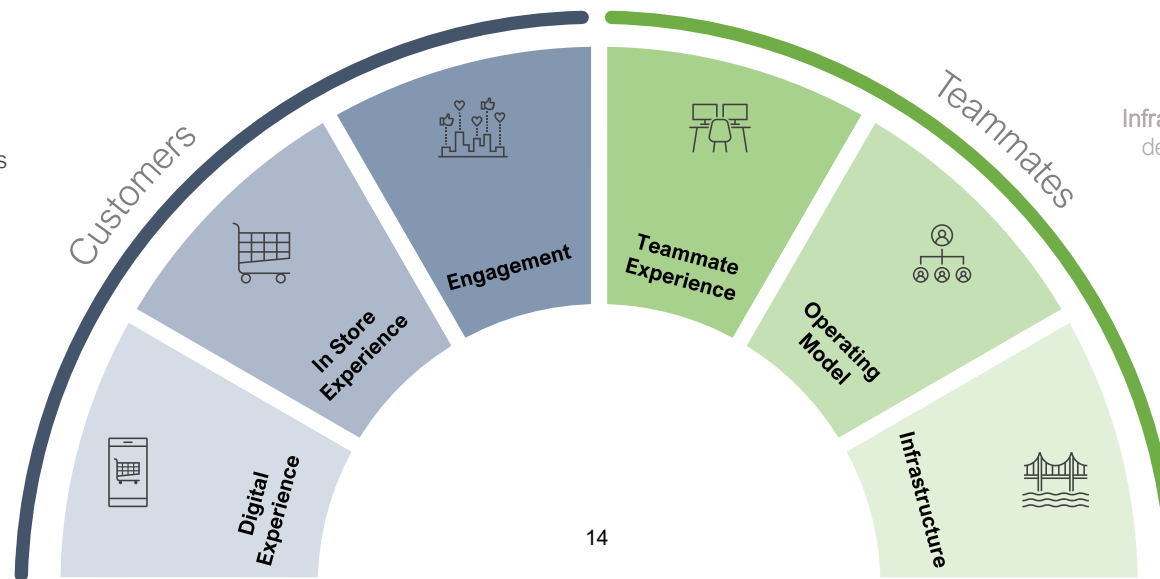
## Teammates

Virginia ABC's teammates are the backbone of the Authority; without our teammates, the Authority could not meet the growing needs of the various customers we serve. There are many different types of teammates at Virginia ABC: full time and part time, wage and salaried, individual contributors and people managers. Every teammate has value and each individual contributes to the success the Authority has enjoyed over our shared history. As demand for the Authority's services grows, so too do the number of teammates needed to provide those services, as well as the need to ensure that teammates have the tools and capabilities to efficiently and effectively deliver those services.

 **Teammate Experience** - Build an inclusive, engaged, collaborative team that reflects our values

 **Operating Model** - Improve organizational structures and processes to allow Virginia ABC to deliver on the intended advantages of the Authority model

 **Infrastructure** - Invest in technology and tools designed to replace outdated solutions and reduce or eliminate, time-intensive documentation and redundant work



# Digital Experience

*Define and deliver on a digital experience that provides the capabilities to respond to our customers needs*



## Objectives

- Define a digital brand that delivers benefits to all stakeholders
- Deliver capabilities to create a seamless omni channel experience for customers
- Build data infrastructure and governance to address, accuracy, use and accessibility of data.

## Initiative

---

eCommerce Program

---

Customer Relationship Management

---

On Demand Delivery Marketing Campaign

---

Data Governance and Management

## Current State

- Existing digital platforms and processes are a blend of legacy systems, custom built solutions and new technology. In order to deliver the full benefits of ABC's digital advancements there must be a cohesive strategy that connects capabilities with identified needs.

# In Store Experience

*Define and deliver a brick and mortar strategy that meets the location, product and service needs of our stakeholders*



## Objectives

- Define a retail brand that delivers on the needs of stakeholders
- Build capabilities that deliver value for stakeholders and teammates
- Ensure that the Authority's retail footprint and product portfolio meet changing needs and demand of the Commonwealth's citizens

## Initiative

---

Define and Implement Customer Strategy

---

Product Portfolio Rationalization

---

Digital Integration in Retail Stores

---

Define Store Location and Modernization Strategy

---

## Current State

- There is a strong service mindset amongst our stakeholders; we must have the tools and processes to translate that mindset to deliver full value.

# Engagement

*Define and deliver an engagement model that meets the needs of stakeholders*



## Objectives

- Define customer journeys that deliver efficient and effective engagement
- Enhance partnership capabilities to promote positive economic development
- Create community engagement pathways that provide support to our stakeholders

## Initiative

---

Develop Customer Journey Strategy

---

Build Supplier Engagement Program

---

Enhance Licensee Program

---

Customer Care Center

---

Launch Authority-wide Speakers Bureau

---

## Current State

- As an authority Virginia ABC must harness innovation and leverage our values to meet increasing expectations of our various stakeholders.

# Virginia ABC's Strategic Framework

## Customers

Customers are the reason why Virginia ABC exists; they are all the people to whom the Authority provides services. While customers include the people and businesses that buy spirits or obtain licenses from Virginia ABC, that is not the entirety of the Authority's customers. Customers also include the suppliers from whom we buy spirits; the in-state distilleries that rely on the Authority to provide a market for their products; local, state, and national organizations in the beverage alcohol industry, public health and safety organizations; legislators and policymakers who affect the regulatory environment; and all the residents of the Commonwealth for whom Virginia ABC exists to serve.



**Digital Experience** – Define and deliver on a digital brand that provides the capabilities that our customers need



**In Store Experience** – Define and deliver a brick and mortar strategy that meets the location, product and customer service needs of our customers



**Engagement** – Define and deliver an engagement model that meets the needs of our communities, customers and stakeholders

## Teammates

Virginia ABC's teammates are the backbone of the Authority; without our teammates, the Authority could not meet the growing needs of the various customers we serve. There are many different types of teammates at Virginia ABC: full time and part time, wage and salaried, individual contributors and people managers. Every teammate has value and each individual contributes to the success the Authority has enjoyed over our shared history. As demand for the Authority's services grows, so too do the number of teammates needed to provide those services, as well as the need to ensure that teammates have the tools and capabilities to efficiently and effectively deliver those services.

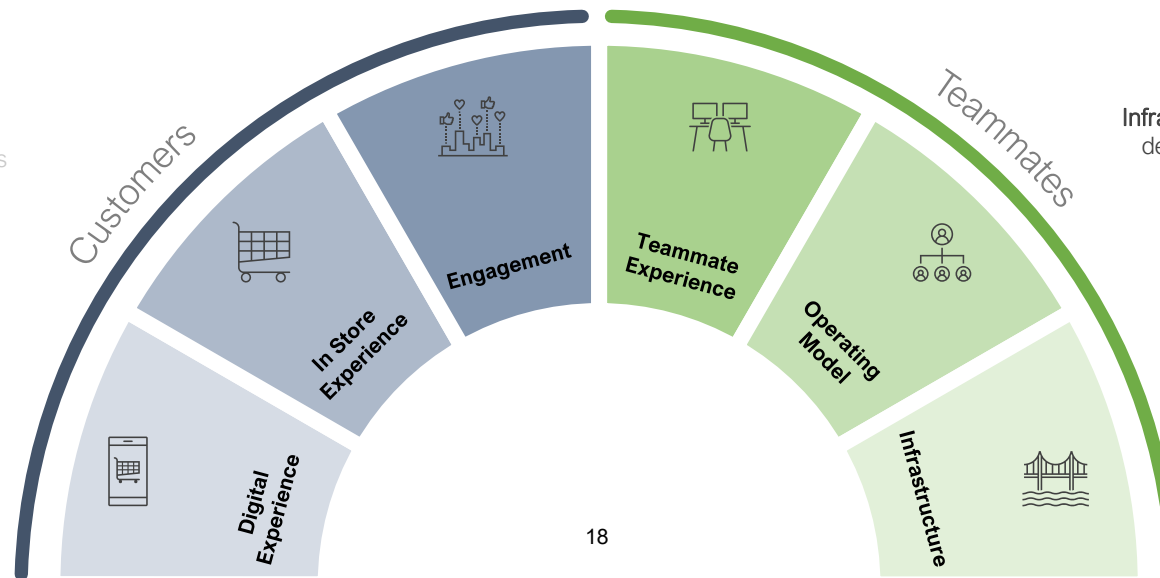
**Teammate Experience** - Build an inclusive, engaged, collaborative team that reflects our values



**Operating Model** - Improve organizational structures and processes to allow Virginia ABC to deliver on the intended advantages of the Authority model



**Infrastructure** - Invest in technology and tools designed to replace outdated solutions and reduce or eliminate, time-intensive documentation and redundant work



# Teammate Experience

*Build an inclusive, engaged, collaborative team that reflects our values*



## Objectives

- Provide high quality, in-depth training to upskill teammates
- Provide exceptional internal customer service
- Integrate DEI principles and practices
- Develop a one-team mentality
- Design and implement next generation performance management capabilities, including pay for performance

## Initiative

---

Deliver a Holistic Training Strategy

---

ABC Values Renewal

---

Execute on ONE Virginia Plan

---

Performance Management

---

## Current State

- Well-equipped, engaged teammates are best positioned to achieve performance excellence and reflect our values.

# Operating Model

*Improve organizational structures and processes to allow Virginia ABC to deliver on the intended advantages of the Authority model.*



## Objectives

- Define, clarify and document organizational roles
- Document work processes
- Deliver or define a holistic workforce strategy to include contractor and workforce positions
- Develop a framework that will empower ABC to achieve its objectives as an Authority
- Teams will structure personnel, policies and processes to meet needs of Authority

## Initiative

---

Review, assess, clarify and document organizational roles, responsibilities and revise and restructure as needed

---

Review, assess and document work processes and revise as needed

---

Study contractor reliance, make recommendations and advocate for a change to the MEL cap process based on the results of the study

---

## Current State

- Virginia ABC's transition from an agency to an authority legally completed mid-2018 but efforts are still necessary to fully capture the full value of an authority operating model.



# Infrastructure

*Invest in technology and tools designed to replace outdated solutions and reduce or eliminate, time-intensive documentation and redundant work*



## Objectives

- Improve the teammate experience
- Buildout capacity planning tools to support the project management process and to identify and plan for adequate staffing levels
- Reduce/eliminate time consuming manual tracking and duplicative work

## Initiative

---

Purchase and Implement HRIS System

---

Purchase and Implement Capacity Planning Tool

---

Purchase and Implement Enterprise Workflow Automation Tool

---

Dedicated Incident Response Team

---

Integrated Performance and Reliability Monitoring and Testing Program

## Current State

- The Authority's growth has reached a level where existing processes and technology require greater effort from teammates in order to succeed.

# Listings Report

## Overview

Review of Current On Shelf Listings.

Supplier Name	Broker Representative	Product Name	Product Description	Product Size	Suggested Retail Price	Product Origin	Virginia Product?	Merchandising Category	Decisions	Notes	Store Count
Brother's Bond Distilling	RNDC	Brother's Bond Straight Bourbon Whiskey	BROTHER'S BOND STRAIGHT BOURBON WHISKEY 6/750ML 40%	750ml	\$39.99	Indiana	No	American Whiskey	Stores		113
Luxco	SGWS	Yellowstone Single Malt Whiskey	Produced from 100% malted Barley, Yellowstone is the newest creation from 7th generation Master Distiller Stephen Beam of Limestone Branch. Proofed at 108pf, this 4 year old American Single Malt Whiskey lives up to the iconic namesake on it label.	750ml	\$59.99	Kentucky	No	American Whiskey	Stores		100
Molson Coors Beverage Company, LLC	SGWS - Transatlantic	Five Trail Blended American Whiskey	Five Trail marries Colorado provenance with the innovative distillation techniques of pioneering distillers in Kentucky to produce our golden whiskey, using Coors malt from our brewhouse and the purest water in America, straight from the Rocky Mountains in Colorado. Our Flagship offering is a unique blend of Wheated Bourbon, Four Grain Bourbon, Colorado Single Malt, a special guest and "proofed" with Rocky Mountain Water.	750ml	\$64.99	Kentucky, USA, Bardstown	No	American Whiskey	Stores		100
Park St Imports / Uncle Nearest	RNDC	Uncle Nearest Straight Rye Whiskey	This was a lofty experiment that worked. The results of this 100-percent rye mash bill, matured in used Uncle Nearest barrels before being bottled at 100-proof, keeps with our tradition of creating some of the most awarded whiskeys in the world. This is rye whiskey, elevated, hitting every mark with its rich flavor profile, incredible balance of spices, and extraordinarily smooth finish.	750ml	\$64.99	Tennessee	No	American Whiskey	Stores		100
Sagamore Spirit	RNDC	Sagamore Rye Double Oak	After 4-5 years in high char American Oak we transfer to toasted wave stave Barrels for 18 months. Then filtered with spring water to a proof of 96.6.	750ml	\$64.99	Baltimore MD	No	American Whiskey	Stores		100
Sanctified Spirits	RNDC	Oak & Eden Wheat & Spire	Oak & Eden Whiskeys are a masterful combination of Whiskey, Wood and Fire. We take a 3.5 year old MGP Bourbon that has been carefully crafted to our selected mash bill and then we "Finish" our <b>Wheated Bourbon with a French Oak Spire that has been toasted medium</b> . Our process of "In-Bottle Finishing" takes the concept of secondary barrel aging to new heights in the span of 6 weeks. <b>GOLD MEDAL WINNER - SAN FRANCISCO WORLD SPIRITS COMPETITION 2021</b>	750ml	\$54.99	Indiana - MGP	No	American Whiskey	Stores		116
Three Crosses Distilling		Noble Hound Dark Rye Whiskey	High rye whiskey traditionally aged in new charred American oak barrels. Then finished in Virginia port styled wine barrels.	750ml	\$42.99	Virginia	Yes	American Whiskey	Stores		100
Victor George Spirits	BreakThru	Fort Mose Bourbon 1738	This is four year aged 84 proof bourbon, bottled in Florida and named after the first town in America allowing Black people to live free. Its woody and smokey nose with a scent of spice leads to an amazing taste of caramels, with a hint of cinnamon.	750ml	\$49.99	Florida	No	American Whiskey	Stores	Black owned	116
Virginia Distillery Company	BreakThru	Courage & Conviction Sherry Cask	Courage & Conviction is American Single Malt Whisky. Aged minimum 3 years, aged in former Spanish Sherry Cask sourced from Spain.	750ml	\$84.99	Virginia	Yes	American Whiskey	Stores		100
Westward Whiskey	SGWS	Westward American Single Malt Whiskey	Our distinct, rich, and brazen American Single Malt is created from locally malted barley, brewed with ale yeast for exceptional flavor, and matured to perfection in new, toasted American Oak barrels in Oregon, where hot, dry summers and cool, wet winters are the ideal environment to raise a world class whiskey. Westward American Single Malt is elegant, robust and fruity, with creamy vanilla and brown sugar notes. Baking spice, lush fruit, and sweet malt, with a tobacco, dark chocolate, and leather finish.	750ml	\$79.99	Portland Oregon	No	American Whiskey	Stores		100
WhistlePig	BreakThru	Piggyback Bourbon	WhistlePig Piggyback 100 Proof Bourbon will take the lead with a bold mash bill, 6 years of age, and 100 proof for a full send on flavor, the flipside partner to WhistlePig Piggyback 100% Rye.	750ml	\$49.99	Kentucky, Vermont	No	American Whiskey	Stores		116
Diageo	SGWS - Coastal Pacific	Crown Royal Peach	(Size Extension request)	375ml	\$17.99	Canada	No	Canadian	Stores		All
Diageo	SGWS - Coastal Pacific	Crown Royal Peach	(Size Extension request)	1.75L	\$61.99	Canada	No	Canadian	Stores		All
Belle Isle Craft Spirits	No broker representative	Belle Isle Cherry Lime Drive	Made with our award-winning premium moonshine, real black cherry, and a squeeze of lime in a ready-to-drink canned cocktail.	4 pk/355ml	\$9.99	Richmond, Virginia	Yes	Canned Cocktails/Hard Seltzer	Stores	To replace current	126

Supplier Name	Broker Representative	Product Name	Product Description	Product Size	Suggested Retail Price	Product Origin	Virginia Product?	Merchandising Category	Decisions	Notes	Store Count
Belle Isle Craft Spirits	No broker representative	Belle Isle Ice Pick	Made with our award-winning premium moonshine, real iced tea, our house lemonade, and a light burst of bubbles in a ready-to-drink can.	4 pk/355ml	\$9.99	Richmond, Virginia	Yes	Canned Cocktails/Hard Seltzer	Stores	To replace current	126
Belle Isle Craft Spirits	No broker representative	Belle Isle Transfusion	Made with our award-winning premium moonshine, real Concord grape, fresh ginger, and a squeeze of lime in a ready-to-drink canned cocktail.	4 pk/355ml	\$9.99	Richmond, Virginia	Yes	Canned Cocktails/Hard Seltzer	Stores	To replace current	126
Cavalier Ventures, LLC DBA Tarnished Truth Distilling Company	RNDC	Coastal Cocktails Gin Blackberry Bramble	This is a carbonated canned cocktail at 7.5% alc/Vol. Blended with our fourth handle gin and natural blackberry flavoring.	4 pk/355ml	\$11.99	Virginia	Yes	Canned Cocktails/Hard Seltzer	Stores		126
Cavalier Ventures, LLC DBA Tarnished Truth Distilling Company	RNDC	Coastal Cocktails Vodka Cherry Blossom	This is a carbonated canned cocktail at 7.5% alc/Vol. Blended with our AVA Vodka and natural Cherry flavoring with a hint of grapefruit.	4 pk/355ml	\$11.99	Virginia	Yes	Canned Cocktails/Hard Seltzer	Stores		126
RD Wilhelm	No broker representative	Reverend Spirits Gin	This East Coast Craft Spirits Gold Medal winning Gin is a new age, modern, light gin that leads with a citrus, earthy nose. It then moves into a well-balanced body with birch bark, cinnamon and floral notes. The finish is sweeter thanks to the 100% corn base with hints of pepper and juniper.	750ml	\$34.99	Virginia	Yes	Gin	Stores		100
Diageo	SGWS - Coastal Pacific	Don Julio Añejo	(Size Extension request) Barrel aged in smaller batches for eighteen months in American white-oak barrels, Don Julio® Añejo Tequila is a testament to the craft of making a superior tasting, aged tequila.  Rich, distinctive and wonderfully complex, its flavor strikes the perfect balance between agave, wood and hints of vanilla. Best experienced neat in a snifter or simply on the rocks.	50ml	\$9.99	Mexico	No	Miniatures	Stores		100
Diageo	SGWS - Coastal Pacific	Don Julio Blanco	(Size Extension request) Don Julio® Blanco Tequila is the base from which all of our other variants are derived. Commonly referred to as “silver” tequila, its crisp agave flavor and hints of citrus make it an essential component to a variety of innovative drinks including margaritas. It can also be enjoyed neat or on the rocks. 100% blue agave plant.	50ml	\$7.99	Mexico	No	Miniatures	Stores		100
Diageo	SGWS - Coastal Pacific	Don Julio Reposado	(Size Extension request) Aged for eight months in American white-oak barrels, Don Julio® Reposado Tequila is golden amber in color, and offers a rich, smooth finish—the very essence of the perfect barrel-aged tequila.  With a mellow, elegant flavor and inviting aroma, Don Julio® Reposado Tequila is best savored as part of a refreshing tasting cocktail or chilled on the rocks.	50ml	\$8.99	Mexico	No	Miniatures	Stores		100
Diageo	SGWS - Coastal Pacific	Johnnie Walker Blue	(Size Extension request) PURPOSE Recruit new consumers into Johnnie Walker by making trial more affordable INSIGHT There is an existing desire to try higher end whiskies, accessing whiskies that are above the customers usual price point CONCEPT : An elegant, stunning miniature version of Johnnie Walker Blue Label, complete with it's own perfectly giftable box	50ml	\$19.99	Scotland	No	Miniatures	Stores		100
Western Spirits Beverage Co.	RNDC	Bird Dog Black Cherry Whiskey	Flavored whiskey delivers a balanced blend of tart and juicy black cherries with bourbon undertone. At 80 proof Bird Dog Black Cherry has a smooth warm finish that coats the palate	50ml	\$1.39	Kentucky	No	Miniatures	Stores		100
Western Spirits Beverage Co.	RNDC	Bird Dog Peach Whiskey	Flavored whiskey is blended with all natural flavors to create a smooth, easy drinking whiskey. At 80 Bird Dog Peach flavored whiskey is immersed with juicy, savory, fragrant peach flavor.	50ml	\$1.39	Kentucky	No	Miniatures	Stores		100
Ole Smoky Distilling	SGWS	Ole Smoky Moonshine Peaches (Fruit included)	<ul style="list-style-type: none"> <li>• Moonshine Peaches is a jar full of vibrant, juicy peaches soaked in moonshine</li> <li>• Moonshine Peaches is the second shine' released from Ole Smoky with fruit in the jar</li> </ul>	750ml	\$25.99	TN	No	Moonshine	Stores		104

Supplier Name	Broker Representative	Product Name	Product Description	Product Size	Suggested Retail Price	Product Origin	Virginia Product?	Merchandising Category	Decisions	Notes	Store Count
Ole Smoky Distilling	SGWS	Ole Smoky Mountain Java Cream Moonshine	<ul style="list-style-type: none"> <li>Mountain Java will fill the niche your customers have shown, with the increase in specialty coffee drinks and creams.</li> <li>Create impulse sales by offering the customers something unique in the quickly growing cream category from a brand that customers know.</li> </ul>	750ml	\$25.99	TN	No	Moonshine	Stores		104
Diageo	SGWS - Coastal Pacific	Singleton Scotch 12 yr.	The Singleton of Glendullan 12 Years Old matures for 12 years in European sherry and American bourbon barrels. Tasting notes: Colour: Gold with accents of amber. Nose: complex, fruity, soft, smooth, sweet, hints of vanilla, leather. Taste: Fruity, citrus, raisins, vanilla, hints of honey, maple syrup. Finish: Long lasting, soft.	750ml	\$36.99	Scotland	No	Scotch	Stores		100
Shand Imports	No broker representative	Black Bull 12 Year Blended Scotch Whisky	Blended at 100 proof this beautiful expression is silky smooth with robust and rich Highland and Speyside malt whiskies. 50% malt to grain ratio aged in ex-bourbon and ex sherry casks ends with a hint a sweetness and round soft mellow characters	750ml	\$69.99	Huntly Scotland	No	Scotch	Stores		100
Beam Suntory	SGWS	Tres Generaciones Cristalino	<p>This exceptional tequila starts as 100% weber blue agave which is triple-distilled for exceptional smoothness.</p> <p>It is then rested in American white oak barrels for at least 12 months to enhance its character – adding an array of subtle flavors, and a unique smoky finish.</p> <p>Finally, this aged liquid is filtered through diatomaceous earth to gently extract the color, rounding out the flavor profile. The result is a unique, crystal clear, incredibly smooth tequila balancing light wood notes with a sweet and creamy taste.</p> <p>Aged for 14 months.</p>	750ml	\$49.99	United States	No	Tequila	Stores		100
Casamigos	SGWS	Casamigos Anejo	Pure and complex aroma, with soft caramel and vanilla notes. Perfect balance of sweetness from the Blue Weber agaves, with subtle hints of spice and barrel oak, with a lingering smooth finish.	375ml	\$36.99	Jalisco	No	Tequila	Stores		100
Diageo	SGWS - Coastal Pacific	Don Julio Primavera	In his true innovative spirit, Don Julio González was a pioneer in creating ultra premium tequila and believed reposado tequila was tequila at its finest. Embracing the legacy of its founder's innovative spirit, Tequila Don Julio Primavera features a deliciously smooth expression that takes the brand's traditional Reposado and finishes it in orange wine casks, which previously held wine infused with macerated orange peels, striking the balance of citrus and honey.	750ml	\$149.99	Mexico	No	Tequila	Stores		100
DOS HOMBRES	SGWS	Dos Hombres Mezcal Joven	A unique blend of the finest Espadín agave, hand-selected from the hillsides of a small village in Oaxaca. Dos Hombres presents an appealing fragrance and a rich taste that engages the palate, ensuring the distinctive smoothness of our brand.	750ml	\$64.99	San Luis del Rio, Oaxaca, Mexico	No	Tequila	Stores		100
Luxco	SGWS	El Mayor Reposado Tequila	El Mayor Reposado is rested in white oak barrels for a minimum of 9 months. This gives the tequila an elegantly structured, balanced taste with a remarkably smooth finish.	750ml	\$31.99	Mexico - Jalisco	No	Tequila	Stores		100
Proximo	RNDC	Gran Coramino Anejo Tequila	From our centuries old distilling process to our handcrafted methods, Gran Coramino™ honors dedication and grit. We plant and harvest the finest blue agaves in the heart of the Tequila Valley, cook them at peak maturity in traditional brick ovens before careful distillation in copper pot stills. Aged in French and American oak barrels then blended with a smooth Añejo matured in ex-cognac barrels, this silky smooth tequila has subtle notes of oak, vanilla, coffee and chocolate.	750ml	\$99.99	Jalisco, Mexico	No	Tequila	Stores		100
Shaw-Ross International Importers, LLC	SGWS	Casa Del Sol Blanco	Crafted to deliver the purest expression of the Agave with its smooth and complex body. Complete with pleasant hints of fresh agave, mint and warmed by notes of spice and caramel green apple	750ml	\$61.99	Jalisco	No	Tequila	Stores	Woman owned	100
Tanteo Tequila (Tanteo Spirits, LLC)	BreakThru	Tanteo Blanco Tequila	Tanteo Blanco is a 100% de agave Blanco tequila produced at Mexico's only co-op distillery, using traditional hornos, and certified additive-free. Using only the finest midlands agave, Tanteo Blanco Tequila is unlike anything you taste before.	750ml	\$39.99	Juanacatan, Jalisco, Mexico	No	Tequila	Stores		100

Supplier Name	Broker Representative	Product Name	Product Description	Product Size	Suggested Retail Price	Product Origin	Virginia Product?	Merchandising Category	Decisions	Notes	Store Count
TCapri Sprints LLC	No broker representative	TCapri Tequila Blanco	TCapri Tequila Blanco is made from 100% Blue Weber agave. Our Blanco is Award Winning and 100% Additive Free certified by Tequila Matchmaker.	750ml	\$54.99	Jalisco, Mexico	No	Tequila	Stores	Black, woman owned	100

# Pay for Performance

## Overview

Review of New Pay for Performance Program.

# Pay for Performance Program

Elevating our Talent through Pay for Performance & Improved Performance Management

## Three Key Changes:

1. Requiring employees to complete self-evaluations
2. Performance evaluations will measure two main components
  - a. What was accomplished (utilizing existing Employee Work Plans)
  - b. How performance was executed (utilizing ABC's Core Values)
3. Total base salary increases will no longer be the same for all employees
  - a. Standard increase (consistent for all employees at Contributor level and above)
  - b. Variable component (based on performance results)

Performance-related pay incentivizes, and rewards employees based on differentiated contribution & performance levels





# Pay for Performance Program – FY 2023 Summary

## Elevating our Talent through Pay for Performance & Improved Performance Management

Description	Recommendation
Scope of Employees Covered	Regular Full-Time Employees hired on or before January 1, 2023
Impact	Salary Adjustments (Merit) Does not include one-time bonuses
Effective Date	Beginning with July 1, 2023 salary adjustments
Budgeted Salary Increase (approved by the General Assembly)	5% of actual salary liability as of January 1, 2023
Salary Increase Distribution	2% - Standard Increase (all employees with Contributor and above rating) 3% - Variable (Pay for Performance)
Measurement Period	07/01/22 – 06/30/23 Performance Review Cycle

# IT Security Exemption

## Overview

xxx

## Action

Review IT Security Exemption

# Summary of Security Exceptions

- 1) Use of an outdated software library.
- 2) An external vendor is terminating support for the database used in an VA ABC application.
- 3) Postponement of an upgrade due to incompatibility and lack of support with a vendor software application.



# Executive Order 23: COVID Penalties

## Overview

Review of Impact of Executive Order 23:  
COVID related penalties.

# Executive Order 23: Va ABC COVID Penalties

Date Penalty Imposed (MM/DD/YY)	Entity Type Penalized	Nature of Penalty	Amount of Penalty (\$)	Incident Description	Action Reason
1/8/2021	Employee	Lost Wages/Salary	\$ 93,936.63	Termination	Remove - Violations of Standards of Conduct
1/8/2021	Employee	Lost Wages/Salary	\$ 64,671.92	Termination	Remove - Violations of Standards of Conduct
10/4/2021	Employee	Lost Wages/Salary	\$ 795.96	Termination	Removal - Other
10/4/2021	Employee	Lost Wages/Salary	\$ 5,571.72	Termination	Removal - Other
10/12/2021	Employee	Lost Wages/Salary	\$ 15,420.24	Termination	Remove-Executive Directive #18, effective September 1, 2021
10/14/2021	Employee	Lost Wages/Salary	\$ 12,655.50	Termination	Remove-Executive Directive #18, effective September 1, 2021
10/14/2021	Employee	Lost Wages/Salary	\$ 8,437.00	Termination	Remove-Executive Directive #18, effective September 1, 2021
10/22/2021	Employee	Lost Wages/Salary	\$ 9,137.92	Termination	Remove-Executive Directive #18, effective September 1, 2021
10/25/2021	Employee	Lost Wages/Salary	\$ 26,448.00	Termination	Remove-Executive Directive #18, effective September 1, 2021
11/19/2021	Employee	Lost Wages/Salary	\$ 844.80	Termination	Remove-Executive Directive #18, effective September 1, 2021
11/30/2021	Employee	Lost Wages/Salary	\$ 14,550.58	Termination	Remove-Executive Directive #18, effective September 1, 2021
			\$ 252,470.28		

**EXECUTIVE REVIEW OF COVID-19 PENALTIES**

	Date Penalty Imposed (MM/DD/YY)	Entity Type Penalized	Name of Entity or Individual Penalized	Nature of Penalty	Amount of Penalty (\$)	Amount of Interest (\$)	Total Dollar Amount of Penalty	Status of Payment	Withdrawal, Suspension or Cancellation of Individual's License or Certification, or Other Reprimand	Status of License/Certification	Incident Description	State Contract Not Granted As Result of Non-Compliance	Contract Name and Dollar Amount Not Granted
1	11/10/2020	Wine & Beer on Premises Mixed Beverage Restaurant	Calabash Seafood	Civil penalty and/or suspension	\$3,000	\$0.00	\$3,000	Paid 12/9/2020	60-day suspension or \$3,000 and 30-day mandatory suspension	License surrendered / establishment closed	1 - Place to be occupied does not conform to requirements of governing body of Hanover County with respect to sanitation health construction equipment (7/27/20-7/29-20) 2 - Place to be occupied does not conform to requirements of governing body of Hanover County with respect to sanitation health construction equipment (7/31/20-8/7/20)	n/a	n/a
2	11/16/2020	Wine & Beer on Premises Mixed Beverage Restaurant	The Eagles Nest	Civil penalty and/or suspension	\$2,500	\$0.00	\$2,500	Paid 11/12/2020	\$2,500 civil penalty and 12-month probation	Active	Place occupied does not conform to the requirements of the governing body of the City of Chesapeake with respect to sanitation, health, construction, or equipment, or to any similar requirements established by the laws of commonwealth or by board regulations	n/a	n/a
3	4/20/2021	Beer on and off premises	Indian River Inn	Civil penalty and/or suspension	\$6,000	\$0.00	\$6,000	Paid in full on 8/5/2021	1. Licensee agrees to pay \$6,000 civil penalty (broken down into six (6) payments of \$1,000 each) 2. If licensee fails to make a payment due under the agreement, the licensee agrees to accept an automatic 15-day suspension 3. 12-month probation	Active	1 - Establishment ceases to qualify as a "restaurant" 2 - Licensee or an employee of the licensee consumed alcoholic beverages while on duty and in a position involved in the selling and serving of alcoholic beverages to customers (January 22, 2021) 3 - Does not conform to the requirements of the governing body with respect to sanitation, health, construction, or equipment, or to any similar requirements 4 - Made gifts of alcoholic beverages to (a) person(s) other than as allowed (January 2, 2021)	n/a	n/a
											5 - Failed to report changes in the officers, directors, or shareholders owning 10% or more of the outstanding capital stock of the licensed corporation within 30 days of such changes 6 - Purchased wine or beer for resale from a person other than a wine or beer wholesaler licensed in this commonwealth (October 2019) 7 - Failed to keep complete, accurate and separate records between April 2020 and January 2021		

	Date Penalty Imposed (MM/DD/YY)	Entity Type Penalized	Name of Entity or Individual Penalized	Nature of Penalty	Amount of Penalty (\$)	Amount of Interest (\$)	Total Dollar Amount of Penalty	Status of Payment	Withdrawal, Suspension or Cancellation of Individual's License or Certification, or Other Reprimand	Status of License/Certification	Incident Description	State Contract Not Granted As Result of Non-Compliance	Contract Name and Dollar Amount Not Granted
4	5/13/2021	Wine & Beer on and off Premises Mixed Beverage Restaurant	Nectar Restaurant & Lounge	Civil penalty and/or suspension	\$0.00	\$0.00	\$0.00	n/a	<p>1. The applicant agrees to enter into a written contract with a Department of Criminal Justice Services (DCJS) certified security provider.</p> <p>2. The applicant agrees to one (1) DCJS-certified guard for every thirty-five (35) patrons inside the establishment from 8:00pm - closing and a minimum of one (1) DCJS-certified security guard dedicated to the parking lot every day from 10:00 p.m. to closing. The licensee further agrees that there will be video coverage enabled to cover the parking lot and special agents of Virginia ABC shall have access to this video without restriction.</p>	License inactive / licensee did not renew	<p>1 - Applicant violated or allowed the violation of the ABC Act at the time the application was pending in that the applicant possessed, distributed, sold or used, or knowingly allowed any employee, agent, or other person to illegally possess, distribute, sell or use marijuana or other controlled substances, imitation controlled substances, drug paraphernalia, or controlled paraphernalia upon the applicant premises</p> <p>2 - Does not conform to the requirements of the governing body of the city of Alexandria with respect to health requirements</p> <p>3 - The Board is not authorized and empowered under the provisions of the ABC Act to issue the license</p>	n/a	n/a
									<p>The security guards shall remain on the premises until 1 hour after closing.</p> <p>3. Wanding, pat-downs, and bag searches of patrons shall be required prior to admittance and re-entry every day from 6p.m. to closing.</p> <p>4. The applicant shall comply with all orders and restrictions governing hours of operation in response to COVID-19, and further agrees to close for business no later than 1:00 a.m. if/when the pandemic restrictions are lifted. Last call shall be thirty (30) minutes prior to closing and no later than 12:30 a.m. if/when they pandemic restrictions are lifted or eased.</p> <p>5. The applicant agrees to have their mixed beverage annual review report (MBAR) prepared by a certified public accountant (CPA)</p>				

	Date Penalty Imposed (MM/DD/YY)	Entity Type Penalized	Name of Entity or Individual Penalized	Nature of Penalty	Amount of Penalty (\$)	Amount of Interest (\$)	Total Dollar Amount of Penalty	Status of Payment	Withdrawal, Suspension or Cancellation of Individual's License or Certification, or Other Reprimand	Status of License/Certification	Incident Description	State Contract Not Granted As Result of Non-Compliance	Contract Name and Dollar Amount Not Granted
5	7/26/2021	Wine & Beer on Premises Mixed Beverage Restaurant	Mugzys Sports Grill	Civil penalty and/or suspension	\$5,000	\$0.00	\$5,000	Paid 7/15/2021	\$5,000 and 60-day suspension 1. All employees and management will be certified at the licensee's expense in TIPS Alcohol Training course 2. Any ABC violations within 12 months, the licensee will voluntarily surrender the licenses as voluntarily revoked	License active	Place occupied does not conform to the requirements of the governing body of the City of Hampton with respect to sanitation, health, construction, or equipment, or to any similar requirements.	n/a	n/a
6	8/11/2021	Wine & Beer on Premises Mixed Beverage Restaurant	Hashtag Lounge	Civil penalty and/or suspension	\$2,000	\$0.00	\$2,000	Paid 8/12/2021	Licensee elected to pay the \$2,000 civil penalty in lieu of 20-day suspension	License surrendered	1 - Place to be occupied does not conform to the requirements of the governing body of Alexandria with respect to sanitation health construction or any similar requirements 2 - On 3/27/21 the licensee denied special agents or other law enforcement officers access to all areas of premises 3 - Place to be occupied does not conform to the requirements of the governing body of Alexandria with respect to sanitation health construction or any similar requirements	n/a	n/a
7	9/1/2021	Wine & Beer on Premises Mixed Beverage Restaurant	Gourmeltz	Civil penalty and/or suspension	\$4,000	\$0.00	\$4,000	Negotiated Agreement	90-day suspension or \$4,000 and mandatory 15-day suspension  Cost of investigation \$6,469.18  Agreement dated 12/19/2022	License active	Place to be occupied by the licensee does not conform to requirements of governing body of Spotsylvania co/VA dept of health with respect to sanitation, health construction or equipment	n/a	n/a
8	9/8/2021	Wine & Beer on Premises Mixed Beverage Restaurant	Plaza Mexico	Civil penalty and/or suspension	\$3,000	\$0.00	\$3,000	Paid 9/8/2021	1. Until licensee provides BLE evidence that its corporate status at VA SCC is active/good standings all licensed privileges shall remain suspended 2. \$3,000 civil penalty 3. Mandatory 7-day suspension for wine & beer on premises license and mandatory 10-day suspension for mixed beverage license	License considered surrendered / establishment closed	Place to occupied by licensee does not conform to requirements of governing body of City of Petersburg with respect to sanitation health construction or equipment	n/a	n/a



	Date Penalty Imposed (MM/DD/YY)	Entity Type Penalized	Name of Entity or Individual Penalized	Nature of Penalty	Amount of Penalty (\$)	Amount of Interest (\$)	Total Dollar Amount of Penalty	Status of Payment	Withdrawal, Suspension or Cancellation of Individual's License or Certification, or Other Reprimand	Status of License/Certification	Incident Description	State Contract Not Granted As Result of Non-Compliance	Contract Name and Dollar Amount Not Granted
9	1/24/2022	Wine & Beer on Premises Mixed Beverage Restaurant	Tommy's Place II	Civil penalty and/or suspension	\$3,000	\$0.00	\$3,000	Paid 1/19/2022	<p>1. Licensee agrees to pay \$3,000 civil penalty</p> <p>2. Licensee agrees to have two (2) DCJS security guards at the establishment from 9:00 pm until 2:30 am - on Friday and Saturday nights that the establishment is open for business</p> <p>3. Licensee agrees to install a video monitoring system that captures the inside of the building where alcoholic beverages are sold and consumed, as well as the parking lot of the establishment, within forty-five (45) days of the signing of this agreement</p> <p>4. Licensee agree to provide evidence that its corporate status is active and in good standing within ten (10) days of the signing of this agreement</p> <p>5. Licensee agrees to provide certificates confirming that all staff have completed RSVP and/or MART training within forty-five (45) days of the signing of this agreement</p>	License active	<p>1 - The licensee has failed to take reasonable measures to prevent an act of violence resulting in death or serious bodily injury</p> <p>2 - On April 28, 2021, the licensee failed to keep complete, accurate and separate records</p> <p>3 - The place occupied by the licensee does not conform to the requirements of the governing body of the commonwealth of Virginia with respect to sanitation, health, construction, or equipment, or to any similar requirements established by the laws of the commonwealth or by board regulations</p>	n/a	n/a
									<p>6. Licensee agrees to install a new Point of Sale System that accurately captures all sales records</p> <p>7. Licensee agrees to provide a draft MBAR reporting all relevant information for the period of September 1, 2020 to August 31, 2021 within (10) days of the signing of this agreement</p>				

# Summary Suspension Orders

## Overview

Review of most recent summary suspension orders.

**COMMONWEALTH OF VIRGINIA  
ALCOHOLIC BEVERAGE CONTROL AUTHORITY  
VIRGINIA ALCOHOLIC BEVERAGE CONTROL BOARD**

IN THE MATTER OF:     SIDDIK ENTERPRISES, INC.  
                                  T/A 7-11  
                                  13990 JEFFERSON DAVIS HIGHWAY  
                                  WOODBIDGE, VIRGINIA  
                                  **SENT VIA CERTIFIED MAIL**

SIDDIK ENTERPRISES, INC.  
T/A 7-11  
13990 JEFFERSON DAVIS HIGHWAY  
WOODBIDGE, VIRGINIA  
**SERVED VIA PERSONAL SERVICE**

LICENSE NO.:                 86327 – CONVENIENCE GROCERY STORE OFF PREMISE

ABC INCIDENT NO.:         (RMS# 23-00138)

**ORDER OF SUMMARY SUSPENSION**

Upon completion of an initial investigation commenced on January 19, 2023, and a review of all findings, pursuant to Section 4.1-225.1 of the Code of Virginia, the Virginia Alcoholic Beverage Control Board (“Board”) finds that it has reasonable cause to believe that at approximately 7:48 a.m. on January 18, 2023, an act of violence occurred at the licensed premises resulting in one person being stabbed multiple times and seriously injured. Interviews with the licensee, witnesses, and the Prince William County Police Department (“PWCPD”) indicated that two men met in front of the 7-Eleven store, and approximately ten minutes later, engaged in a physical altercation on the 7-Eleven sidewalk near the southwest corner of the store. The altercation continued into the parking lot of the 7-Eleven, where one of the men drew a knife and began stabbing the other man in the back. Security camera footage captured the altercation and stabbing. PWCPD officers provided life-saving measures to the victim before the victim was transported to INOVA Fairfax Hospital. A witness told police officers that the suspect was known to sell tools, other items, and knives in front of the 7-Eleven, and he threatens people who don’t buy his knives by telling them he will stab them and kill them. Following this incident, PWCPD assigned two patrol officers a “static post” at the 7-Eleven store to deter criminal activity.

The license for this establishment was issued in 2014. There are no pending violations for this licensee and no written warnings issued to this licensee. However, on August 29, 2022, a shooting took place near the 7-Eleven, and as a result, a Reasonable Measures Letter (“RML”) was executed and agreed to by the licensee.

During the course of the current investigation, PWCPD informed ABC that on January 16, 2023, a homicide occurred adjacent to the 7-Eleven property. In addition, two other homicides, occurring on July 1, 2022 and October 27, 2022, occurred in the rear of the 7-Eleven. PWCPD additionally noted that its Street Crimes Unit is aware of drug distribution activity occurring in and around the parking lot of the 7-Eleven and ongoing issues with loitering. A neighborhood canvas revealed that employees of local businesses are scared to leave and multiple interviewees reported that the issues stem from 7-Eleven as well as surrounding businesses. PWCPD reported over 800 calls for service for the license and the nearby area, but BLE has not yet determined how many stem solely from the licensed location.

Despite the store employee's concerns, the numerous calls for service, and the reported crime in and around the licensed establishment, the licensee failed to take further steps to prevent future acts of violence by hiring adequate security, hiring multiple clerks during a shift, or otherwise preventing loitering or crime in the parking lot. Due to the recent incidents of violence and the concerns from PWCPD of ongoing criminal activity, the Board concludes that there exists a continuing threat to public safety and that temporary suspension of the licenses is justified to protect the health, safety, and welfare of the public.


IT IS ORDERED that any and all privileges granted by the above-referenced license, shall be suspended, effective immediately, and the suspension shall remain in effect pending the results of a formal investigation and any resulting proceedings for disciplinary review. Once the suspension has been in effect for forty-eight (48) hours, as required by Section 4.1-225.1(B), the licensee may petition the Board for a restricted license pending the results of the formal investigation and any proceedings for disciplinary review. The Board may deny the petition for a restricted license and the summary suspension shall continue until the conclusion of the disciplinary review; however, if the Board determines that a restricted license is warranted, the Board shall have discretion to impose appropriate restrictions based on facts presented.

IT IS FURTHER ORDERED that upon issuance of this Order, ABC Enforcement is directed to immediately commence a formal investigation. The formal investigation shall be completed within ten (10) days of its commencement, and the findings shall be immediately reported to the Secretary of the Board. If following the formal investigation, the Secretary of the Board determines that suspension of the license is warranted, a hearing shall be held within five (5) days of the completion of the formal investigation.

IT IS FINALLY ORDERED that a special agent of the Board shall serve a true copy of this order in person and by certified mail to the licensee. The order of suspension shall take effect immediately upon service.

AS PROVIDED BY SECTIONS 4.1-225.1(A) AND 2.2-4018(4) OF THE CODE OF VIRGINIA, THIS SUMMARY ORDER OF TEMPORARY SUSPENSION IS FINAL AND IS NOT SUBJECT TO APPEAL OR JUDICIAL REVIEW.

VIRGINIA ALCOHOLIC BEVERAGE CONTROL  
BOARD



---

Chief Executive Officer and Secretary to the Board

January 20, 2023

---

Date

**COMMONWEALTH OF VIRGINIA  
ALCOHOLIC BEVERAGE CONTROL AUTHORITY  
VIRGINIA ALCOHOLIC BEVERAGE CONTROL BOARD**

IN THE MATTER OF:     **KERA, INC.  
T/A THE KRYSTAL CABARET  
3926 GEORGE WASHINGTON HIGHWAY  
PORTSMOUTH, VIRGINIA 23702  
SERVED VIA PERSONAL SERVICE & CERTIFIED MAIL**

LICENSE NO.:           **91581 – WINE AND BEER ON AND OFF PREMISES  
91581 - MIXED BEVERAGE RESTAURANT**

ABC INCIDENT NO.:     **RMS #23-00211**

**ORDER OF SUMMARY SUSPENSION**

Upon completion of an initial investigation commenced on Sunday January 29, 2023, and a review of all findings, pursuant to Section 4.1-225.1 of the Code of Virginia, the Virginia Alcoholic Beverage Control Board (“Board”) finds that it has reasonable cause to believe that at approximately 1:57 a.m. on Sunday January 29, 2023, an act of violence occurred at the licensed premises resulting in an individual suffering serious bodily injury from two gunshot wounds to the upper right side of his torso under his arm. Interviews with the licensee, witnesses, and the Portsmouth Police Department (“PPD”), indicated that the victim was shot by an unlicensed security personnel inside of the establishment. The victim required surgical removal of a bullet lodged inside his body. PPD has expressed their support for summarily suspending the license pursuant to Section 4.1-225.1 of the Code of Virginia.

The license for this establishment was issued on August 1, 2017. Previously, on February 1, 2022, there was an additional public safety incident in which unlicensed security and multiple patrons were involved in a physical altercation inside the licensed premises. The altercation moved outside to the parking lot where two individuals suffered gunshot wounds. One victim was found deceased when PPD arrived on scene, and a second victim required hospitalization.

After the February 1, 2022, public safety incident the licensee failed to take reasonable precautions to keep the public safe in that, licensee has failed to provide video footage to law enforcement upon request, failed to contact emergency services when required, and failed to hire appropriate security personnel. The licensee instead hired an armed, uncertified security personnel who engaged in an altercation with the victim, and shot the victim two times in the torso.

IT IS ORDERED that any and all privileges granted by the above-referenced license, shall be suspended, effective immediately, and the suspension shall remain in effect pending the results of a formal investigation and any resulting proceedings for disciplinary review. Once the suspension has been in effect for forty-eight (48) hours, as required by Section 4.1-225.1(B), the licensee may petition the Board for a restricted license pending the results of the formal investigation and any proceedings for disciplinary review. The Board may deny the petition for a restricted license and the summary suspension shall continue until the conclusion of the disciplinary review; however,

if the Board determines that a restricted license is warranted, the Board shall have discretion to impose appropriate restrictions based on facts presented.

IT IS FURTHER ORDERED that upon issuance of this Order, ABC Enforcement is directed to immediately commence a formal investigation. The formal investigation shall be completed within ten (10) days of its commencement, and the findings shall be immediately reported to the Secretary of the Board. If following the formal investigation, the Secretary of the Board determines that suspension of the license is warranted, a hearing shall be held within five (5) days of the completion of the formal investigation.

IT IS FINALLY ORDERED that a special agent of the Board shall serve a true copy of this order in person and by certified mail to the licensee. The order of suspension shall take effect immediately upon service.

AS PROVIDED BY SECTIONS 4.1-225.1(A) AND 2.2-4018(4) OF THE CODE OF VIRGINIA, THIS SUMMARY ORDER OF TEMPORARY SUSPENSION IS FINAL AND IS NOT SUBJECT TO APPEAL OR JUDICIAL REVIEW.

VIRGINIA ALCOHOLIC BEVERAGE CONTROL  
BOARD



\_\_\_\_\_  
Chief Executive Officer and Secretary to the Board

11/31/2023

\_\_\_\_\_  
Date

# Legislative Action/Electronic Bill Summaries

## Overview

Review of current GA Legislative Actions  
and Electronic Bill Summary

## Legislative Action Summary

**Bill Number:** HB 1404  
**Patron:** Taylor  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Defines the term cigarette for purposes of cigarette delivery sale requirements. Current law does not include a statutory definition of cigarette for delivery sale requirements. The bill incorporates § 3.2-4200's existing cigarette definition into the delivery sale context.

**Affected Constituents' Summary:**

Virginia ABC has no information regarding potentially affected constituents.

**What is the relevant background information?**

Virginia ABC does not have primary enforcement responsibility for cigarette delivery sale requirements. The Attorney General's office is charged with enforcing these requirements by § 18.2-246.15. Therefore, Virginia ABC is not aware of any implications from incorporating § 3.2-4000's existing definition into cigarette delivery sale requirements.

**Agency Recommendation – please attach any proposed amendments in ELAS**

Strongly Support   
  Support   
  Amend   
  Oppose   
  Strongly Oppose   
  No Position

**Agency Comments:** [Click or tap here to enter text.](#)

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/5/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

Strongly Support   
  Support   
  Amend   
  Oppose   
  Strongly Oppose   
  No Position

**Secretary Comments:** [Click or tap here to enter text.](#)

**Secretary:** [Click or tap here to enter text.](#)     
 **Date:** [Click or tap to enter a date.](#)

**Administration Position**

Strongly Support   
  Support   
  Amend   
  Oppose   
  Strongly Oppose   
  No Position



## Legislative Action Summary

**Bill Number:** HB 1730  
**Patron:** Bennett-Parker  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Prohibits the Board of Directors of the Virginia Alcoholic Beverage Control Authority from suspending or revoking a license on the basis of a licensee employing a person who was convicted in any court of a felony or any crime involving moral turpitude prior to being employed by the licensee.

### Affected Constituents' Summary:

Virginia ABC has no information regarding potentially affected constituents.

### What is the relevant background information?

The current version of § 4.1-225 states that Virginia ABC may suspend or revoke a license if the licensee employs, other than as a busboy, cook, or other kitchen help, any person who has been convicted of a felony or of any crime or offense involving moral turpitude. Cognizant of this discretion, Virginia ABC promulgated a regulation, 3VAC5-50-40, which allows licensees to employ someone in a position involving selling or serving alcoholic beverages who has been convicted of a felony or a crime of moral turpitude unless, in general, the prospective employee's conviction relates to a crime of dishonesty or the manufacture, distribution, possession, or use of controlled substances. Even if the prospective employee's prior convictions are, for example, crimes of dishonesty or drug distribution, the licensee may apply to the Board for approval to employ the convicted felon. These requests are generally approved by the Bureau of Law Enforcement, absent recent or particularly significant issues, and any denials allow for the licensee to request a hearing.

During an ongoing regulatory review process, Virginia ABC has proposed to allow licensees to immediately employ a prospective employee, even if the prospective employee was convicted of, for example, drug distribution or a crime of dishonesty, without Virginia ABC approval if the conviction was more than five years ago. For more recent crimes, the approval and hearing process would remain an option under this regulatory proposal.

### Agency Recommendation – please attach any proposed amendments in ELAS

**Strongly Support**     **Support**     **Amend**     **Oppose**     **Strongly Oppose**     **No Position**

**Agency Comments:** We have developed internal processes and regulations to reduce regulatory burden. These processes and regulations balance public safety concerns, employers trying to find employees in a tight labor market, and formerly convicted felons trying to secure productive employment to assist reintegration into society. Our ongoing regulatory efforts further refine this balance. As drafted, this legislation promotes some of these interests, but does not allow the consideration of public safety concerns in this context.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/11/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

<b>Secretary Recommendation</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>
<b>Secretary Comments:</b> Click or tap here to enter text.	
<b>Secretary:</b> Click or tap here to enter text.	<b>Date:</b> Click or tap to enter a date.

<b>Administration Position</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>

## Legislative Action Summary

**Bill Number:** HB1753  
**Patron:** Robinson  
**Committee:** General Laws  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Allows mixed beverage carrier licenses, which authorize the sale and service of mixed beverages to passengers in an airport lounge, to be granted to financial institutions. Financial institutions are defined to include subsidiaries of a financial institution and certain persons under contract with a financial institution or subsidiary.

**Affected Constituents' Summary:**

Virginia ABC is aware of two financial institutions interested in this license at airport lounges. Retail groups representing mixed beverage restaurants operating at airports could oppose the extension of a mixed beverage license category with no food requirement. Because access to these lounges is expected to be limited to certain passengers, however, it is unknown whether retail groups will ultimately take a position on this bill.

**What is the relevant background information?**

Currently, only airlines may obtain a mixed beverage carrier license authorizing the sale and service of alcoholic beverages at airport lounges. There is no food sales or availability requirement for the mixed beverage carrier license, unlike, for example, a mixed beverage restaurant license generally available to restaurants at airports or elsewhere.

**Agency Recommendation – please attach any proposed amendments in ELAS**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
 **No Position**

**Agency Comments:** [Click or tap here to enter text.](#)

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/12/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
 **No Position**

**Secretary Comments:** [Click or tap here to enter text.](#)

<b>Secretary:</b>	<a href="#">Click or tap here to enter text.</a>	<b>Date:</b>	<a href="#">Click or tap to enter a date.</a>
-------------------	--	--------------	---

**Administration Position**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
 **No Position**

**Support**

**Oppose**

## Legislative Action Summary

**Bill Number:** HB 1866  
**Patron:** Scott  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Provides that if the Board of Directors of the Virginia Alcoholic Beverage Control Authority suspends or revokes the license of a retail establishment due to the fact that the establishment's food establishment permit from the Department of Health was revoked or suspended, the Board shall automatically reinstate such license once the Department of Health has reinstated the food establishment permit, provided that the licensee is in compliance with all applicable provisions of law.

### Affected Constituents' Summary:

Virginia ABC has no information regarding currently affected constituents. Some retail establishments' ABC licenses have previously been suspended upon the suspension of a food establishment permit, particularly when such retail establishments continued food and alcohol sales in contravention of the suspension of the food establishment permit. It is unknown if there would be any organized support or opposition.

### What is the relevant background information?

Virginia code requires many Virginia ABC retail licensees to demonstrate application for and obtain a valid food establishment permit prior to the issuance of an ABC license. Virginia ABC has no authority to summarily suspend or revoke an already-issued retail establishment's ABC license upon the retail establishment's food establishment permit suspension. Upon the suspension of a retail establishment's food establishment permit, Virginia ABC generally counsels the establishment to discontinue sales of alcohol until it regains its food establishment permit because a food establishment permit is required to exercise the privileges of the ABC license.

If a Virginia ABC-licensed food establishment continued to sell alcohol during a suspension or revocation of its food establishment permit, then Virginia ABC could initiate regulatory action against the establishment's ABC license. Since the underlying violation is not subject to summary suspension, any regulatory action by Virginia ABC will follow a hearings process that generally takes several months, at a minimum, to lead to a final disposition of potential license suspension, license revocation, or other disciplinary action.

### Authority Position – please attach any proposed amendments in ELAS

**Strongly Support**     **Support**     **Amend**     **Oppose**     **Strongly Oppose**     **No Position**

**Authority Comments:** Automatic reinstatement of an ABC license suspended due to the lack of a health permit once the permit is reinstated effectively negates the requirement to obtain a health permit in order to maintain an ABC license. A licensee could operate in violation of the requirements of the ABC Act for an indefinite period without penalty so long as they reinstate the health permit sometime in the future. The immediate reinstatement of a Virginia ABC license could hamper Virginia ABC's ability to take meaningful

enforcement action against establishments continuing to sell alcohol during health permit suspensions. Investigations and hearings are resource intensive activities that in this context will be rendered meaningless once the health permit is reinstated, despite the licensee's disregard of lawful requirements on the license. An automatic reinstatement in this situation negates the use of resources to enforce the requirement, thus disincentivizing any enforcement. In this case, it'd be of greater utility to remove any requirement to obtain health permit prior to issuance of an ABC license. However, that approach would result in the oddity of an ABC licensee being required to sell food in order to sell alcohol without reference to whether the business is actually authorized to sell food. The ABC license and the health permit are both intended to assure public safety, as it relates to the safe service of alcohol and the safe service of food, respectively. Effective enforcement requires that these obligations be allowed to be administered by the responsible regulatory entity and automatic reinstatement undermines that concept.

<b>Authority Head:</b>	Travis G. Hill	<b>Date:</b>	1/16/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC Authority
------------------------	----------------	--------------	-----------	--------------	--------------	----------------	------------------------

<b>Secretary Recommendation</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>
<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>
<input type="checkbox"/> <b>Strongly Oppose</b>	<input type="checkbox"/> <b>No Position</b>
<b>Secretary Comments:</b> Click or tap here to enter text.	
<b>Secretary:</b> Click or tap here to enter text.	<b>Date:</b> Click or tap to enter a date.

<b>Administration Position</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>
<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>
<input type="checkbox"/> <b>Strongly Oppose</b>	<input type="checkbox"/> <b>No Position</b>

## Legislative Action Summary

**Bill Number:** HB 1971  
**Patron:** Leftwich  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Requires retail licensees to keep complete, accurate, and separate records of all slotting fees, as defined in the bill, received from a manufacturer of both alcoholic and nonalcoholic beverages, including a manufacturer that licenses its nonalcoholic products brand to another manufacturer for use with an alcoholic product.

**Affected Constituents' Summary:**

This legislation clarifies recordkeeping requirements for retailers maintaining a Virginia ABC license. It is unknown whether such retailers or other industry participants will take a position on the legislation.

**What is the relevant background information?**

Virginia’s three-tier alcohol system prohibits undue influence on retailers from manufacturers and wholesalers. In addition to other justifications, the three-tier system is intended to preserve competition by giving large and craft producers the opportunity to reach the retail market. To support this justification and the three-tier system, retailers cannot be paid slotting fees to get shelf space or guaranteed advertising for alcoholic beverages. Such slotting fees, however, are accepted business practices in the retail community outside of the alcoholic beverage market.

The alcoholic beverage market has seen a wave of crossover products in which non-alcoholic beverage manufacturers are creating or licensing their brands for alcoholic beverages. There are industry concerns that members of the industry could circumvent the prohibition on alcoholic beverage slotting fees by attributing such slotting fees to non-alcoholic beverage products. Existing statutory recordkeeping requirements do not directly require the keeping of these relevant, non-alcoholic beverage slotting fee records and do not give Virginia ABC’s Bureau of Law Enforcement the clear authority to access such records.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**     **Support**     **Amend**     **Oppose**     **Strongly Oppose**     **No Position**

**Authority Comments:** This bill addresses some industry participant concerns by providing direct authority to Virginia ABC to examine non-alcoholic slotting fee records in order to respond to complaints or facts suggesting alcoholic beverage slotting fee prohibitions are being circumvented. It is not clear whether Virginia ABC would have access to these records absent the passage of this legislation.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

Strongly Support     Support     Amend     Oppose     Strongly Oppose     No Position

**Secretary Comments:** Click or tap here to enter text.

**Secretary:** Click or tap here to enter text.

**Date:** Click or tap to enter a date.

**Administration Position**

Strongly Support     Support     Amend     Oppose     Strongly Oppose     No Position



## Legislative Action Summary

**Bill Number:** HB 1979  
**Patron:** Leftwich  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Requires those selling wine and beer for off-premises consumption, when displaying such wine and beer outside a clearly discernible location reserved solely for alcoholic beverages, to (i) not place such wine or beer in an area immediately adjacent to nonalcoholic beverages containing the same or similar brand name, logo, or packaging as an alcoholic beverage and (ii) equip any such display with signage that indicates the product is an alcoholic beverage, is clearly visible to consumers, and is of sufficient size to notify the consumer of the product's alcohol content. The bill does not prohibit the placement of nonalcoholic wine or beer in or near a display of alcoholic beverages that contain the same or similar brand name, logo, or packaging as the nonalcoholic wine or beer.

### Affected Constituents' Summary:

Stakeholders are united in assessing that the risk of confusion between alcoholic and non-alcoholic products in the marketplace continues to escalate. To address this risk, Virginia ABC has worked with stakeholders, including manufacturers, wholesalers, retailers, and public health advocates during its periodic regulatory review process. A stakeholder workgroup drafted the language that is now contained within this legislation. Despite the collaborative process, some stakeholders remain opposed to the specific language contained within the bill. Some retailers, in particular convenience store owners with small store footprints, said the proposal would unduly limit their use of limited cooler space. These stakeholders are likely to express support with the principle of the legislation, but there may need to be a continuation of the collaborative process that led to this proposal to address retailer unease.

### What is the relevant background information?

In recent years the alcoholic beverage marketplace has seen a flood of crossover or other creative products. Crossover products are alcoholic beverages related to existing, popular non-alcoholic products. Examples, with the non-alcoholic product in parentheses, include Hard Mountain Dew (Mountain Dew) and Simply Spiked Lemonade (Simply Lemonade). Other creative products include freeze pops and BuzzBallz. Such products increase the risk of confusion for consumers and retailers regarding whether a product is an alcoholic beverage. Virginia ABC has already addressed an incident in which a young child was allowed to purchase such a product, which the cashier attributed to not realizing the product was alcoholic. Virginia ABC is also aware of retailer product displays which have commingled related alcoholic and non-alcoholic products, which would increase the risks of confusion.

Virginia ABC is taking a layered approach to address these risks. In addition to the regulatory process discussed above, Virginia ABC is also utilizing and clarifying its regulatory authority to ensure these products are labelled appropriately to minimize the risks of confusion. Virginia ABC's regulatory process is ongoing.

<b>Authority Recommendation – please attach any proposed amendments in ELAS</b>							
<input type="checkbox"/> Strongly Support	<input checked="" type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		
<b>Authority Comments:</b> Click or tap here to enter text.							
<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC

<b>Secretary Recommendation</b>							
<input type="checkbox"/> Strongly Support	<input type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		
<b>Secretary Comments:</b> Click or tap here to enter text.							
<b>Secretary:</b>	Click or tap here to enter text.			<b>Date:</b>	Click or tap to enter a date.		

<b>Administration Position</b>							
<input type="checkbox"/> Strongly Support	<input type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		

## Legislative Action Summary

**Bill Number:** HB 2001  
**Patron:** Krizek  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Requires retail licensees that are authorized to sell and serve alcoholic beverages for on-premises consumption to provide customers with information regarding the alcohol by volume (ABV) content for each type of alcoholic beverage sold and served on the premises, subject to a civil penalty for violations of this requirement. The bill has a delayed effective date of January 1, 2024.

**Affected Constituents' Summary:**

Retail licensees, who would be required to provide ABV content, are likely to oppose this bill. They will likely cite increased expenses from updating menus or other postings and uncertainty in application of this requirement to the myriad variations and potential ingredients in cocktails made by unique bartenders.

**What is the relevant background information?**

Wines, beers, and spirits can vary by ABV across each category, making it difficult for a consumer to estimate their own alcohol consumption. A study of California on-premises licensees found the average wine drink was found to be 43% larger than a standard drink, the average draft beer was 22% larger than a standard drink, and that spirits drinks differed by type with the average shot being equal to one standard drink while mixed drinks were 42% larger than a standard drink. Listing beer alcohol by ABV is common in the United States. Making ABV useful, however, may also require customers to know the total volume of the drink, and that volume is not always easy to measure in mixed drinks.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Authority Comments:** This bill intends to address the difficulty for consumers to estimate their own alcohol consumption, but this may not be the best method to do so. As drafted, it is not clear that any public health or safety benefit from the bill would be sufficient to justify the bill’s regulatory burden on retailers.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Secretary Comments:** Click or tap here to enter text.

<b>Secretary:</b> Click or tap here to enter text.	<b>Date:</b> Click or tap to enter a date.
--	--

***Administration Position***

- |  |   |                                       |  |   |   |
|--|---|---------------------------------------|--|---|---|
| <input type="checkbox"/> <b>Strongly Support</b> | <input type="checkbox"/> <b>Support</b> | <input type="checkbox"/> <b>Amend</b> | <input type="checkbox"/> <b>Oppose</b> | <input type="checkbox"/> <b>Strongly Oppose</b> | <input type="checkbox"/> <b>No Position</b> |
|--|---|---------------------------------------|--|---|---|

## Legislative Action Summary

**Bill Number:** HB 2258  
**Patron:** Robinson  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Creates a restricted wholesale beer license that authorizes the licensee to provide wholesale beer distribution services to brewery and limited brewery licensees, provided that no more than 500 barrels of beer shall be distributed by the licensee in any one calendar year. The bill requires the Commissioner of Agriculture and Consumer Services to establish and operate a nonprofit, nonstock corporation to hold such license to promote, develop, and sustain markets for brewery and limited brewery licensees. The bill prohibits the Board of Directors of the Virginia Alcoholic Beverage Control Authority from granting a wholesale beer license or wholesale wine license to any officer, director, or principal stockholder of a manufacturer of alcoholic beverages or to the spouse of such person; however, the bill exempts from such prohibition any spouse of an officer, director, or principal stockholder of a brewery or limited brewery licensee that was granted such license prior to January 1, 2024.

### Affected Constituents' Summary:

This bill is a product of collaboration between the Virginia Craft Brewers Guild and the Virginia Beer Wholesalers Association. VDACS convened the work group, the report from which informs this legislation. The currently existing Virginia Wine Distribution Company (VWDC), Virginia Winery Association and wine wholesalers are monitoring the legislation for any negative impacts to the current operation of VWDC. Virginia ABC is not aware of any other interested constituents or groups.

### What is the relevant background information?

Since its legislative authorization and creation more than 15 years ago, the Virginia Winery Distribution Company has been a wine wholesaling option akin to limited self distribution for Virginia wineries and farm wineries with similar volume restrictions. HB2258 authorizes the creation of an equivalent beer wholesaling option for Virginia breweries and limited breweries and authorizes Virginia ABC to issue such a wholesaler a restricted wholesale beer license.

The bill also addresses a concern of the wholesale tier by prohibiting, outside of these examples, common ownership of manufacturers and wholesalers by entities under common control. Existing law has not clearly addressed this issue. Existing licensees are exempt from this requirement.

### Authority Position – please attach any proposed amendments in ELAS

Strongly Support     Support     Amend     Oppose     Strongly Oppose     No Position

**Authority Comments:** This legislation strives for improved regulatory parity between wineries and breweries in Virginia by giving craft breweries greater access to market while maintaining limitations on self

distribution that is otherwise opposed by wholesalers. The legislation also addresses a common ownership “loophole” that is an ongoing concern from the wholesale tier.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**
 **Support**
 **Amend**
 **Oppose**
 **Strongly Oppose**
 **No Position**

**Secretary Comments:** Click or tap here to enter text.

<b>Secretary:</b>	Click or tap here to enter text.	<b>Date:</b>	Click or tap to enter a date.
-------------------	----------------------------------	--------------	-------------------------------

**Administration Position**

**Strongly Support**
 **Support**
 **Amend**
 **Oppose**
 **Strongly Oppose**
 **No Position**

## Legislative Action Summary

**Bill Number:** HB 2295  
**Patron:** Kilgore  
**Committee:** Pending  
**Lead Agency:** VDACS

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Increases the maximum amount for the civil penalty for gambling devices in unregulated locations and changes the distribution of moneys received from the monthly tax required for each skill game machine. Additional funding is allocated to law enforcement to address illegal games. The bill provides for the operation and regulation of electronic gaming activities under the Virginia Alcoholic Beverage Control Authority. The bill also directs the Authority to adopt emergency regulations to implement the provisions of the bill and provides for the establishment of a joint committee composed of 10 members from the Senate Committee on General Laws and Technology and the House Committee on General Laws to study the regulation of all electronic gaming in the Commonwealth.

**Affected Constituents' Summary:**

Virginia ABC retail licensees may support the clear, legal opportunity to have skill games present at their establishments. The market currently has a great deal of uncertainty due to the presence of unregulated, illegal games and the recent proliferation of electronic gaming emporiums. Casino interests universally oppose a resurgence in legalizing these type of machines.

**What is the relevant background information?**

In 2020, Virginia ABC implemented a skill games enforcement program, which required promulgation of regulations. This program phased out July 1, 2021, but the phase out has been complicated by litigation over the legality of the skill games ban, the absence of a workable definition of skill games and difficulties both from a human and financial resources to enforce unlawful games.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
  **No Position**

**Authority Comments:** The bill could provide more clarity for Virginia ABC licensees, including opportunities to those who have complied when any bans have been effective as well as generating additional revenue for the Commonwealth. The timelines for Virginia ABC to implement a new skill game regulatory function do raise concerns. If the legislation is approved, ABC would have renewed authority regarding skill games commencing on July 1, 2023. As drafted skill games are required to be labeled on July 1. A preferable timing scheme would be for ABC to adopt emergency regulations, print and distribute labels by July 15 and distribute labels by July 25. (dates can adjust) There appear to be other amendments necessary to establish an effective regulatory program and it is important for Virginia ABC to be able to work with members of the General Assembly to ensure that, if this regulatory scheme is adopted, that Virginia ABC can effectively implement these policy decisions. From an overarching perspective, ABC believes the approach contemplated in this legislation should only be a temporary solution until such time as Virginia develops and

implements a more holistic approach to gaming regulation. Traditional ABC stakeholders would likely be resistant to ABC maintaining long term responsibility for gaming regulation since it would be perceived as coming at the cost of effective regulation of beverage alcohol. Additionally, in ABC's experience, having a single regulator responsible for gaming will provide a more transparent and consistent business environment for businesses, affording them a level playing field on which to compete.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/18/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

<b>Secretary Recommendation</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>
<b>Secretary Comments:</b> Click or tap here to enter text.	
<b>Secretary:</b>	Click or tap here to enter text. <b>Date:</b> Click or tap to enter a date.

<b>Administration Position</b>	
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>



## Legislative Action Summary

**Bill Number:** HB 2336  
**Patron:** Wampler  
**Committee:** Pending  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Lowers the annual state license fee from \$1,000 to \$500 and the annual local license tax from \$200 to \$100 for marketplace licenses when the license privileges are exercised during a period of six or less consecutive months and such period is specified prior to the beginning of the license year.

**Affected Constituents' Summary:**

This bill is an effort to accommodate seasonal business who may be interested in the marketplace license. Businesses in areas with seasonal tourist patterns may support the bill. Virginia ABC is not aware of any other organized support or opposition.

**What is the relevant background information?**

The marketplace license is a new license first issued in 2021 to consolidate several different niche licenses. Virginia ABC has issued dozens of marketplace licenses. Virginia ABC has received complaints from those operating businesses seasonally about the current marketplace license fee. The existing marketplace license fee, \$1,000, is commensurate with the expenses Virginia ABC incurs to issue and regulate such licenses.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
 **No Position**

**Authority Comments:** The proportionately lower marketplace license fee for seasonal businesses would be commensurate with the reduced expenses Virginia ABC incurs to regulate such licenses seasonally.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/17/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
 **No Position**

**Secretary Comments:** [Click or tap here to enter text.](#)

<b>Secretary:</b> <a href="#">Click or tap here to enter text.</a>	<b>Date:</b> <a href="#">Click or tap to enter a date.</a>
--	--

**Administration Position**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
 **No Position**

## Legislative Action Summary

**Bill Number:** SB 809  
**Patron:** Favola  
**Committee:** Rehabilitation and Social Services  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Requires those selling wine and beer for off-premises consumption, when displaying such wine and beer outside a clearly discernible location reserved solely for alcoholic beverages, to (i) not place such wine or beer in an area immediately adjacent to nonalcoholic beverages containing the same or similar brand name, logo, or packaging as an alcoholic beverage and (ii) equip any such display with signage that indicates the product is an alcoholic beverage, is clearly visible to consumers, and is of sufficient size to notify the consumer of the product's alcohol content. The bill does not prohibit the placement of nonalcoholic wine or beer in or near a display of alcoholic beverages that contain the same or similar brand name, logo, or packaging as the nonalcoholic wine or beer.

### Affected Constituents' Summary:

Stakeholders are united in assessing that the risk of confusion between alcoholic and non-alcoholic products in the marketplace continues to escalate. To address this risk, Virginia ABC has worked with stakeholders, including manufacturers, wholesalers, retailers, and public health advocates during its periodic regulatory review process. A stakeholder workgroup drafted the language that is now contained within this legislation. Despite the collaborative process, some stakeholders remain opposed to the specific language contained within the bill. Some retailers, in particular convenience store owners with small store footprints, said the proposal would unduly limit their use of limited cooler space. These stakeholders are likely to express support with the principle of the legislation, but there may need to be a continuation of the collaborative process that led to this proposal to address retailer unease.

### What is the relevant background information?

In recent years the alcoholic beverage marketplace has seen a flood of crossover or other creative products. Crossover products are alcoholic beverages related to existing, popular non-alcoholic products. Examples, with the non-alcoholic product in parentheses, include Hard Mountain Dew (Mountain Dew) and Simply Spiked Lemonade (Simply Lemonade). Other creative products include freeze pops and BuzzBallz. Such products increase the risk of confusion for consumers and retailers regarding whether a product is an alcoholic beverage. Virginia ABC has already addressed an incident in which a young child was allowed to purchase such a product, which the cashier attributed to not realizing the product was alcoholic. Virginia ABC is also aware of retailer product displays which have commingled related alcoholic and non-alcoholic products, which would increase the risks of confusion.

Virginia ABC is taking a layered approach to address these risks. In addition to the regulatory process discussed above, Virginia ABC is also utilizing and clarifying its regulatory authority to ensure these products are labelled appropriately to minimize the risks of confusion. Virginia ABC's regulatory process is ongoing.

<b>Agency Recommendation – please attach any proposed amendments in ELAS</b>							
<input checked="" type="checkbox"/> Strongly Support	<input type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		
<b>Agency Comments:</b> Click or tap here to enter text.							
<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/5/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC

<b>Secretary Recommendation</b>							
<input type="checkbox"/> Strongly Support	<input type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		
<b>Secretary Comments:</b> Click or tap here to enter text.							
<b>Secretary:</b>	Click or tap here to enter text.			<b>Date:</b>	Click or tap to enter a date.		

<b>Administration Position</b>							
<input type="checkbox"/> Strongly Support	<input type="checkbox"/> Support	<input type="checkbox"/> Amend	<input type="checkbox"/> Oppose	<input type="checkbox"/> Strongly Oppose	<input type="checkbox"/> No Position		

## Legislative Action Summary

**Bill Number:** SB 983  
**Patron:** Mason  
**Committee:** Rehabilitation and Social Services  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Makes numerous changes to the privileges of and requirements for winery and farm winery licenses. The bill adds a limitation to winery licensees' retail wine sales for on-premises consumption requiring 80% of the wine sold to be manufactured on site or at a contract winemaking facility. The bill modifies the current two classes of farm winery licenses by adding growing area acreage requirements for Class A licenses and onsite fermentation requirements for Class B licenses. Allows wineries manufacturing wine using no less than 90% agricultural products grown in Virginia to use contract winemaking services. The second enactment clause delays the application of the new requirements to existing farm winery licensees until July 1, 2028.

**Affected Constituents' Summary:**

The bill addresses interests from several wine industry stakeholders. The farm winery industry is interested in ensuring that there remains an agricultural element to a farm winery. The interested members of the farm winery industry are believed to have consulted with representatives of the wine wholesalers for input on the bill. Virginia ABC is unaware if there will be any material opposition to the bill.

The farm winery industry is also trying to carve out a niche for winery licensees, using Virginia agricultural products, to have access to contract winemaking agreements. This would be hoped by the industry to allow a practice in which winemakers, in addition to their employment at wineries, may develop their own separate brands and tend to their employer's wine and their own wine at the same time.

**What is the relevant background information?**

The farm winery license often draws significant attention at the local level. It frequently becomes entwined with questions of land use, and at least one locality, Albemarle County, has passed an ordinance to limit the ability of farm wineries to hold events unless the farm winery has at least 5 acres of agricultural product planted and on-site fermenting or distilling machinery. This bill reflects a similar effort by the industry to protect its agricultural character while using the second enactment clause to avoid unduly burdening existing farm winery licensees.

**Agency Recommendation – please attach any proposed amendments in ELAS**

**Strongly Support**    
  **Support**    
  **Amend**    
  **Oppose**    
  **Strongly Oppose**    
  **No Position**

**Agency Comments:** [Click or tap here to enter text.](#)

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	Click or tap to enter a date.	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-------------------------------	--------------	--------------	----------------	--------------

<b>Secretary Recommendation</b>			
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>	<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>
			<input type="checkbox"/> <b>Strongly Oppose</b>
<b>Secretary Comments:</b> Click or tap here to enter text.			
<b>Secretary:</b>	Click or tap here to enter text.	<b>Date:</b>	Click or tap to enter a date.

<b>Administration Position</b>			
<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>	<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>
			<input type="checkbox"/> <b>Strongly Oppose</b>
			<input type="checkbox"/> <b>No Position</b>

## Legislative Action Summary

**Bill Number:** SB1100  
**Patron:** Boysko  
**Committee:** Rehabilitation and Social Services  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Allows mixed beverage carrier licenses , to be granted to financial institutions. The license would authorize the sale and service of mixed beverages in restricted-access passenger waiting area in which food and beverage service are provided to airport passengers. Financial institutions are defined to include subsidiaries of a financial institution and certain persons under contract with a financial institution or subsidiary. The bill contains an emergency clause.

**Affected Constituents' Summary:**

Virginia ABC is aware of two financial institutions interested in this license. Retail groups representing mixed beverage restaurants operating at airports could oppose the extension of a mixed beverage license category with a food availability but no food sales requirement. Because access to these areas is limited to certain passengers, however, it is unknown whether retail groups will ultimately take a position on this bill.

**What is the relevant background information?**

Currently, only airlines may obtain a mixed beverage carrier license authorizing the sale and service of alcoholic beverages in restricted-access passenger waiting areas. There is no food sales requirement for the mixed beverage carrier license, unlike, for example, a mixed beverage restaurant license generally available to restaurants at airports or elsewhere. The bill contains an emergency clause because the areas are scheduled to open prior to July 1, 2023.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
  **No Position**

**Authority Comments:** Click or tap here to enter text.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/15/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**   
  **Support**   
  **Amend**   
  **Oppose**   
  **Strongly Oppose**   
  **No Position**

**Secretary Comments:** Click or tap here to enter text.

<b>Secretary:</b>	Click or tap here to enter text.	<b>Date:</b>	Click or tap to enter a date.
-------------------	----------------------------------	--------------	-------------------------------

**Administration Position**

<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>	<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>	<input type="checkbox"/> <b>Strongly Oppose</b>	<input type="checkbox"/> <b>No Position</b>
--	---	---------------------------------------	--	---	---

## Legislative Action Summary

**Bill Number:** SB 1113  
**Patron:** Hanger  
**Committee:** Judiciary  
**Lead Agency:** Virginia ABC

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Creates a cause of action against an alcoholic beverage control retail licensee that negligently sells alcohol to a customer who subsequently injures another by driving while impaired if the consumption of the alcohol caused or contributed to an injury to person or property while the customer operated a motor vehicle. The customer or someone who aided providing alcohol to the customer may not recover for injuries. The bill also discusses evidence admissible on the issue of negligence.

**Affected Constituents' Summary:**

Virginia ABC has not received input from constituents regarding this bill. This relatively broad version of what is often called dram shop liability may be opposed by Virginia ABC retail licensees. The bill may be supported by education and prevention groups who advocate on issues related to alcohol harm reduction.

**What is the relevant background information?**

There is currently no civil liability to victims, or dram shop liability, in Virginia if a restaurant/bar overserves a drunk driver. Most states do have some form of dram shop liability. This bill would provide relatively broad dram shop liability.

Dram shop laws appear to affect licensee conduct. An analysis of 11 studies found reductions in alcohol-related outcomes associated with the presence of dram shop liability, including a median reduction of 6.4% (range 3.7% to 11.3%) in alcohol-related motor vehicle fatalities.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Authority Comments:** [Click or tap here to enter text.](#)

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/16/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Secretary Comments:** [Click or tap here to enter text.](#)

<b>Secretary:</b> <a href="#">Click or tap here to enter text.</a>	<b>Date:</b> <a href="#">Click or tap to enter a date.</a>
--	--



***Administration Position***

- |  |   |                                       |  |   |   |
|--|---|---------------------------------------|--|---|---|
| <input type="checkbox"/> <b>Strongly Support</b> | <input type="checkbox"/> <b>Support</b> | <input type="checkbox"/> <b>Amend</b> | <input type="checkbox"/> <b>Oppose</b> | <input type="checkbox"/> <b>Strongly Oppose</b> | <input type="checkbox"/> <b>No Position</b> |
|--|---|---------------------------------------|--|---|---|

## Legislative Action Summary

**Bill Number:** SB 1226  
**Patron:** Obenshain  
**Committee:** Judiciary  
**Lead Agency:** Virginia ABC

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Creates a cause of action against an alcoholic beverage control retail licensee who negligently sells alcohol to an underage person who was visibly intoxicated if the consumption of the alcohol caused or contributed to an injury to person or property while the underage person operated a motor vehicle. The plaintiff must prove such negligence by a clear and convincing evidence standard. The underage person or someone who aided providing alcohol to the underage person may not recover for injuries. The bill also discusses evidence admissible on the issue of negligence.

**Affected Constituents' Summary:**

Virginia ABC has not received input from constituents regarding this bill. While narrow, the bill may be opposed by Virginia ABC retail licensees. The bill may be supported by education and prevention groups who advocate on issues related to alcohol harm reduction.

**What is the relevant background information?**

There is currently no civil liability to victims, or dram shop liability, in Virginia if a restaurant/bar overserves a drunk driver. Most states do have some form of dram shop liability. This bill would provide only limited dram shop liability, applicable if the intoxicated driver is underage.

Dram shop laws appear to affect licensee conduct. An analysis of 11 studies found reductions in alcohol-related outcomes associated with the presence of dram shop liability, including a median reduction of 6.4% (range 3.7% to 11.3%) in alcohol-related motor vehicle fatalities. Dram shop liability laws appear to decrease fatal crashes among underage drivers who drink relative to non-drinking peers.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Authority Comments:** [Click or tap here to enter text.](#)

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

**Strongly Support**  
  **Support**  
  **Amend**  
  **Oppose**  
  **Strongly Oppose**  
  **No Position**

**Secretary Comments:** [Click or tap here to enter text.](#)

<b>Secretary:</b> <a href="#">Click or tap here to enter text.</a>	<b>Date:</b> <a href="#">Click or tap to enter a date.</a>
--	--

***Administration Position***

<input type="checkbox"/> <b>Strongly Support</b>	<input type="checkbox"/> <b>Support</b>	<input type="checkbox"/> <b>Amend</b>	<input type="checkbox"/> <b>Oppose</b>	<input type="checkbox"/> <b>Strongly Oppose</b>	<input type="checkbox"/> <b>No Position</b>
--	---	---------------------------------------	--	---	---

## Legislative Action Summary

**Bill Number:** SB 1371  
**Patron:** Vogel  
**Committee:** Rehabilitation and Social Services  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

### Bill Summary:

Creates an exception to the tied house restriction on breweries' direct sales to retail licensees, instead of through a beer wholesaler, by allowing brewery licensees to sell no more than 5,000 barrels of beer per year directly to retail licensees for resale. Current law only allows the holder of a brewery license to sell directly to retail licensees under certain conditions. This bill would limit those self-distributing using the current exception to a maximum of 5,000 barrels annually as well.

### Affected Constituents' Summary:

This bill may be supported by Virginia breweries, particularly smaller producers, because it may be expected to remove barriers to selling to retail licensees. It is possible that some breweries who already take significant advantage of the existing, narrow exception for self-distribution may oppose the limitation. Virginia beer wholesalers may oppose the bill as a threat to their economic interests and to the three-tier system.

### What is the relevant background information?

Virginia, like many states, operates a three-tier alcohol system in which alcohol is generally produced by manufacturers, distributed by wholesalers, and sold to the public by retailers. Each tier is separate to prevent manufacturers from dominating local markets through vertical integration and to prevent excessive sales of alcoholic beverages caused by overly aggressive marketing techniques. Under current law, self-distribution by alcohol manufacturers such as breweries is limited to a retail licensee that is on the manufacturer premises or on property contiguous to the manufacturing premises. The retail licensee is also required to be the manufacturer, its subsidiary, or its lessee for self-distribution to be permissible under current law.

While the self-distribution is limited to 5,000 barrels annually in this bill, the bill could create additional legal issues. Pursuant to this bill, in-state breweries would be allowed to self-distribute to all Virginia retailers, but out-of-state breweries would not be allowed to self-distribute to Virginia retailers. This introduces litigation risk because a court could determine the statute discriminates against interstate commerce, potentially implicating the dormant commerce clause. The alcohol industry has seen similar statutes in direct-to-consumer shipping struck down, and there is active litigation between Washington state breweries and the state of Oregon regarding the application of the dormant commerce clause to a law only permitting in-state brewery self-distribution. Under current Virginia law, the exception for self-distribution's reliance on the manufacturer and the retailer being on contiguous property would likely make a dormant commerce clause challenge to current law less likely than if this bill passes.

**Authority Position – please attach any proposed amendments in ELAS**

<input type="checkbox"/> <b>Strongly Support</b> <input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input checked="" type="checkbox"/> <b>No Position</b>							
<b>Authority Comments:</b> This legislation gives Virginia breweries greater access to the retail market while introducing volume limitations on self-distribution. It is not clear if this balance will satisfy the stakeholders, especially given the litigation risk.							
<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/13/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC

<b>Secretary Recommendation</b>					
<input type="checkbox"/> <b>Strongly Support</b> <input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>					
<b>Secretary Comments:</b> Click or tap here to enter text.					
<b>Secretary:</b>	Click or tap here to enter text.	<b>Date:</b>	Click or tap to enter a date.		

<b>Administration Position</b>					
<input type="checkbox"/> <b>Strongly Support</b> <input type="checkbox"/> <b>Support</b> <input type="checkbox"/> <b>Amend</b> <input type="checkbox"/> <b>Oppose</b> <input type="checkbox"/> <b>Strongly Oppose</b> <input type="checkbox"/> <b>No Position</b>					

## Legislative Action Summary

**Bill Number:** SB 1387  
**Patron:** Norment  
**Committee:** Rehabilitation and Social Services  
**Lead Agency:** Virginia ABC Authority

**Check if this is a Comment LAS**  
**From:** Choose an item.  
**To:** Choose an item.

**Bill Summary:**

Requires retail licensees to keep complete, accurate, and separate records of all slotting fees, as defined in the bill, received from a manufacturer of both alcoholic and nonalcoholic beverages, including a manufacturer that licenses its nonalcoholic products brand to another manufacturer for use with an alcoholic product.

**Affected Constituents' Summary:**

This legislation clarifies recordkeeping requirements for retailers maintaining a Virginia ABC license. It is unknown whether such retailers or other industry participants will take a position on the legislation.

**What is the relevant background information?**

Virginia’s three-tier alcohol system prohibits undue influence on retailers from manufacturers and wholesalers. In addition to other justifications, the three-tier system is intended to preserve competition by giving large and craft producers the opportunity to reach the retail market. To support this justification and the three-tier system, retailers cannot be paid slotting fees to get shelf space or guaranteed advertising for alcoholic beverages. Such slotting fees, however, are accepted business practices in the retail community outside of the alcoholic beverage market.

The alcoholic beverage market has seen a wave of crossover products in which non-alcoholic beverage manufacturers are creating or licensing their brands for alcoholic beverages. There are industry concerns that members of the industry could circumvent the prohibition on alcoholic beverage slotting fees by attributing such slotting fees to non-alcoholic beverage products. Existing statutory recordkeeping requirements do not directly require the keeping of these relevant, non-alcoholic beverage slotting fee records and do not give Virginia ABC’s Bureau of Law Enforcement the clear authority to access such records.

**Authority Position – please attach any proposed amendments in ELAS**

**Strongly Support**     **Support**     **Amend**     **Oppose**     **Strongly Oppose**     **No Position**

**Authority Comments:** This bill addresses some industry participant concerns by providing direct authority to Virginia ABC to examine non-alcoholic slotting fee records in order to respond to complaints or facts suggesting alcoholic beverage slotting fee prohibitions are being circumvented. It is not clear whether Virginia ABC would have access to these records absent the passage of this legislation.

<b>Agency Head:</b>	Travis G. Hill	<b>Date:</b>	1/15/2023	<b>Cell:</b>	804-335-7907	<b>Agency:</b>	Virginia ABC
---------------------	----------------	--------------	-----------	--------------	--------------	----------------	--------------

**Secretary Recommendation**

Strongly Support     Support     Amend     Oppose     Strongly Oppose     No Position

**Secretary Comments:** Click or tap here to enter text.

**Secretary:** Click or tap here to enter text.

**Date:** Click or tap to enter a date.

**Administration Position**

Strongly Support     Support     Amend     Oppose     Strongly Oppose     No Position

# Chief Reports

CTO Report – Elizabeth Chu

CBDO – Vida Williams

GAO – John Daniel

CLEO – Tom Kirby

CROO – Mark Dunham

CAO – David Alfano

CIO – Paul Williams

CEO – Travis Hill






# CTO Report – Elizabeth Chu

Change Management Office  
Diversity Equity and Inclusion  
Project Management Office  
Strategy and Analytics



# Change Management Office

- **OND after-action-review completed** (Customer: Chief Dunham)
  - **DC continues to sustain team WOW results** (broke all time pick record for January!) 
- **Pay for Performance (P4P) Movement underway** (Sponsor: Chief Alfano; Senior Contributor: Chief Dunham)
  - VABC leading the way with P4P; activating pay variance based on performance differentiation (FY23)
  - Cross-authority change team established
  - 3 year Roadmap approved
- **Renewed Values Statements APPROVED; Activation Team launches 2/2/23** (Customers: C-Suite; Accountable Executive: Chief Alfano)
- **Additional work underway or emerging:** VAL, Enterprise Workflow Automation (EWA), Strategic Planning, WOLO LA, PinPad, HR Modernization, PDH/Supplier Engagement, Email Access, Combined Warehouse Orders (CWO); CMO Standardized Tools and Training; Shifts may occur based on strategic plan priorities
- **FY 24 Strategic Planning Goals:** Complete CMO Build Out; Continue to Execute on essential enterprise efforts; begin to grow change capabilities



# Diversity Equity and Inclusion Office

- **DEI Practitioner Position** (*OneVA Strategic Plan, Goal #1: Access and Success*)
  - Final Round interviews scheduled for February 21, 2023
- **Leadership Training** (*OneVA Goal #3: Training & Education, Objective #3, Provide DEI training opportunities for all ABC employees*)  
(*Training Dates: February 28, 2023 – March 2, 2023*)
  - Research Phase (January 30, 2023 – February 3, 2023)
    - Stakeholder interviews and assessment
    - Reviewed previous HR/DEI surveys & data
  - Content Review (February 15, 2023)
    - Content walkthrough
  - Kickoff & Pre-work
    - Communicate expectations of training and share prework
  - Facilitate Experience (February 28, 2023 – March 2, 2023)
  - Read out (March 15, 2023)
    - Themes, Lessons learned, momentum drivers, barriers, and next steps
- **DEI Council** (*OneVA Goal #2, Climate & Intergroup Relations, Objective #2, Create opportunities for employees to feel valued and respected and have a platform for feedback*)
  - Charter and Application finalized
  - Next steps: Potential members (10) will be notified of nominations and planning will begin once Council positions are filled.
- **DEIO SharePoint page is live and can be accessed via mixer** (*OneVA Goal #2, Climate & Intergroup Relations, Objective #2, Create opportunities for employees to feel valued and respected and have a platform for feedback*)
  - DEI Council Charter and Application will be added to page . Working on fillable document for application.

# Project Management Office

- **Project Progress**

- 9 active (*Pin Pad, Licensing Onboarding, SaaS Migration, Oracle Web-Logic, Freight Way, WOLO-LA, Product Data Hub, HRIS – Phase 0, Customer Support Process Reengineering, Enterprise Workforce Automation*)
- 3 completed (*Warehouse Management, Reusable Bags, Oracle Upgrade*)

- **2 Senior Project Manager Positions**

- First round of interviews began on February 6<sup>th</sup> 2023 and will conclude February 8<sup>th</sup>, 2023.
- Candidates for second interviews will be determined by February 10<sup>th</sup>
- Tentative scheduling of second round interviews will be between February 13<sup>th</sup> – 17<sup>th</sup>

- **PMO Quality and Performance Stakeholder Feedback**

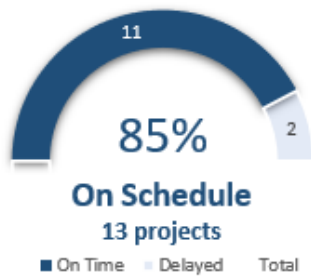
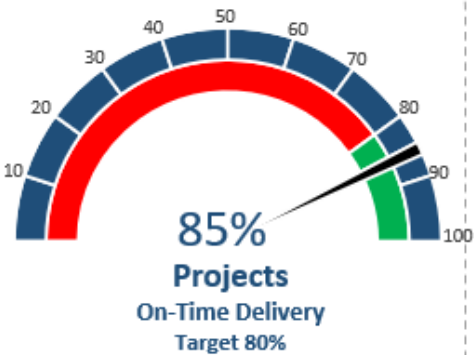
- Formalization of an initiation checklist for projects and programs is in progress
- Communication of checklist and its importance to all project stakeholders to be determined
- Scheduling of monthly meetings with major project stakeholders to capture ongoing project feedback in progress

- **PMO Roadshow to ABC Divisions**

- Development of a PMO educational roadshow for all divisions is in progress
- Scheduling of roadshow with each division to be determined

# Portfolio Dashboard - All Projects

Total # Projects	Total Budget	Total # Resources
13	8,424,719	59

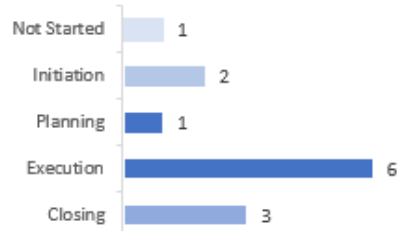


## ON-SCHEDULE

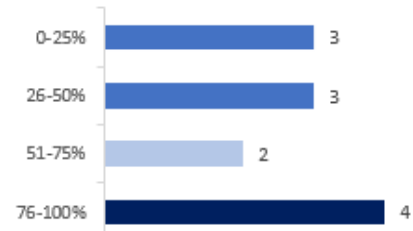
### OVERALL PROJECT PROGRESS



### PROJECT PHASES

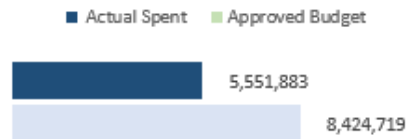


### PROJECT % COMPLETE

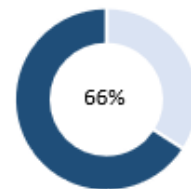


## ON-BUDGET

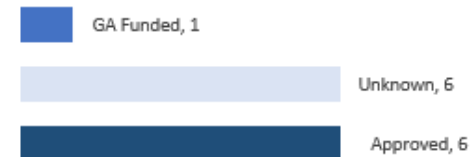
### BUDGET vs ACTUAL



### BUDGET SPENT

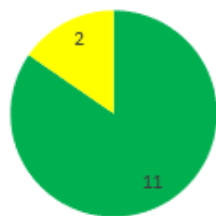


### BUDGET PHASE

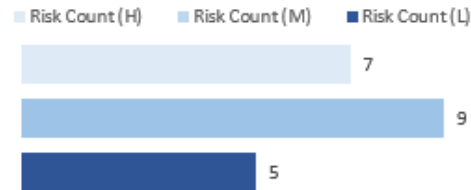


## ON-SCOPE

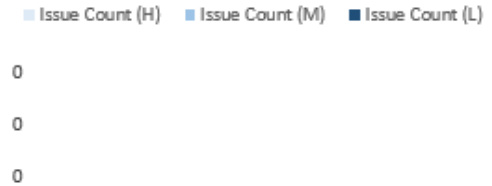
### CURRENT PROJECT HEALTH



### RISK COUNTS



### ISSUE COUNTS



# Strategy and Analytics Office

## Priorities and Progress

- **Strategic Plan**
  - Framework for strategic goals has been socialized with executive leadership and is being presented today
  - Strategic Plan document drafting is in process
  - Monitoring plan and rollout process are both in development
- **Data Management**
  - Data Management RFP submission period ended, received 18 submissions; review process started
- **Marketing & Merchandising Process Updates**
  - Updates to the Listings and Delistings process that were socialized with suppliers in the September Supplier Advisory Council were implemented in January, no issues noted
  - Based on discussions with the Virginia Spirits Association, we are implementing a monthly reporting process starting this month for suppliers related to product performance versus delisting thresholds, as suppliers were having difficulty replicating sales per attached store by product
- **Team Updates**
  - Currently interviewing for Sr Business Analyst backfill for Business Analytics Manager promotion
  - Requisition opened for Strategy Analyst, will handle Strategic Plan monitoring program as well as other areas of accountability within the Strategy tower

# Appendix - CTO

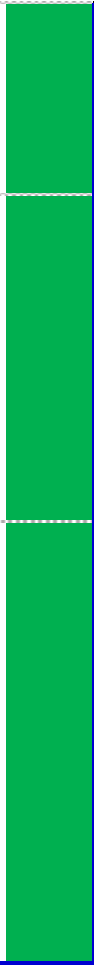
### 3. Major Initiatives for the Month

Status
On track
Some issues
On-hold

Initiative Name	What Problem is the Initiative Solving	Description of the initiative Impact	Initiative Owner	Start Date	End Date	Status
<b>E-Commerce Program</b>	<ul style="list-style-type: none"> <li>The eCommerce program is foundational for Virginia ABC to transform from a split, multi-channel retail environment to a real-time, omnichannel retail environment. This transformation not only provides Virginia ABC with increased operational efficiency and revenue opportunities, but also provides for the best possible customer experience. Currently Online Ordering and Product Data initiatives</li> </ul>	<ul style="list-style-type: none"> <li>eCommerce is growing significantly. This growth is not only in response to the pandemic, but projections indicate that eCommerce will continue to grow over the next five years, with a conservative increase of annual online orders to 1.8M, representing a 5x to 10x growth over current levels. Virginia ABC cannot hope to support even a fraction of this demand, including concomitant increases in customer service needs, without a program for expanding our infrastructure, eCommerce, and order management capabilities.</li> </ul>	<ul style="list-style-type: none"> <li>Vida Williams</li> </ul>	<ul style="list-style-type: none"> <li>1/1/2022</li> </ul>	<ul style="list-style-type: none"> <li>7/30/2025</li> </ul>	Some issues
<b>Enterprise Workflow Automation (EWA)</b>	<ul style="list-style-type: none"> <li>VA ABC will leverage an industry leading Enterprise Workflow Automation platform that will promote automated routing of internal and external customer requests, automation within the work process, a knowledge management centralized record, audit and compliance trail, and an integrated reporting dashboard which pulls data from ABC functional platforms.</li> </ul>	<ul style="list-style-type: none"> <li>As it exists today Virginia ABC currently provides help desk support for internal and external customers through a combination of email, walk-up, phone calls, and ticket entry. ABC help desk agents receive over 2,000 monthly service requests, incidents, or general help desk tickets. This represents only a portion of the work and leaves customer support disconnected and inefficient across ABC business groups.</li> </ul>	<ul style="list-style-type: none"> <li>Keith Russell</li> </ul>	<ul style="list-style-type: none"> <li>03/01/2022</li> </ul>	<ul style="list-style-type: none"> <li>06/30/2023</li> </ul>	On track
<b>Customer Support Process Reengineering</b>	<ul style="list-style-type: none"> <li>VA ABC will leverage an industry leading Enterprise Workflow Automation platform that will promote automated routing of internal and external customer requests, automation within the work process, a knowledge management centralized record, audit and compliance trail, and an integrated reporting dashboard which pulls data from ABC functional platforms.</li> </ul>	<ul style="list-style-type: none"> <li>As it exists today Virginia ABC currently provides help desk support for internal and external customers through a combination of email, walk-up, phone calls, and ticket entry. ABC help desk agents receive over 2,000 monthly service requests, incidents, or general help desk tickets. This represents only a portion of the work and leaves customer support disconnected and inefficient across ABC business groups.</li> </ul>	<ul style="list-style-type: none"> <li>Keith Russell</li> </ul>	<ul style="list-style-type: none"> <li>01/01/2022</li> </ul>	<ul style="list-style-type: none"> <li>04/30/2023</li> </ul>	On track
<b>Human Resources Modernization - Phase 0</b>	<ul style="list-style-type: none"> <li>The systems do not communicate well with each other and have outlived their useful lives. Systems have become outdated in their ability to meet HR operational needs. The goal of the Human Resources Modernization Project is to implement tools and improve processes for all stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>The current HR technology environment at Virginia ABC is a complex mix of internally developed, "homegrown" ABC systems and mandated integration with Commonwealth of Virginia state systems. The systems do not communicate well with each other and have outlived their useful lives. Systems have become outdated in their ability to meet HR operational needs, needing frequent customizations and</li> </ul>	<ul style="list-style-type: none"> <li>John Singleton</li> </ul>	<ul style="list-style-type: none"> <li>07/01/22</li> </ul>	<ul style="list-style-type: none"> <li>05/30/23</li> </ul>	On track
<b>Virginia ABC Licensing (VAL)</b>	<ul style="list-style-type: none"> <li>Virginia ABC Licensing (VAL) System Licensee Onboarding is an effort to roll out the new web-based licensing system that allows ABC license business transactions to occur on-line, any time.</li> </ul>	<ul style="list-style-type: none"> <li>The web based licensing system will reduce manual processes and paperwork not only for the Authority but more importantly for our customers. Allowing customers to apply online and track their application through the process.</li> </ul>	<ul style="list-style-type: none"> <li>Tom Kirby</li> </ul>	<ul style="list-style-type: none"> <li>09/20/2017</li> </ul>	<ul style="list-style-type: none"> <li>based on onboarding month-to-month approach</li> </ul>	Some issues





<p><b>Pin Pad Upgrade</b></p>	<ul style="list-style-type: none"> <li>The project will upgrade all in-store VeriFone MX915 EMV (Europay, MasterCard and Visa) devices running PTS4 (Pin Transaction Security Version 4) software to VeriFone M440 EMV devices running PTS5 (Pin Transaction Security Version 5) software.</li> </ul>	<ul style="list-style-type: none"> <li>The software to VeriFone Model M440 devices running PTS5 (Pin Transaction Security Version 5) will expire April 2023. The equipment and software needs to be upgraded to maintain compliance parameters set by Payment Card Industry (PCI).</li> </ul>	<ul style="list-style-type: none"> <li>David Walker</li> </ul>	<ul style="list-style-type: none"> <li>07/15/2022</li> <li>01/30/2024</li> </ul>		
<p><b>Phase II Oracle WebLogic Upgrade Migration</b></p>	<ul style="list-style-type: none"> <li>During the Oracle database migration, WebLogic was moved to Oracle Cloud Infrastructure (OCI), but it was not upgraded. Much of the same team is needed to complete the application server upgrade. ABC's current version of WebLogic will end support in December 2023 and continuing the effort ensures that we will complete the upgrade ahead of time and have ample time to schedule the production upgrade when it is least</li> </ul>	<ul style="list-style-type: none"> <li>Upgrade should mitigate security and system downtime risks associated with out-of-date software infrastructure by upgrading WebLogic.</li> </ul>	<ul style="list-style-type: none"> <li>David Kuti</li> </ul>	<ul style="list-style-type: none"> <li>06/10/2022</li> <li>04/30/2023</li> </ul>		
<p><b>VAL SaaS Migration</b></p>	<ul style="list-style-type: none"> <li>In 2021, Virginia ABC decided not to continue with the on-premises model and migrate to Accela's SaaS solution. It is a stated strategic goal of IT to migrate to SaaS models where appropriate.</li> </ul>	<ul style="list-style-type: none"> <li>Virginia ABC is running version 20.2.0 of the Accela Civic Platform on Virginia ABC managed infrastructure- end-of-life (EOL) Oracle 12c database and Windows 2012 servers nearing their end of support</li> </ul>	<ul style="list-style-type: none"> <li>David Kuti</li> </ul>	<ul style="list-style-type: none"> <li>11/14/2022</li> <li>10/30/2023</li> </ul>		
<p><b>Pay For Performance</b></p>	<ul style="list-style-type: none"> <li>This direction is consistent with CEO June 29, 2022 message to employees that referenced how the move to a Pay for Performance plan reinforces our strategic goal of investing in our people.</li> <li>Moving to a Pay for Performance approach provides a consistent mechanism to compensate employees based on performance and level of contributions.</li> </ul>	<ul style="list-style-type: none"> <li>The Authority is moving towards a pay for performance program that objectively measures performance and rewards differentiated contribution levels versus the prior year practices where everyone, regardless of contribution levels, receives the same salary increase percentage.</li> <li>Pay for performance is a plan that impacts base pay increases and should not be confused with other existing performance incentive or bonus plans, such as the current Retail and Distribution Center incentive plans</li> </ul>	<ul style="list-style-type: none"> <li>David Alfano</li> </ul>	<ul style="list-style-type: none"> <li>1/30/2022</li> <li>7/30/2025</li> </ul>		



# CDBO Report – Vida Williams

eCommerce/Digital Program Update

Press Releases

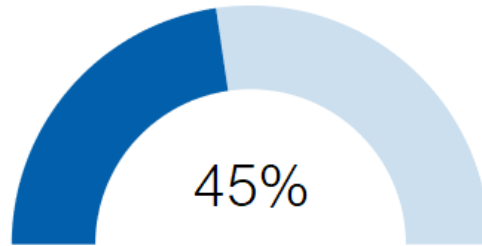
Education and Prevention



# eCommerce/Digital

## Digital Transformation: eCommerce

Expand the eCommerce effort into a more comprehensive, enterprise Digital Transformation for VA ABC.



Strategic Plan for Digital Transformation



Build capability to launch Digital Transformation Phase 1



eCommerce: Selection of SiteCore replacement



eCommerce: Build capacity of existing eCommerce channels



DT: Domain Roadmap detailing Systems and Capability Maturity



DT: Data Governance and Data Management



x

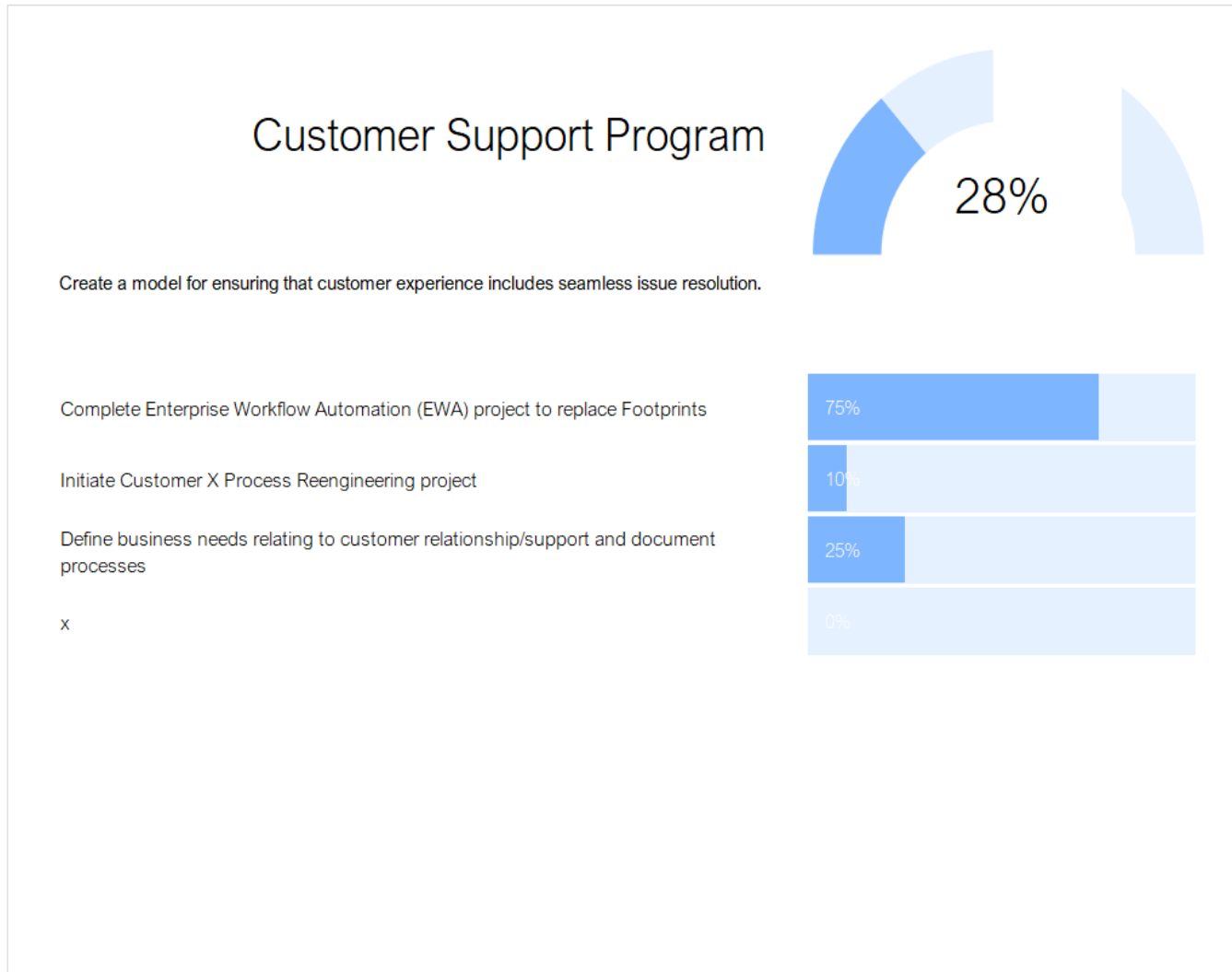


### Updates:

- eCommerce Platform selection is nearing completion
  - 1 or 2 vendors will be called back to present to a larger group for final selection
- The core experiences and related core capabilities are being road mapped for comprehensive review. Expected completion in 4 weeks.
- A new position Director of Data Governance and Management has been created and will be posted within the next month.



# Customer Support



## Updates:

- Customer touchpoints are being recorded and defined in order to create a comprehensive engagement model for acquiring, maintaining and providing service for our customers.
- Sources of data collection are being recorded for ensuring privacy and regulatory compliance.
- A second phase of ServiceNow will include expanding its usecase with customer issue resolution. The CRM will be dependent upon eCommerce platform.

# GAO Report – John Daniel

Legislative Update

Legal Update

Hearings Summary

FOIA Requests



# Distillery Liaison Report

## Distillery Liaison Status Report

### Existing Distillery Stores

Store Number	Distillery Name	Location	Shipping Y/N	Net Pay Program	# of Products	FY23 Store Sales (Jul-Dec)	FY22 Store Sales
010	Three Brothers Distillery	Disputanta	N	N	2	119.67	1,175.06
012	Belle Isle Moonshine	Richmond	Y	N	59	375294.94	670,651.27
013	Vitae Spirits (Original Location)	Charlottesville	Y	Y	26	14230.99	27,441.92
014	Five Mile Mountain Distillery	Floyd	Y	N	6	32485.67	62,881.67
015	Copper Fox - Williamsburg	Williamsburg	Y	N	22	253863.32	506,556.87
016	Virginia Distilling Company	Lovingston	Y	N	30	199023.83	125,685.49
018	Chesapeake Bay Distillery (Blackbird)	Virginia Beach	Y	N	18	395251.99	277,042.89
019	Williamsburg -Eight Shires Coloniale	Williamsburg	Y	N	18	70170.91	150,188.97
020	KO Distilling	Manassas	Y	N	23	240698.95	411,778.46
021	Old House Distillery	Culpeper	N	N	20	114191.18	191,752.53
022	Reservoir Distillery	Richmond	Y	N	27	174113.44	304,433.23
023	Murlarkey Distillery	Bristow	Y	Y	27	282907.17	601,511.76
024	Mt Defiance Distillery	Middleburg	Y	Y	36	108145.06	170,099.02
025	River Hill Distillery	Luray	Y	Y	8	42122.05	90,375.81
028	Silverback Spirits	Afton	N	Y	19	368395.77	727,122.76
029	Davis Valley Distillery	Rural Retreat	N	Y	12	35268.68	72,460.23
030	Copper Fox - Sperryville	Sperryville	N	N	22	225470.8	440,918.14
031	Mount Vernon -George Washington	Mount Vernon	Y	N	9	467354	934,224.00
034	Belmont Farms Distillery	Culpeper	N	N	20	133013.05	250,779.48
065	Catoctin Creek Distillery	Purcellville	Y	N	13	295066.75	563,519.55
091	A Smith Bowman Distillery (Sazerac)	Fredericksburg	Y	Y	11	604645.91	887,974.67
430	Springfield Distillery	Halifax	N	N	20	96171.81	127,488.14
431	Bondurant Brothers Distillery	Chase City	N	N	6	0	6,182.94
432	Cirrus Vodka Distillery	Richmond	Y	Y	5	233567.41	286,836.93
433	Ragged Branch Distillery	Charlottesville	N	Y	17	293722.27	523,632.26
434	Filibuster Distillery (Dilawri Barrels)	Mauretown	Y	N	10	71973	57,984.47
435	Spirit Lab (AASS Distillery)	Charlottesville	Y	Y	11	4339.09	8,208.33
451	Ironclad Distillery	Newport News	Y	Y	21	332396.64	550,705.13
452	Twin Creeks Distillery	Rocky Mount	Y	N	10	34823.62	64,904.12
453	Blue Sky Distillery	Smithfield	Y	Y	12	38431.55	84,978.77

Store Number	Distillery Name	Location	Shipping Y/N	Net Pay Program	# of Products	FY23 Store Sales (Jul-Dec)	FY22 Store Sales
454	Dida's Distillery (Glenway Farms)	Huntly	N	Y	14	57210.83	100,381.73
455	Sleepy Fox Distillery -Ashland (Buffalo Brands)	Ashland	N	Y	14	10880.56	43,900.74
456	Franklin County Distillery	Boones Mill	N	N	24	32393.28	104,928.87
460	Tarnished Truth Distilling Co (Cavalier Ventures)	Virginia Beach	Y	Y	25	622945.73	1,181,181.27
461	Devil's Backbone Distillery (Mountain View Brewing)	Roseland	Y	Y	33	78874.09	19,833.65
462	Trial & Error Distillery (Bombolini)	Richmond	N	N	27	48320.06	68,661.53
463	The Vanguard Brewpub - Caiseal Distillery	Hampton	Y	Y	10	98672.24	145,111.04
465	Virago Spirits	Richmond	Y	N	15	123671.05	182,612.35
466	Cape Charles Distillery	Cape Charles	N	Y	14	136785.32	242,940.75
467	Three Crosses Distillery	Powhatan	N	Y	16	200414.5	355,231.66
468	Greenspur - Lost Whiskey Club	Fairfax	N	N	6	29328.29	30,580.69
469	Hill Top Distillery	Manakin Sabot	Y	N	19	85004.23	155,915.76
470	Sleepy Fox - Glasgow	Glasgow	N	Y	14	20650.55	39,992.32
471	Reverand Spirits-RD Wilhelm Distillery	Norfolk	N	N	3	70637.05	143,416.05
474	Vitae - 2nd location	Charlottesville	N	Y	25	63366.91	119,812.74
475	Axe Handle Distillery	Pennington Gap	N	Y	6	64776.42	128,643.36
476	Flying Ace Distillery	Lovettsville	N	N	5	170082.67	347,410.02
477	Orkney Springs Distillery (7 Hollows Farm)	Springfield	Y	N	14	22465.79	36,874.07
478	Smith River Spirits	Ridgeway	Y	N	4	12166.03	37,786.06
479	JH Bards Spirits Co	Radford	Y	N	9	123291.77	211,843.74
480	Big Cedar Creek Distillery - Vincents Vineyard	Lebanon	N	N	5	2614.13	10,231.54
481	Highlands Distilling	Marion	Y	Y	5	25947.5	29,026.07
482	Rooster's Rise-n-Shine Distillery	Hardy	Y	Y	35	29414.81	47,684.64
483	Deep Creek Distilling	Chesapeake	Y	N	6	15934.37	20,723.60
484	Dogged State Distilling Co	Amelia Courthouse	Y	N	3	10015.97	12,486.86
485	Bold Rock Distillery	Nellysford	N	N	11	124856.82	151,839.75
486	Appalachian Heritage Distillery	Damascus	Y	N	7	137438.35	184,293.16
488	Bradys Distillery	Roanoke	Y	N	7	127787.71	83,666.64
489	Sandy River Distillery	Rice	N	N	7	40575.04	12292.16
491	Salty Stash Distillery	Dublin	N	N	1	0	0
492	Virginia Beach Distillery	Virginia Beach	N	N	1	68885.77	0
493	Glenno Distillery	Cumberland	N	N	3	579.82	778.74
650	Blue Shepherd Spirits	Luray	N	N	8	14425.19	0



Store Number	Distillery Name	Location	Shipping Y/N	Net Pay Program	# of Products	FY23 Store Sales (Jul-Dec)	FY22 Store Sales
651	Waterman Spirits	Virginia Beach	Y	N	16	64389.49	0
652	New Realm Distilling Company	Virginia Beach	Y	N	4	4116.85	0
653	Creek Bottom Brewing	Galax	N	N	4	2457.41	0
<b>Total</b>	<b>66 Active Distillery Stores</b>		<b>37 Shipping</b>	<b>24 Net Pay</b>	<b>960 Products</b>	<b>FY23 Sales \$8,279,764</b>	<b>FY22 Sales \$13,429,576</b>

### Open Distillery Applications – NO CHANGE

Applicant	Location	Application Start Date	Waiting On...
Three Notch'd Distilling	Charlottesville	4/25/22	Only Submitted W-9, has questions about having multiple locations.
Monte Piccolo	Charlottesville	11/2/21	Product Submission to MIPS
Virginia Foothills Distillery	Barboursville	11/16/21	Inspection (renovations)

### Distillery Shipping

Distilleries with shipping addendums have been using the new shipping portal to input their shipping orders without significant issues. Distillery suggestions have been incorporated quickly by the Bugs and Backlogs team.

Row Labels	Sum of Bottles	Sum of Value of Items	Sum of Cost to ABC
<3/2/2022	323	\$15,292	\$1,852
Mar	456	\$21,358	\$4,403
Apr	457	\$31,314	\$5,379
May	346	\$20,364	\$4,114
Jun	361	\$24,161	\$4,911
Jul	177	\$10,376	\$2,454
Aug	413	\$23,909	\$3,926
Sep	855	\$49,097	\$7,854
Oct	456	\$28,777	\$4,188
Nov	228	\$11,997	\$1,796
Dec	852	\$51,588	\$8,887
<b>Grand Total</b>	<b>4,924</b>	<b>\$288,233</b>	<b>\$49,768</b>

## Distilleries Moving Locations

<b>Distillery</b>	<b>Status</b>
Sleepy Fox Distillery- Ashland	Closed until move complete (Will reapply and keep store number)
Falls Church Distillers	Closed until move complete (Will reapply and keep store number)
Blue Sky Distillery	Closed until move complete (Will reapply and keep store number)
JH Bards	Not yet closed for move, will reapply and keep store number

# Negotiations

LICENSEE NAME	ABC LICENSE #	VIOLATION DATE	DISPOSITION DATE	CIVIL PENALTY (\$)	SUSPENSION Days
FAMILY DOLLAR 478	098274	7/20/2022	1/4/2023	\$2,500	
GASKINS SHELL	091208	10/7/2022	1/9/2023	\$4,500	7
CAROLINA EXPRESS	013213946	10/28/2022	1/17/2023		
WR BREWS	750585	7/2021 - 6/2022 5/5/2020 - 6/30/2022 8/15/22 & 6/30/22	1/27/2023	\$5,054	
HILTON GARDEN INN REAGAN NATIONAL AIRPORT	013211061	9/21/2022	2/6/2023	\$2,500	
FOOD LION 494	009712	9/20/2022	2/6/2023	\$2,500	
			<b>TOTAL</b>	<b>\$17,054</b>	

#### GASKINS SHELL

1. The licensee agrees to pay a civil penalty of four-thousand five hundred dollars (\$4,500.00);
2. The licensee agrees to a period of suspension of seven (7) days;
3. The licensee agrees to a twelve (12) month period of probation; and
4. The licensee agrees to an automatic suspension of sixty (60) days if the licensee is found to have committed another under-age buyer violation during the period of probation.

#### CAROLINA EXPRESS

1. The applicant will institute a limited parking time of 15 minutes for Customers Only and will install signage to that effect in addition to "No Trespassing" signage. Such signage will be placed in the parking lot and on the front doors of the establishment;
2. The applicant will contract with a towing company to enforce the parking restrictions;
3. The applicant will implement a "no firearms" policy and post appropriate signage prominently on the exterior doors of the establishment;
4. The applicant will remove the following items which are associated with narcotics use in the area: digital scales, glass pipes, splitters/cutters, steel wool or "Chore-boy", and grinders;
5. The applicant will remove all skill games;
6. The establishment will close at 11pm;
7. The applicant will hire two Department of Criminal Justice Services-certified security guards from 5pm to 11pm on Thursday through Saturday. The licensee will employ one Department of Criminal Justice Services-certified security guard Sunday through Wednesday from 5 pm to 11 pm.

8. The applicant will institute and maintain a ban list of trespassers through the assistance of their Department of Criminal Justice Services-certified security; follow-through with reporting trespassing to law enforcement or obtaining warrants, and any necessary court appearances required for prosecution;
9. The applicant will be on a 12-month period of probation. During the probationary period, if the Chief of the Virginia ABC Bureau of Law Enforcement or the Board finds the licensee to be in violation of this agreement, the Code of Virginia, or board regulations, the licensee shall voluntarily surrender the licenses as revoked. The surrender shall be effective upon notice to the licensee and shall not be subject to appeal;
10. The applicant must install and maintain a surveillance system for both the interior and exterior of the premises including the parking lot and entry doors. An employee must have access to the surveillance footage and be able to provide it to law enforcement at all hours the establishment is open;
11. The applicant will immediately place visual and/or physical barriers in the parking lot to prevent parking on non-designated areas of the parking lot. Within three months of the signing of this Agreement, the licensee will meet with representatives of the Richmond Police Department and Virginia ABC and engage in good-faith efforts to develop a plan to deter loitering and other illegal activity in the parking lot. Such plan shall include a combination of signage, proper parking lot paint markings, and other visual barriers or temporary physical barriers;
12. The applicant will not sell single-serve alcoholic beverages, but the applicant may sell four-packs and larger. Such four-packs may be created by the applicant. After a period of six months, if the Bureau of Law Enforcement provides written confirmation that there have been no violations during the period of probation, the applicant will be allowed to sell single-serve alcoholic beverages until 5 p.m.
13. The applicant will attend at least one Highland Park Quality of Life monthly meeting per three-month time period during the period of probation.

#### **WR BREWS**

1. For charge 1, the licensee agrees to pay a civil penalty of one thousand (\$1,000) dollars as well as to pay investigative costs in the amount of seven hundred and seventy-seven dollars (\$777), in lieu of a suspension;
2. For charge 2, the licensee agrees to pay a civil penalty of seven-hundred and fifty (\$750.00) dollars, in lieu of suspension;
3. For charge 3, the licensee agrees to pay a civil penalty of one thousand (\$1,000) dollars as well as to pay investigative costs in the amount of seven hundred and seventy-seven dollars (\$777), in lieu of a suspension;
4. For charge 4, the licensee agrees to pay the sum of seven hundred and fifty dollars (\$750) as a civil penalty, in lieu of suspension; and
5. In addition, exercising the privileges of the license shall be subject to a twelve (12) month probationary period, during such time, if the licensee is found by any representative of Virginia Alcoholic Beverage Control's Bureau of Law Enforcement to be in violation of any laws of the Commonwealth, the terms of this Agreement, or the regulations of the Virginia ABC Board, the licensee shall voluntarily surrender the license for a period of ten (10) business days. The Bureau of Law Enforcement shall file a Hearing Request on the violation(s) prior to the end of the period of voluntary surrender. The period of voluntary surrender shall not preclude the imposition of additional sanctions resulting from the disposition of any proceeding held in prosecution of the violation(s).

# Negotiations Accepted

Licensee	Lic. Num.	Charge(s)	Negotiated Resolution	Region	Agreement Send Date
KSB Fuels, Inc. t/a Gaskins Shell	091208	<p>1. On October 7, 2022, at approximately 5:00 p.m., the licensee failed to have a designated manager present and in actual charge of the licensed business.</p> <p>2. On October 7, 2022, at approximately 5:00 p.m., the licensee sold alcoholic beverages to a person who the licensee knew or had reason at the time to believe was less than twenty-one years of age.</p>	<p>1. \$4,500 civil penalty</p> <p>2. 7-day suspension period</p> <p>3. 12-month probation</p> <p>4. Agrees to an automatic suspension of 60 days if the licensee is found to have committed another underage buyer violation during the period of probation</p>	Richmond	1/6/2023
Midway Express VA, Inc. t/a Carolina Express	13213946	<p>1. The applicant/permittee failed to comply with 4.1-222 (n) and 4.1-225, in violation of Section 4.1-222.5. of the Code of Virginia and 3 VAC 5-50-110.2. The place occupied by the applicant/permittee: c. has become a meeting place or rendezvous for illegal gambling, illegal users of narcotics, drunks, prostitutes, pimps, panderers or habitual law violators or has become a place where illegal drugs are regularly used or distributed.</p> <p>2. The place to be occupied by the applicant is so located that violations of the ABC Act, the laws of the Commonwealth, or local ordinances relating to peace and good order would result from issuance of the license and operation thereunder.</p> <p>3. The place to be occupied by the applicant is so located with respect to a (residence or residential area) that the operation of such place under the license will adversely affect real property values or substantially interfere with the usual quietude and tranquility of such (residence or residential area).</p>	<p>1. Applicant will institute a limited parking time of 15 minutes for Customers Only and will install signage to that effect in addition to "No Trespassing" signage. Such signage will be placed in the parking lot and on the front doors of the establishment;</p> <p>2. Applicant will contract with a towing company to enforce the parking restrictions;</p> <p>3. Applicant will implement a "no firearms" policy and post appropriate signage prominently on the exterior doors of the establishment;</p> <p>4. Applicant will remove the following items which are associated with narcotics use in the area; digital scales, glass pipes, splitters/cutters, steel wool or "Chore-boy", and grinders;</p> <p>5. Applicant will remove all skill games;</p> <p>6. Establishment will close at 11 pm;</p> <p>7. Applicant will hire 2 DCJS-certified security guards Sunday through Wednesday from 5 pm to 11 pm;</p> <p>8. Applicant will institute and maintain a ban list of trespassers through the assistance of their DCJS-certified security; follow-through with reporting trespassing to law enforcement or obtaining warrants, and any necessary court appearances required for prosecution;</p>	Richmond	1/13/2023

Licensee	Lic. Num.	Charge(s)	Negotiated Resolution	Region	Agreement Send Date
			<p>9. Applicant will be on a 12-month period of probation. During the probationary period, if the Chief of the Virginia ABC Bureau of Law Enforcement or the Board finds the licensee to be in violation of this agreement, the Code of Virginia, or Board regulations, the licensee shall voluntarily surrender the licenses as revoked. The surrender shall be effective upon notice to the licensee and shall not be subject to appeal;</p> <p>10. Applicant must install and maintain a surveillance system for both the interior and exterior of the premises including the parking lot and entry doors. An employee must have access to the surveillance footage and be able to provide it to law enforcement at all hours the establishment is open;</p> <p>11. Applicant will immediately place visual and/or physical barriers in the parking lot to prevent parking on non-designated areas of the parking lot. Within 3 months of the signing of this Agreement, the licensee will meet with representatives of the Richmond Police Dept. and Virginia ABC and engage in good-faith efforts to develop a plan to deter loitering and other illegal activity in the parking lot. Such plan shall include a combination of signage, proper parking lot paint markings, and other visual barriers or temporary physical barriers;</p>		
			<p>12. Applicant will not sell single-serve alcoholic beverages, but the applicant may sell four-packs and larger. Such four-packs may be created by the applicant. After a period of six months, if the Bureau of Law Enforcement provides a written confirmation that there have been no violations during the period of probation, the applicant will be allowed to sell single-serve alcoholic beverages until 5 pm., and</p> <p>13. Applicant will attend at least one Highland Park Quality of Life monthly meeting per three-month time period during the period of probation.</p>		
Food Lion, LLC t/a Food Lion 494	009712	On September 20, 2022 at approximately 7:09 p.m., the licensee sold alcoholic beverages to a person who the licensee knew or had reason at the time to believe was less than twenty-one years of age, in violation of Sections 4.1-202, 4.1-225 1.b. and 4.1-304 A. of the Code of Virginia and 3 VAC 5-50-10 and 3 VAC 5-50-20.	\$2,500 civil penalty	Chesapeake	1/26/2023



Licensee	Lic. Num.	Charge(s)	Negotiated Resolution	Region	Agreement Send Date
MIC AL, LLC t/a WR Brews	750585	<p>1. During the preceding license year (July 2021 through June 2022), based on the gross receipts from the sale of food and nonalcoholic beverages and the gross receipts from the sale of mixed beverages, the licensed establishment did not meet the requirements for a mixed beverage restaurant license, in violation of Sections 4.1-114, 4.1-206.3 A.1. and 4.1-225 1.b. of the Code of Virginia.</p> <p>2. Between May 5, 2020 and June 30, 2022, the licensee failed to keep complete, accurate and separate records at the place of business and available for inspection by special agents of the Board, in violation of Sections 4.1-202, 4.1-204 and 4.1-225 1.b. of the Code of Virginia and 3 VAC 5-70-90 and 3 VAC 5-70-180.</p> <p>3. On August 15, 2022, the licensee defrauded or attempted to defraud the Board by making or filing a report or document or tax return required by statute or regulation which is fraudulent or contains a willful or knowing false representation of a material fact, in violation of Sections 4.1-202 and 4.1-226.3 (for incident dates before 7/1/2013, reference 4.1-225 1.b.) of the Code of Virginia.</p> <p>4. The licensee failed to submit to the Board a complete and accurate annual review report for the year ending June 30, 2022, in violation of Sections 4.1-114, 4.1-202 and 4.1-225 1.b. of the Code of Virginia and 3 VAC 5-70-90 D.</p>	<p>1. For charge 1, the licensee agrees to pay \$1,000 civil penalty + investigative costs of \$777;</p> <p>2. For charge 2, the licensee agrees to pay \$750 civil penalty;</p> <p>3. For charge 3, the licensee agrees to pay \$1,000 civil penalty + \$777 in investigative costs;</p> <p>4. For charge 4, the licensee agrees to pay \$750 civil penalty; and</p> <p>5. In addition, exercising the privileges of the licensee shall be subject to a 12-month probationary period, during such time, if the licensee is found by any representative of VA ABC's BLE to be in violation of any laws of the Commonwealth, the terms of this Agreement, or the regulations of the VA ABC Board, the licensee shall voluntarily surrender the license for a period of 10 business days. BLE shall file a hearing request on the violation(s) prior to the end of the voluntary surrender. The period of voluntary surrender shall not preclude the imposition of additional sanction(s) resulting from the disposition of any proceeding held in prosecution of the violation(s).</p>	Roanoke	1/26/2023
Interstate Management Company, LLC t/a Hilton Garden Inn Reagan National Airport	13211061	<p>On September 21, 2022 at approximately 4:50 p.m., the licensee sold alcoholic beverages to a person who the licensee knew or had reason at the time to believe was less than twenty-one years of age, in violation of Sections 4.1-202, 4.1-225 1.b. and 4.1-304 A. of the Code of Virginia and 3VAC5-50-10 and 3VAC5-50-20.</p>	\$2,500 civil penalty	Alexandria	1/30/2023
Bridgewater Foods, LLC t/a Bridgewater IGA	070073	<p>On August 23, 2022, at approximately 1324 hours, the licensee sold alcoholic beverages to a person who the licensee knew or had reason at the time to believe was less than twenty-one years of age, in violation of Sections 4.1-202, 4.1-225 1.b. and 4.1-304 A. of the Code of Virginia and 3VAC5-50-10 and 3VAC5-50-20.</p>	\$2,500 civil penalty	Staunton	2/6/2023

Licensee	Lic. Num.	Charge(s)	Negotiated Resolution	Region	Agreement Send Date
Cristis Deli, LLC t/a Cristis Deli	090915	On August 24, 2022, at approximately 4:32 p.m., the licensee sold alcoholic beverages to a person who the licensee knew or had reason at the time to believe was less than twenty-one years of age, in violation of Sections 4.1-202, 4.1-225 1.b. and 4.1-304 A. of the Code of Virginia and 3VAC5-50-10 and 3VAC5-50-20.	\$2,500 civil penalty	Alexandria	2/6/2023
			<b>Total civil penalties: \$ 18,000.00</b> <b>Total costs of investigation paid: \$ 1,554.00</b> <b>Total days of suspension: 7 days</b> <b>Licensees providing certified training: 0</b> <b>12-month probationary period: 3</b> <b>CPA-Audits: 0</b>		

# ECOs

**Expedited Consent Orders Accepted/Completed  
January 3, 2023 - February 6, 2023**

2/23/2023

	A	B	C	D	E	F	G
1	Licensee (Trading As)	Lic. Num.	Charge(s)	Civil Penalty	Suspension Accepted (# of days)	Date Order Received	Region
2	7ELEVEN STORE 32976 B	080362	UAB	\$2,500		1/5/2023	ALEXANDRIA
3	SHEETZ 303	011990	UAB	\$2,500		1/11/2023	CHARLOTTESVILLE
4	NEIGHBOURS FOODMART	092176	UAB	\$2,500		1/13/2023	STAUNTON
5	7 ELEVEN STORE 39801 A	090680	UAB	\$2,500		1/17/2023	CHARLOTTESVILLE
6	CLOCKTOWER RESTAURANT AND TEMPEST BAR & LOUNGE	094453	UAB	\$2,500		1/19/2023	STAUNTON
7	CORNER MART	753875	UAB	\$2,500		1/19/2023	CHESAPEAKE
8	A PLUS MART & CHECKS CASHED	751811	UAB	\$2,500		1/19/2023	STAUNTON
9	TRADER JOES #651	023596	UAB	\$2,500		1/24/2023	ALEXANDRIA
10	7/24 MARKET	752106	Manager not on duty UAB Bad check	\$3,750		1/24/2023	RICHMOND
11	HILTON GARDEN INN	051508	Bad Check to the Board	\$500		1/25/2023	ALEXANDRIA
12	CVS PHARMACY #5750	067329	UAB	\$2,500		1/30/2023	STAUNTON
13	ANOTHER ROUND OR 2 BAR & GRILL	097502	Consumption of alcohol while on duty	\$750		1/30/2023	FREDERICKSBURG
14	FOOD BARN N MAIN	069522	UAB	\$2,500		1/30/2023	RICHMOND
15	BOURBON BOULEVARD	754191	Kept mixed beverages not carrying mixed beverage stamp	\$750		1/30/2023	ALEXANDRIA
16	D RS QUICK STOP	013522	UAB	\$2,500		1/30/2023	STAUNTON
17	BAYVIEW BP	060479	UAB	\$2,500		1/30/2023	CHESAPEAKE
18	81 BAR & GRILL	013198082	UAB	\$2,500		1/31/2023	COMPLIANCE
19	FORT VALLEY COUNTRY STORE	750885	UAB	\$2,500		1/31/2023	STAUNTON
20	COCOS FOOD INTERNATIONAL MARKET	084362	UAB	\$2,500		2/1/2023	ALEXANDRIA
21	KROSS ROAD STORE	754867	UAB	\$2,500		2/1/2023	STAUNTON
22	VICTORY MINI MART	040142	UAB	\$2,500		2/3/2023	CHESAPEAKE
23	TRENIS FUEL	751357	UAB	\$2,500		2/6/2023	CHARLOTTESVILLE
24	LA PALMITA DELI & MARKET	079880	UAB	\$2,500		2/6/2023	CHARLOTTESVILLE

# OLC Status

## Office of Legal Counsel Status Report

### JUDICIAL MATTERS

Style of Case	Court	Charges/Violations/ Complaint	Status of Case	Parties/Opposing Counsel Involved	Decision
Commonwealth v. Vinoshipper.com	Virginia Court of Appeals	Out-of-state wine shipper shipping from unlicensed locations	Waiting for oral argument to be scheduled by the Court	Mark Shuford-licensee/Rachel Yates, Maureen Mshar-ABC	N/A
7 Eleven Store Number 17697B and Five Brothers Corporation v. Commonwealth	City of Hampton Circuit Court	Sale to an underage buyer	Trial continued to 2/21/2023 at 9:00 a.m.	Christopher Reagan/Jim Flaherty-AG's office (Sarah Ross is support counsel)	N/A
The Food Group, Inc. (Hard Times) v. Commonwealth	City of Fredericksburg Circuit Court	Reasonable measures charge arising from an argument that occurred inside the licensed premises that was taken outside where a shooting occurred.	no change in status as of 2/6/2023	C. David Sands-licensee/Jim Flaherty-AG's office (Maureen Mshar support counsel)	N/A
Sadler Brothers Oil Company, et al v. Commonwealth	Greensville County Circuit Court	Skill games	Transcripts were filed by the parties on 1/25/2023; no additional filings as of 2/6/2023	William Stanley-licensee/Jim Flaherty, Erin O'Neil, Calvin Brown-AG's office (Tonya Hucks-Watkins support counsel)	N/A

<b>Style of Case</b>	<b>Court</b>	<b>Charges/Violations/ Complaint</b>	<b>Status of Case</b>	<b>Parties/Opposing Counsel Involved</b>	<b>Decision</b>
Falu Patel v. Commonwealth	City of Roanoke Circuit Court	Skill games	Last filing was transfer of matter from Roanoke County to Roanoke City on 1/13/2022; no service listed on court website; no new filing as of 2/6/2023	Stephen Heretick- licensee/Defendants listed as Commonwealth of VA, Mark Herring, and Donald Caldwell (no attorney information showing) (Tonya Hucks-Watkins support counsel)	N/A
Club Truth VA, LLC	Hanover County Circuit Court	Denial of Application for a License	A hearing on ABC's Motion to Dismiss Misjoined Parties was set at docket call for February 8, 2023 at 2 p.m; Licensee filed a Response to ABC's Motion to Dismiss Misjoined Parties on 1/30/2023	Joseph R. Sanzone, II- Club Truth's attorney and Lindsay R. Horne for Lynchburg PD/Rachel Yates/Maureen Mshar first chair	N/A

# Administrative Hearings



## Administrative Hearings Status Report

### ADMINISTRATIVE HEARINGS

Style of Case	Charges	Status of Case	Location of Hearing	Parties Involved	Date Decision Rendered
Crisp Salad and Juice Bar <b>(Public Safety)</b> (Lynchburg)	1 – Failed to take reasonable measure to prevent act of violence causing death or bodily injury 2 – Failed to take reasonable measures to prevent premises from becoming a threat to public safety 3 – Failed to keep records	<b>PHC –12/2/22 @ 10am</b> <b>HR – 12/12/22 @10am</b> * On 9/22/22 ALJ granted a continuance * On 10/21/22 ALJ granted 2 <sup>nd</sup> continuance <b>PHC</b> originally set for 9/23/22 <b>HR</b> originally set for 9/30/22	Lynchburg	ALJ – Page OLC – Yates Travis Graham, Esq.	<b>Charge 1, 3, 4 – Substantiate</b> <b>Charge 2 – Not Substantiated</b> <b>1/10/2023</b>
Mirandas Grill, LLC <b>(Public Safety)</b> (Ruckersville)	1 – Establishment does not conform to requirements of governing body – Sanitation, health, construction or equipment 2 – Licensee/employee intoxicated/impaired upon premises 3 - UAB	<b>PHC –12/2/22 @ 11am</b> <b>HR – 12/16/22 @10am</b> *Request for continuance granted. Original HR date 12/9/22	Charlottesville	ALJ – Richardson OLC - Ross	<b>Charge 1 – withdrawn</b> <b>Charge 2 – Substantiated</b> <b>\$1,500 or 15 days</b> <b>Charge 3 – Substantiated</b> <b>\$2,500 or 25 days</b> <b>Training w/in 60 days of Board Order</b> <b>1/13/2023</b>
Country Mart (Swords Creek)	UAB	<b>PHC – 11/30/22 @ 11am</b> <b>HR – 12/13/22 @ 1pm</b>	Abingdon	ALJ – Griffin	<b>Substantiated</b> <b>\$1,750 / 7-day</b> <b>1/19/2023</b>

Style of Case	Charges	Status of Case	Location of Hearing	Parties Involved	Date Decision Rendered
El Tenampa (Manassas) <b>Summary Suspension</b>	1 – Did not meet requirements for mixed beverage license 2 – Failed to obliterate MB stamp 3 – Reasonable Measures 4 – Deceive the Board & City of Manassas	<b>HR – 1/3/23 @ 10am</b>  <b>HR – 2/10/23 @ 10am</b>	Alexandria	ALJ – Page OLC – Ross  <b>ALJ – Maxey</b> OLC – Ross John Carroll, Esq.	<b>Licenses revoked</b> <b>1/13/2023</b>
Gaskins Shell (Henrico)	1 – UAB 2 – Designated manager not on duty	<b>PHC – 1/3/23 @ 9am</b> <b>HR – 1/10/23 @ 9am</b>	Hanover	ALJ – Griffin	<b>Resolved through negotiations</b>
TTs One Stop Shop (Chesapeake)	1 – UAB	<b>PHC – 1/5/23 @ 10am</b> <b>HR – 1/12/23 @ 10am</b>	Chesapeake	ALJ – Griffin	<b>Substantiated</b> <b>\$2,150 / 7-day</b> <b>1/31/2023</b>
Carolina Express (Richmond)	1 – So situated with respect to residence/area 2 – Failed to comply with ABC Laws & Regulations 3 – So located – violations	<b>PHC – 1/10/23 @ 9am</b> <b>HR – 1/17/23 @ 9am</b>	Hanover	ALJ – Maxey OLC – Yates	<b>Resolved through negotiations</b>
The 4 Cyber Café (Richmond) <b>Public Safety</b>	1 – Consumption of unauthorized alcoholic beverage 2 – Sold unauthorized alcoholic beverage 3 – Financial responsibility 4 – Kept unauthorized alcohol 5 – Fail to comply w/ Board Order	<b>PHC – 1/13/23 @ 10am</b> <b>HR – 1/20/23 @ 10am</b>	Hanover	ALJ – Richardson OLC - Ross	
7 Eleven Store 2554 (Lorton)	UAB	<b>PHC – 12/29/22 @ 10am</b> <b>HR – 1/26/23 @ 10am</b>	Alexandria	ALJ – Griffin	

Style of Case	Charges	Status of Case	Location of Hearing	Parties Involved	Date Decision Rendered
Tammies Place (Buchanan)	1 – Conviction of a felony or crime involving moral turpitude	PHC – 1/19/23 @ 11am HR – 1/26/23 @ 11am	Roanoke	ALJ – Richardson	
WR Brews (Roanoke)	1 – Qualification to retain MB 2 – Failed to keep records 3 – Defrauded or attempted to defraud the Board 4 – Failed to submit MBAR	PHC – 1/25/23 @ 11am HR – 2/1/23 @ 11am	Roanoke	ALJ – Richardson OLC - Ross	Resolved through negotiations
7 Eleven #30487C (Woodbridge) <b>Summary Suspension</b>	1 – Failed to take reasonable measures 2 – Meeting place for narcotics	HR – 2/3/23 @ 10am	Alexandria	ALJ – Richardson OLC - Mshar	
Jefferson Ale House (Ashburn)	UAB	PHC – 1/31/23 @ 10am HR – 2/7/23 @ 12pm	Alexandria	ALJ – Griffin	
Hilton Garden Inn Reagan Nat. Airport (Arlington)	UAB	PHC – 1/31/23 @ 11am HR – 2/7/23 @ 11am	Alexandria	ALJ – Griffin	Resolved through negotiations
Krystal Cabaret (Portsmouth) <b>Summary Suspension</b>	Waiting on charges	HR – <span style="background-color: yellow;">          </span>	Chesapeake	ALJ – Maxey OLC – Ross	
7 Eleven 36467 B (Norfolk)	UAB	PHC – 2/15/23 @ 10am HR – 2/22/23 @ 10am	Chesapeake	ALJ – Griffin	
Cristis Deli	UAB	PHC – 2/17/2022 HR – 2/24/23 @ 11am	Alexandria	ALJ – Griffin	

<b>Style of Case</b>	<b>Type of Matter</b>	<b>Status of Case</b>	<b>Location of Hearing</b>	<b>Parties Involved</b>	<b>Date Decision Rendered</b>
Georges Restaurant & Lounge (Hampton)	Application 1 – Misrepresented a material fact in applying for license 2 – Situated with respect to residence	<b>PHC – 2/24/2023 @ 10am</b> <b>HR – 3/3/2023 @ 10am</b>	Hampton	ALJ – Maxey Citizen objectors David Redden, Esq.	
7- Eleven Store 24343 C (Norfolk)	UAB	<b>PHC – 2/28/2023 @ 10am</b> <b>HR – 3/7/2023 @ 10am</b>	Chesapeake	ALJ – Griffin	
Food Lion #494 (Chesapeake)	UAB	<b>PHC – 2/28/2023 @ 11am</b> <b>HR – 3/7/2023 @ 11am</b>	Chesapeake	ALJ – Griffin	<b>Resolved through negotiations</b>
Bridgewater IGA (Bridgewater)	UAB	<b>PHC – 3/1/2023 @ 12pm</b> <b>HR – 3/9/2023 @ 12pm</b>	Staunton	ALJ – Griffin	
Food Craft (Yorktown)	1 – Selling/Sold alcoholic beverages with application pending 2 – Keeping alcoholic beverages with application pending	<b>PHC – 3/23/23 @ 10am</b> <b>HR – 3/31/23 @ 10am</b>	Hampton	ALJ – Maxey	

## FRANCHISE

Style of Case	Type of Matter	Status of Case	Location of Hearing	Parties Involved	Date Decision Rendered
Premium Distributors of Virginia and Blue Ridge Beverage Company v. The Boston Beer Company	Distribution matter "Dual distribution"	11/16/22 – ABC asked the parties to agree to a schedule for any written or oral submissions regarding pending motions for a default judgment from the petitioner wholesalers and for leave to file late responsive pleadings from the respondent supplier. 11/17/22 – Petitioners Premium and Blue Ridge withdrew their motion for entry of default judgment in their franchise complaint. Upon receipt of responsive pleadings from Boston Beer, expected on or before November 30, 2022, an initial conference will be scheduled. ~ Informal Conference set for <b>December 12, 2022, at 10 a.m.</b> ~ Hearing scheduled for <b>May 1 – 3, 2023</b>		<b>ALJ – Maxey</b>  <b>Kevin McNally, Esq.</b> for Premium Distributors & Blue Ridge Beverage  <b>Brian Wainger, Esq.</b> w/ Kaleo Legal for Boston Beer Company	
SanTan Brewing Co., Inc v. Ferment Nation, LLC	Termination of agreement - default Failure to pay undisputed monies	Scheduling PHC		<b>ALJ – Richardson</b>  <b>Thomas Lisk, Esq.</b> for SanTan Brewing Co.	
Diamond Importers, Inc. v. International Cellars, LLC	Termination of Agreement			<b>ALJ – Griffin</b>	

# FOIA



Virginia ABC FOIA Report  
January 3, 2023 - February 7, 2023

Date Received	Requester	Subject	Responsible Div	Status
Wed 1/4/23	George Harben Assistant Director of Commercial Land Development Services	I request Application # 013280343, Janaskie Enterprises Llc doing business as La Vue Vineyards at 16994 Stormy DR, Haymarket, VA 201692253, Farm Winery, Wine	License Records Mgt	Completed
Wed 1/4/23	Ashley Gallier Underwriter Auto Owners Ins.	Req for viol history lic 013186364	License Records Mgt	Completed
Wed 1/4/23	Kyle Hart Underwriter Auto Owners Ins.	Req for viol history Blacksburg Museu	License Records Mgt	Completed
Wed 1/4/23	Greg Steele Citizen Williamsburg, VA	I would like to request through the The Virginia Freedom of Information Act (FOIA), I§2.2-3700 et. seq. of the Code of Virginia, the current full list of special order items that can be acquired through Virginia ABC, with product codes and pricing.	OLC	Completed
Thu 1/5/23	Ruhi F Mirza Attorney Rees Broome PC	Req for appl and support for Embrey	License Records Mgt	Completed
Thu 1/5/23	Kyle Hart Underwriter Auto Owners Ins.	Req for viol hist for lic 91951	License Records Mgt	Completed
Mon 1/9/23	Zachary Marsh Citizen Rustburg, VA	every ABC employees name, salary, and position title or job title.	OLC	Completed
Mon 1/9/23	Eric Medin Citizen	<ul style="list-style-type: none"> <li>• For the dates November 23, 2022 through the date on which the analysis is being performed by the analyst</li> <li>• For stores in the Northern Virginia Planning District as defined in the 2021 Annual VABC Report</li> <li>• The delivery date, store number, and quantities of any SKUs that are considered limited availability by the VABC; nominally that means the items on this page, but also includes Stagg Jr. (021540), EH Taylor Barrel Proof (021600), George T. Stagg (018416) just to name some notable omissions from the linked page.</li> </ul>	OLC	Completed
Mon 1/9/23	David Sullivan Attorney	A copy of that Initial Decision and copies of all pleadings submitted and orders entered in the matter of Blue Ridge Beverage Company, Inc. v. Constellation Brands, Inc., et al.	OLC	Completed
Mon 1/9/23	Meghan McIntyre Intern Virginia Mercury	Emails or other communication records on ABC counter-service stores sent or received between December 2 and December 22 by: Jennifer Burke, Travis Hill, Thomas Kirby, Vida Williams, Patrick Kane	OLC	Completed
Thu 1/12/23	Gregory E. Hitchin, CEcD Director of Economic Development and Tourism	list of recent Designated Outdoor Refreshment establishment that were issued Virginia ABC licenses	License Records Mgt	Completed

Virginia ABC FOIA Report  
January 3, 2023 - February 7, 2023

Date Received	Requester	Subject	Responsible Div	Status
Thu 1/12/23	Kyle Hart Underwriter Auto Owners Ins.	violation history at James River Cellars, Inc., (licenses 11103 and 50057)	License Records Mgt	Completed
Thu 1/12/23	Colt Riley Underwriter Auto Owners Ins.	violation history at Radhe Krishna 201 Inc., t/a JW Express at 201 E Third Street, Farmville, VA.	License Records Mgt	Completed
Fri 1/13/23	Colt Riley Underwriter Auto Owners Ins.	Req for viol hist at ABC license #77146, Red, Hot Blue Restaurant located at 4150 Chain Bridge Road, Fairfax, Virginia.	License Records Mgt	Completed
Fri 1/13/23	Dana Harmeyer Citizen	list of special order bourbons and ryes	OLC	Completed
Fri 1/13/23	Lawrence Drombetta Staff Attorney Virginia Education Association	ABC enforcement policies concerning the use of individuals under the age of 18 by agents during an enforcement operation targeting merchants/individuals selling alcohol to individuals <21	OLC	Completed
Tue 1/17/23	David Yost Citizen Sutherland, VA	Inquiry as to whether remote license or banquet license has been sought by Ashton Creek Winery (Chesterfield VA) or Thibault Enterprises or Riverside Vines for 4112 Leonards Lane, Sutherland VA; 4108 Leonards Lane, Sutherland VA; or 3415 Leonards Lane, Sutherland VA.	License Records Mgt	Completed
Tue 1/17/23	Gregory E. Hitchin, CEcD Director of Economic Development and Tourism	Request for DORA establishments	License Records Mgt	Completed
Wed 1/18/23	Eric Medin Citizen	<ul style="list-style-type: none"> <li>• For the dates January 9, 2023 through the date on which the analysis is being performed by the analyst</li> <li>• For stores in the Northern Virginia Planning District as defined in the 2021 Annual VABC Report</li> <li>• The delivery date, store number, and quantities of any SKUs that are considered [allocated and lottery bottles] by the VABC; nominally that means the items on this page, but also includes Stagg Jr. (021540), EH Taylor Barrel Proof (021600), George T. Stagg (018416) just to name some notable omissions from the linked page.</li> </ul> re: lottery bottles: "That would include bottles such as Weller Full Proof (022044), Old Forester Birthday Bourbon 2022 (000606), and Weller CYPB (022042) for example."	OLC	Completed
Mon 1/23/23	Scott Flax Citizen	all available data related to past Special Release Lottery winners.	OLC	Pending
Mon 1/23/23	D. Swinson Citizen	FOIA request for Brookfield Properties Retail, LLC t/a Short Pump Town Center (Application #013273545)	License Records Mgt	Completed



Virginia ABC FOIA Report  
January 3, 2023 - February 7, 2023

Date Received	Requester	Subject	Responsible Div	Status																		
Mon 1/23/23	Ashley Dalton Underwriter Auto Owners Ins.	violation history at Djl In., trading as Franks Restaurants located at 3743 Brambleton Ave., Roanoke, VA	License Records Mgt	Completed																		
Mon 1/23/23	Ashley Dalton Underwriter Auto Owners Ins.	violation history at Boka Taco LLC DBA Boka Grill, 2557 Sheila Ln., Richmond, VA	License Records Mgt	Completed																		
Wed 1/25/23	George Harben Assistant Director of Commercial Land Development Services	Application # 013313916, 2 Silos Brewing Co., LLC.	License Records Mgt	Completed																		
Mon 1/30/23	Sarah Hayes Licensee Jimmys Stop and Shop Fredericksburg VA	Subject: requesting copies of any phone calls, complaints, reports, investigations that include the Following Information: Dates: 01/01/2020 thru present Names: James W Hayes(Jr) , Sarah Jane Hayes , Jimmys Stop and Shop , Tadric Page Addresses: 10205 Elys Ford Rd. Fredericksburg, VA; 10202 Elys Ford Rd. Fredericksburg, VA; 10122 Elys Ford Rd. Fredericksburg, VA; 8010 Kerrydale Ct. Spotsylvania, VA	License Records Mgt	Completed																		
Tue 1/31/23	Dan Kennedy Anchor/Reporter 13 News Now (ABC)	list of all known shoplifting incidents from Virginia ABC stores during calendar year 2022. Please include dates, store locations, what was stolen and the estimated financial loss.	OLC	Pending																		
Tue 1/31/23	T. Wayne Biggs Attorney Dycio & Biggs	a copy of the franchise file for the brand "Pilsen Callao" to include, but not be limited to, all franchise designations on file and all letters of authorization relating to the national importer(s) of such brand as well as any general correspondence regarding the franchise designation of this brand.	License Records Mgt	Pending																		
Tue 1/31/23	Peter Ford Citizen Arlington VA	copies of the liquor license files pertaining to Mom's Organic Market Inc. also known as MOM'S Organic Market and/or MOMs Organic Market as detailed below. This request includes, but is not limited to, application forms, attachments, exhibits, addenda, cancellations, and other relevant filings pertaining to: <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">License Number</th> <th style="text-align: left;">Establishment Name</th> <th style="text-align: left;">County/City</th> </tr> </thead> <tbody> <tr> <td>86228</td> <td>MOMs Organic Market</td> <td>Fairfax County</td> </tr> <tr> <td>86229</td> <td>MOMs Organic Market</td> <td>Alexandria City</td> </tr> <tr> <td>86234</td> <td>MOMs Organic Market</td> <td>Fairfax County</td> </tr> <tr> <td>87840</td> <td>MOMs Organic Market</td> <td>Prince William County</td> </tr> <tr> <td>88049</td> <td>MOMs Organic Market</td> <td>Arlington County</td> </tr> </tbody> </table>	License Number	Establishment Name	County/City	86228	MOMs Organic Market	Fairfax County	86229	MOMs Organic Market	Alexandria City	86234	MOMs Organic Market	Fairfax County	87840	MOMs Organic Market	Prince William County	88049	MOMs Organic Market	Arlington County	License Records Mgt	Pending
License Number	Establishment Name	County/City																				
86228	MOMs Organic Market	Fairfax County																				
86229	MOMs Organic Market	Alexandria City																				
86234	MOMs Organic Market	Fairfax County																				
87840	MOMs Organic Market	Prince William County																				
88049	MOMs Organic Market	Arlington County																				
Tue 1/31/23	Tyler Jones Accountant Innovative Refrigeration Systems, Inc.	a copy of the application submitted for our license (096722).	License Records Mgt	Pending																		

Virginia ABC FOIA Report  
January 3, 2023 - February 7, 2023

Date Received	Requester	Subject	Responsible Div	Status
Wed 2/1/23	Cristin Arseculeratne Citizen Reston VA	report showing the salary information for all managers, directors, and chiefs for the years 2021, 2022 and current. (Retail store manager salaries NOT requested.)	OLC	Pending
Wed 2/1/23	Eric Medin Citizen	Report previously requested but specifically for Old Forester Birthday Bourbon 2022 (sku 00060), Old Fitzgerald 19 (sku 016379), Parkers Heritage Classic Double Barreled (sku 02239), 11/27/22 - present.	OLC	Pending
Thu 2/2/23	Brian Wanger Kaleo Legal	I'm calling to try to get my hands on two different ABC came back from 1994 and I'm hoping you can point me in the right direction to to obtain them	License Records Mgt	Pending
Mon 2/6/23	Angie C. Meyers on behalf of Robert J. Haddad Ruloff, Swain, Haddad, Morecock, Talbert & Woodward, PC	We request copies of all documentation, including but not limited to any documents, complaints, investigations, information concerning ownership, information concerning control, information concerning officer, directors, and employees of Just One More Bar and Grill located at 2425 Virginia Beach Blvd, Suite 101, Virginia Beach, VA 23452.	License Records Mgt	Pending

# CLEO Report – Chief Tom Kirby

# Underage Buyer 2022 Results

Calendar Year: 2022	Alcohol	Tobacco
Scheduled	2545	838
No sale	1902	606
Sale	294	119
Not completed	349	113
ABC Store: no sale	382	N/A
ABC Store: sale	38	N/A
Remaining	0	0
Compliance rate	86.6%	83.6%

\*ABC store results are subset of total results. ABC Store results include distillery stores; four (4) of the reported sales occurred at distillery stores.

\*\* Not completed includes temporary/seasonal closed, unsafe, UAB known to clerk, etc. and are not considered in establishing the compliance rate because the check was not completed.

# CROO Report – Mark Dunham

Retail Sales Summary

Distribution Center Stabilization

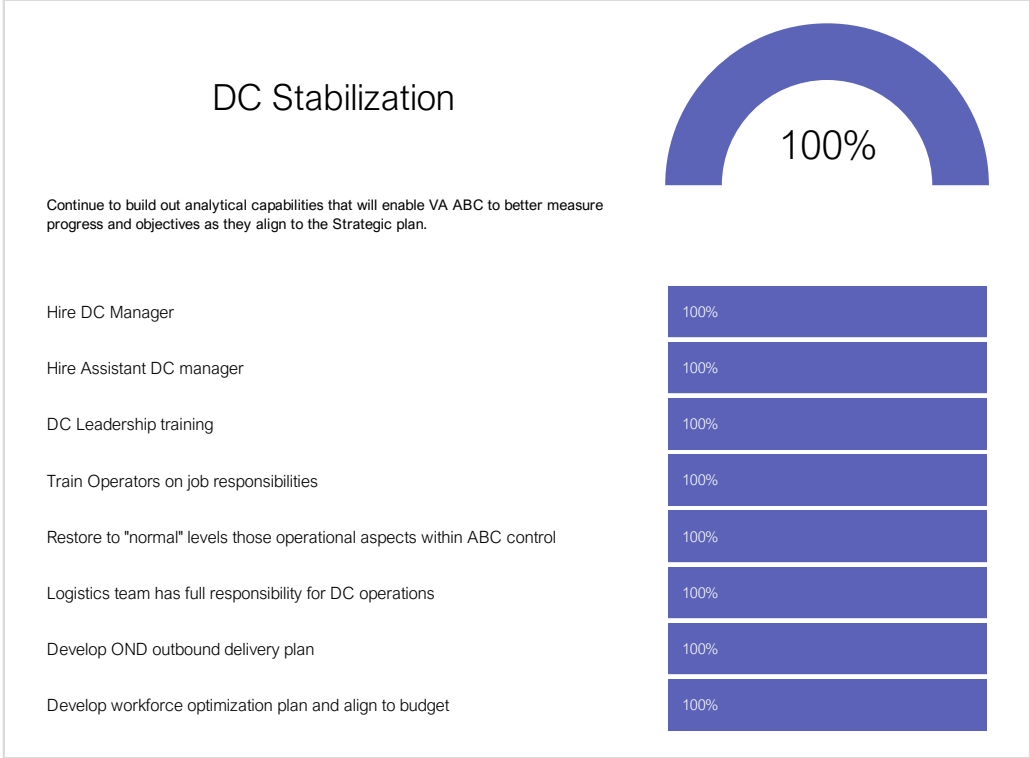
Marketing and Merchandizing

Real Estate and Facilities

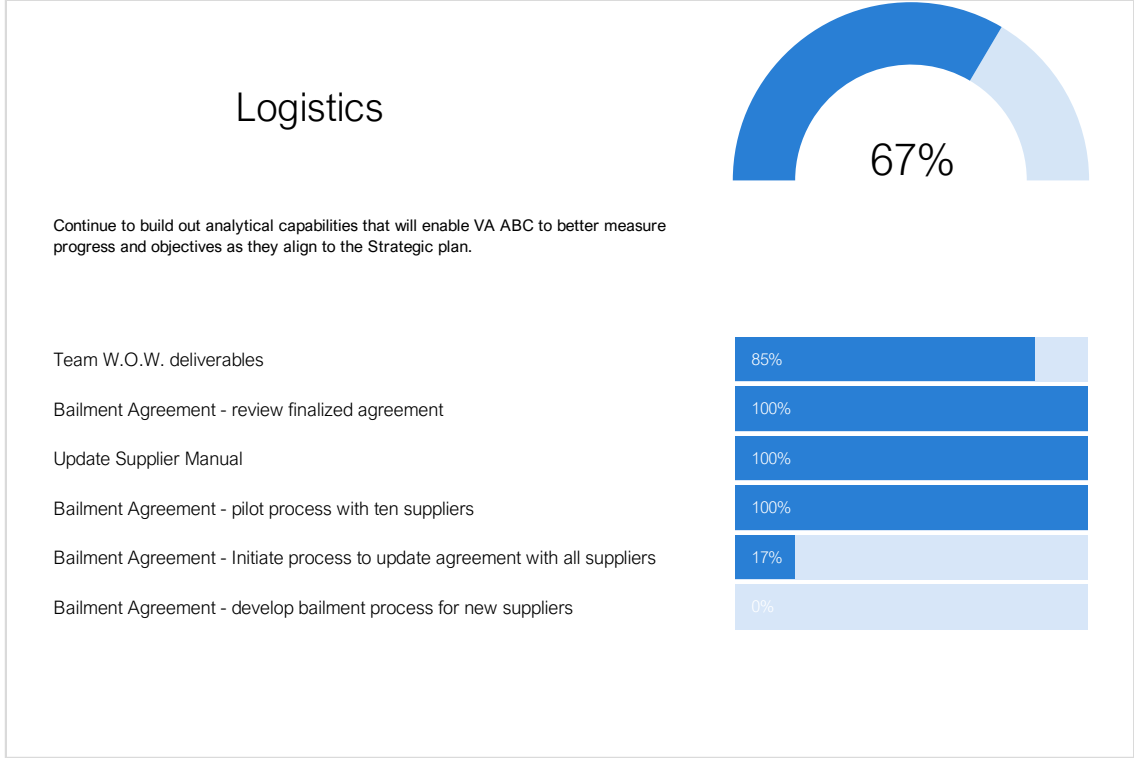


# Strategic Priorities

## DC Stabilization



## Logistics Bailment Agreement



# Retail Sales Summary

## Weekly cumulative sales and bottles sold

Sales totaling \$853,570,367 are up \$38,906,256 or 4.8% when compared to last year and are \$17,972,969 or 2.2% above the \$835,597,397 target. The weekly cumulative comparison includes 210 sales days this year and 211 last year. There are currently 398 stores open this year, there were 395 stores open last year as of 02/28/23.

**To date bottles sold: total number of bottles sold increased 2.1% and retail bottles sold increased 1.7%. Mixed beverage licensee bottles sold increased 5.3%. Mixed beverage licensee dollars represent 16.4% of total sales, up from last year with 15.5% of total sales.**

# Retail Sales Summary

## Sales Front Door and Licensee YTD

17%	YTD Lic %	Sales Trend (% and \$)			YTD Sales Target MAX	7.2%
End date of reporting 2/2/2023		Current Month sales 2/2/2023		Current Qtr. to date	YTD sales	
<b>Total sales</b>		<b>4.8%</b>	<b>5.9%</b>	<b>5.1%</b>		
2023		\$107,625,892	\$208,311,036	\$957,946,892		
2022		\$102,716,589	\$196,722,307	\$911,141,369		
<b>Front store sales</b>		<b>0.0%</b>	<b>0.8%</b>	<b>3.5%</b>		
2023		\$87,555,904	\$170,071,373	\$798,022,962		
2022		\$87,589,096	\$168,693,645	\$770,705,720		
<b>Licensee Sales</b>		<b>32.7%</b>	<b>36.4%</b>	<b>13.9%</b>		
2023		\$20,069,987	\$38,239,664	\$159,923,931		
2022		\$15,127,493	\$28,028,662	\$140,435,649		

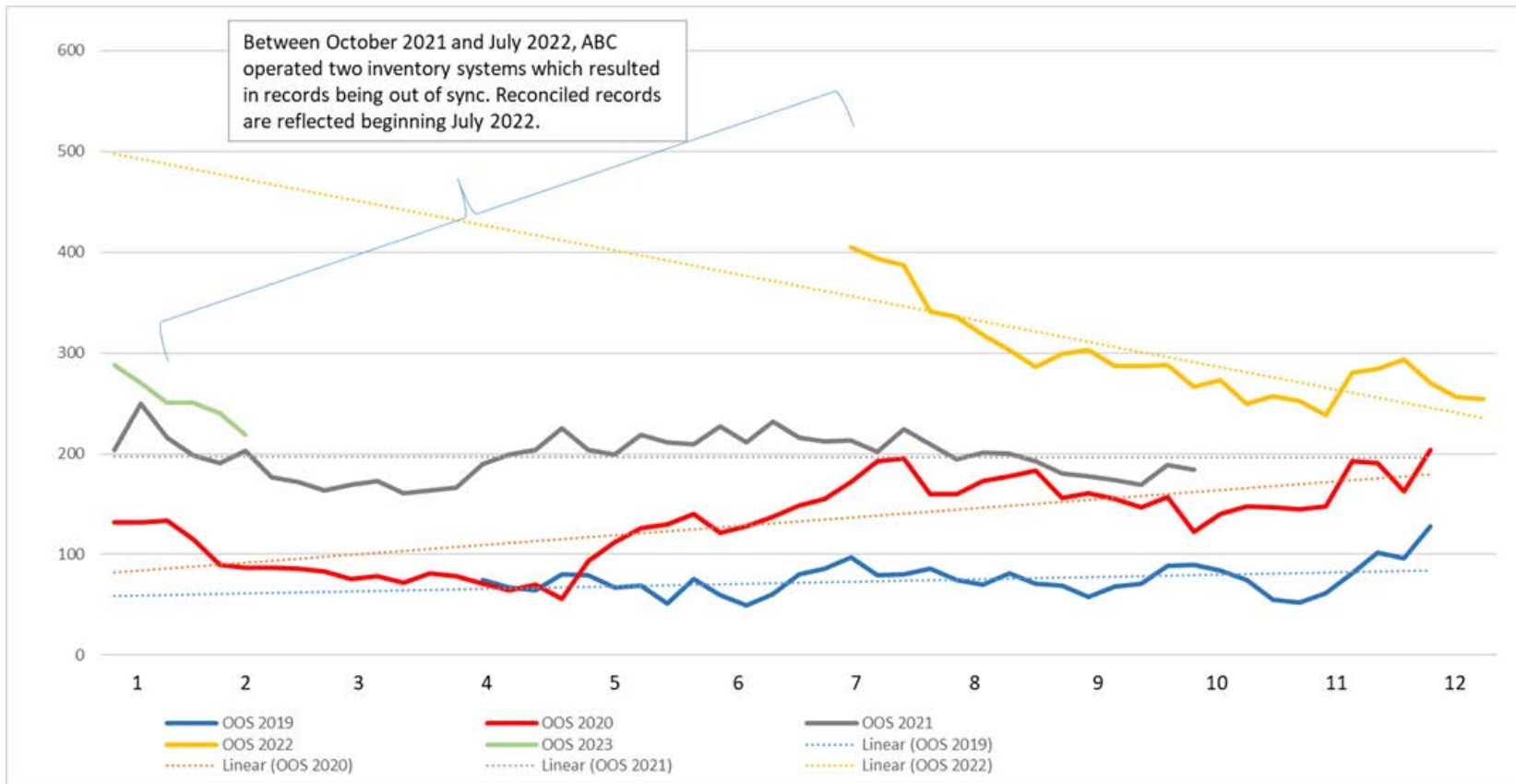
## Sales by Department

	Brandy	Cocktails	Cordials	Gin	Mixers	Rum	Schnapps	Tequila	Vermouth	Virginia	Vodka	Whiskey
2023	\$60,642,964	\$10,862,929	\$59,713,863	\$29,464,285	\$4,868,891	\$51,529,274	\$6,464,252	\$144,005,872	\$1,389,562	\$1,797,155	\$165,014,655	\$318,736,068
2022	\$67,780,958	\$9,461,862	\$55,503,056	\$28,399,639	\$4,460,308	\$52,736,828	\$6,052,010	\$117,617,443	\$1,249,424	\$1,788,624	\$165,428,868	\$304,068,128
% change	-10.5%	14.8%	7.6%	3.7%	9.2%	-2.3%	6.8%	22.4%	11.2%	0.5%	-0.3%	4.8%
% of total	6%	1%	6%	3%	1%	5%	1%	15%	0%	0%	17%	33%



# Distribution Center Out of Stocks

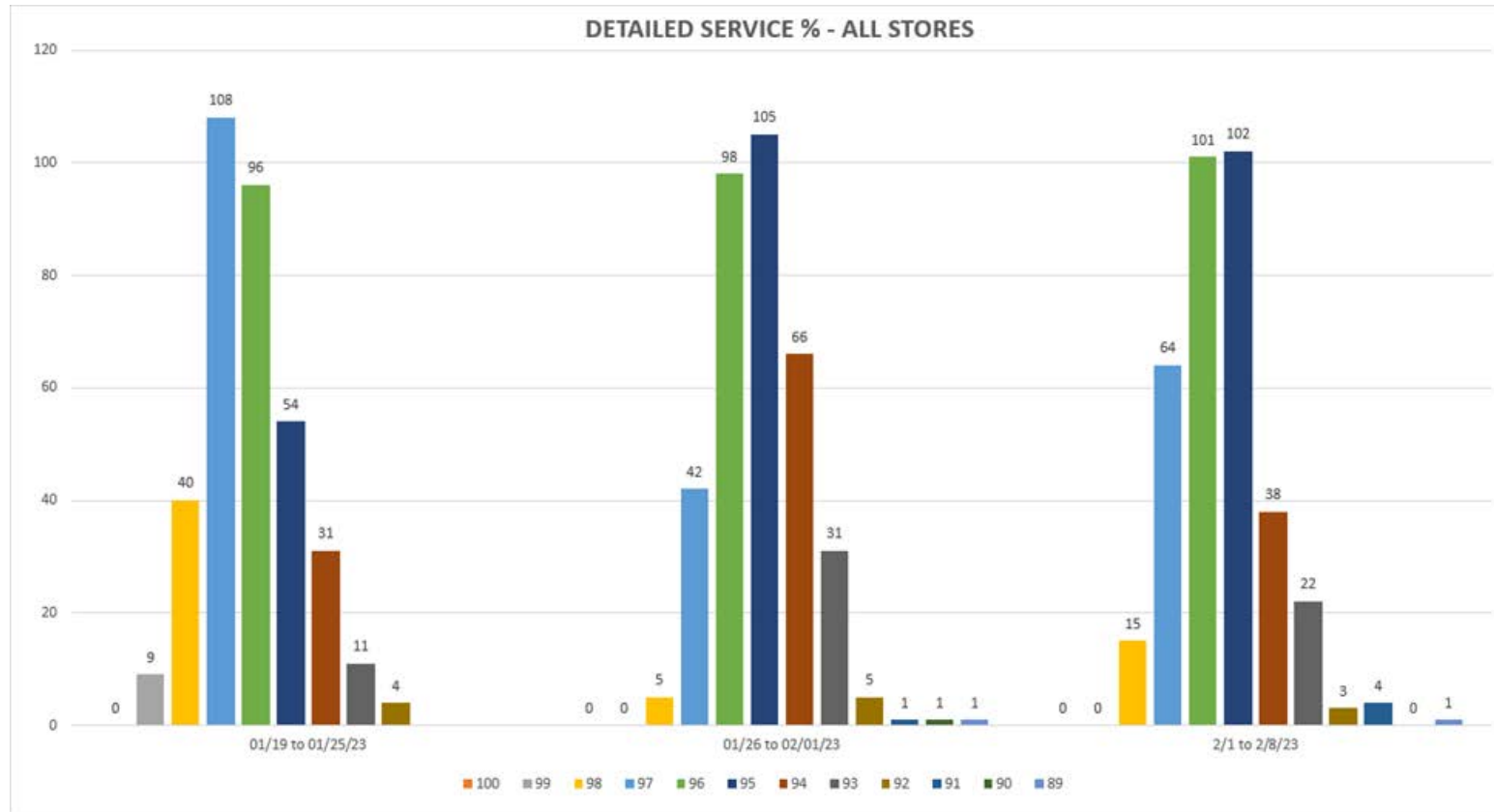
DC OOS continue to be higher than historical averages. OOS spiked mid-December and continue trending down.



# Retail Store Out of Stocks

## Retail Store In-stock - February

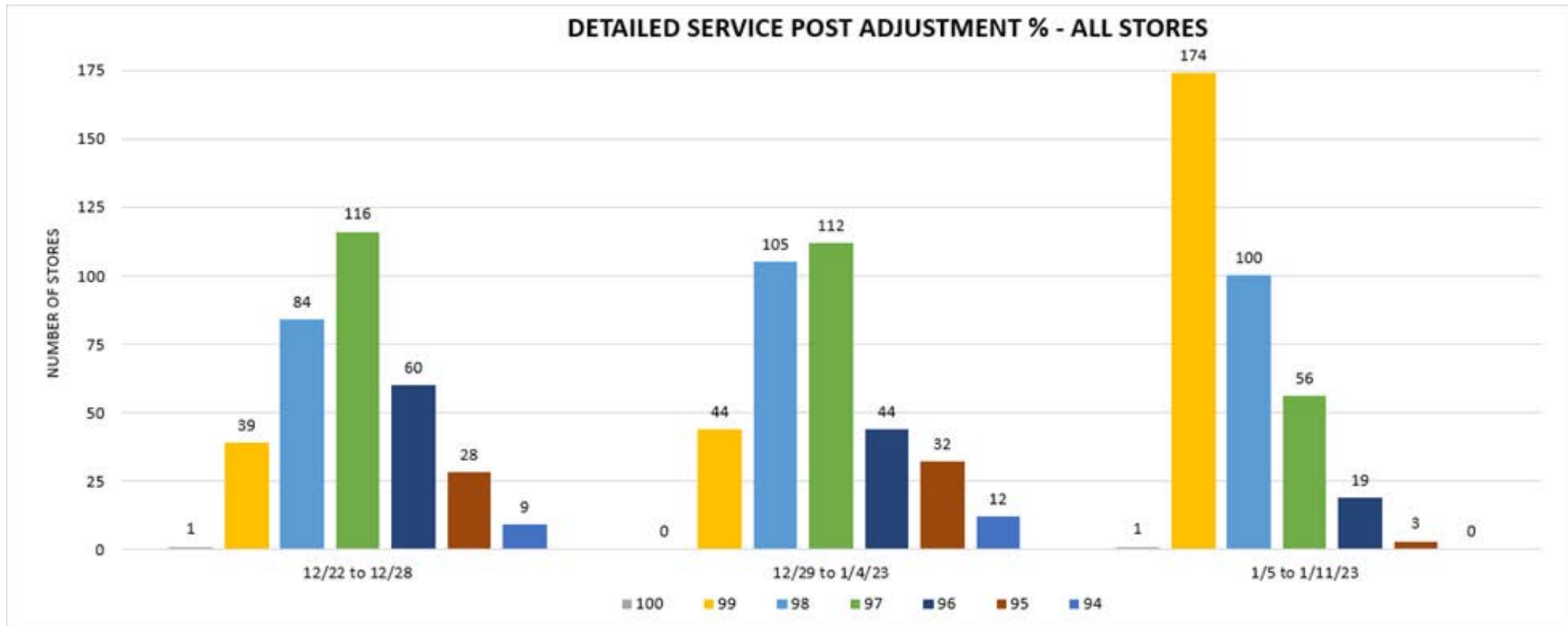
35 stores below 94% compared to 45 in January.



# Retail Store Out of Stocks

Retail Store In-stock goal is 97%.

The below chart shows the same in-stock percentage for stores with DC out of stocks removed. This reduces stores below 97% in-stock to 22.



# Distribution Center

Average cases shipped daily in January 23,360 with a peak day of 29,165.

Month	2023 Cases Shipped Daily Avg.	Peak Day	2024 Cases Shipped Daily Avg.	Peak Day
Jan	24,534	34,621	23,360	29,165
Feb	25,740	31,489		
Mar	28,764	36,556		
Apr	25,538	30,011		
May	24,974	30,753		
Jun	25,090	36,093		
Jul	25,292	34,323		
Aug	23,377	30,802		
Sep	25,149	30,623		
Oct	25,903	31,400		
Nov	26,914	32,698		
Dec	28,490	37,347		
Average YTD	25,814	33,060	23,360	29,165

## Distribution Center Stabilization:

January 2023 was the second most efficient January in terms of cases picked per labor hour dating back to 2014.

31.77 cases per labor hour

# Marketing Update

## January (GIN-uary) - Spirited Thursday (Gin)

**Sales increased \$71,169 or 642%. Bottle sales were up 2,400 or 715% versus a year ago.** Total results quoted above include both in-store and online sales.

- Store performance increased 605% is sales year over year
- 41% of online sales contained a Spirited Thursday product
- Every online order that contained a Gin product was a Spirited Thursday product
- For the Gin category, 43% of product sales in the state were ST products
- There was no prior year Spirited Thursday event in January
- Seedlip Grove was not sold by ABC until August 2022

January 19th Spirited Thursday Store Results				
Product	1/19/2023 Dollars	1/20/2022 Dollars	Dollar Increase	% Dollar Increase
Hendrick's Gin 750ml	\$19,244	\$4,439	\$14,805	334%
Gray Whale Gin 750ml	\$12,383	\$315	\$12,068	3831%
Bombay Sapphire Gin 750ml	\$14,173	\$2,807	\$11,366	405%
Gunpowder Irish Gin 750ml	\$16,510	\$1,760	\$14,750	838%
Empress 1908 Original Indigo Gin 750ml	\$12,449	\$1,505	\$10,944	727%
Seedlip Grove Non-Alcoholic Spirit 750ml	\$1,598	\$0	\$1,598	-
<b>TOTAL</b>	<b>\$76,357</b>	<b>\$10,826</b>	<b>\$65,531</b>	<b>605%</b>

January 19th Spirited Thursday Online Orders Results				
Product	1/19/2023 Dollars	1/20/2022 Dollars	Dollar Increase	% Dollar Increase
Hendrick's Gin 750ml	\$1,312	\$111	\$1,201	1082%
Gray Whale Gin 750ml	\$825	\$0	\$825	-
Bombay Sapphire Gin 750ml	\$761	\$27	\$734	2721%
Gunpowder Irish Gin 750ml	\$1,663	\$40	\$1,623	4060%
Empress 1908 Original Indigo Gin 750ml	\$1,100	\$86	\$1,015	1180%
Seedlip Grove Non-Alcoholic Spirit 750ml	\$240	\$0	\$240	-
<b>TOTAL</b>	<b>\$5,902</b>	<b>\$264</b>	<b>\$5,638</b>	<b>2136%</b>

# Marketing Plans

## Planned Activity – Rolling 90 Days

Month	THEME	PODs	FRONT COUNTER	SPIRITED THURSDAYS/ DOORBUSTERS	MINI-MONDAY	IN-STORE DISPLAYS	LOTTERIES & BARREL PICKS
FEBRUARY	Cocktails Through the Decades	Cocktails Through the Decades - Martini - Brandy Smash - Tequila Sunrise - Cosmopolitan	Sidecar - Hennessy VS - Cointreau - ReaLemon	Big Game Ketel One Bulleit Captain Morgan Crown Royal Deleon Blanco	On The Rocks - Mai Tai - Espresso Martini - Old Fashioned	Ciroc Crown Royal Elijah Craig Four Roses Hennessy VS Jameson Skrewball Svedka	2/15 - 2/19 - Pappy Lotto #1 2/24 - In Store Barrel Pick (assorted brands)
MARCH	Cocktails Through the Decades	Cocktails Through the Decades - Martini - Brandy Smash - Tequila Sunrise - Cosmopolitan	Citrus Old Fashioned - VHW Port Cask Finished Whisky - Keep It Simple Syrup Lemon Zest - Angostura Bitters	St. Patrick's Day Jameson Proper 12 Irish Proper 12 Irish Apple Baileys Dead Rabbit Tullamore D.E.W. Redbreast 12	Irish Proper 12 Irish Apple	Baileys Bacardi Evan Williams Jack Daniel's Jim Beam Jose Cuervo New Amsterdam Tito's	3/8 - 3/12 - Pappy Lotto #2 3/29 - 3/31 - Ragged Branch Lotto
APRIL	Botanical & Flavored	Botanical/Flavored - Spring Sparkler - Spring Fling - Limoncello - Blood Orange Mule	French Martini Grey Goose & Chambord	Flavored Vodka Absolut Mandarin Absolut Lime Deep Eddy Lemon Deep Eddy Peach Grey Goose – White Peach & Rosemary Grey Goose – Watermelon & Basil Ketel One – Citroen Ketel One – Cucumber & Mint	Flavored Bird Dog Black Cherry & Peach	Absolut Bulleit Captain Morgan Grey Goose Jose Cuervo Authentic Lunazul Pinnacle Teremana Wild Turkey/Russell's Reserve	4/5 - 4/9 - BTAC Lotto 4/22 - In Store Barrel Pick (Ragged Branch)



# Real Estate and Facilities Update

## New Store Update:

<b>Store 302 (Powhatan)</b>	Awaiting completion of space by Landlord; anticipated Commencement Date June 2023
<b>Store 405 (Norfolk)</b>	Awaiting completion of space by Landlord; anticipated Commencement Date July 2023
<b>Store 442 (Hanover)</b>	Awaiting completion of space by Landlord; anticipated Commencement Date July 2023
<b>Store 523 (Great Falls)</b>	Tentative opening 02/26/23
<b>Store 525 (Winchester)</b>	Revised draft Lease is with the Landlord for review; we have no anticipated Commencement Date at this time
<b>Store 526 (Chesterfield)</b>	Draft Lease is with the Landlord for review; anticipated Commencement Date October 2023
<b>Store 527 (MOCK STORE)</b>	Awaiting delivery of fixtures for this location; painting will begin week of 02/12
<b>Store 528 (Jonesville)</b>	Draft Lease is with Landlord for review

## Project Type No. of Stores

Expansions	5
Modernizations	4
Relocations	8

**Store 095 Massaponax** – Fixture installation scheduled to commence the week of 02/20/23

**Stores 110 Portsmouth** – Fixture installation in progress

**Store 169 Richmond** – Relocation delayed due to IT infrastructure communications issue, TBD (supply chain issue)

# CAO Report – David Alfano

Summary of Delegated Items

Financial Summary: September/October

P4P Board Update



# Financial Update

**VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY**  
**Contribution Margin - Income Statement (In Millions)**  
**Fiscal Year 2023 - Month of December**

	FY 2023		FY 2023		FY 2023	FY 2023		FY 2022			
	Actual		Budget		Variance	Percentage		Actual		Variance	Percentage
<b>Revenue Sources:</b>											
Alcoholic Beverages (Store Sales)	\$ 163.3		\$ 160.6		\$ 2.7	1.7%	●	\$ 151.6		\$ 11.7	7.7%
Online Sales	1.3		1.3		-	NM		1.2		0.1	8.3%
Other	1.8		1.7		0.1	5.9%	●	1.6		0.2	12.2%
<b>Gross Revenue</b>	166.4		163.6		2.8	1.7%	●	154.4		12.0	7.8%
Less: Spirits Excise Tax	27.2		26.8		(0.4)	-1.5%	●	25.3		(1.9)	-7.5%
<b>Net Revenue</b>	139.2		136.8		2.4	1.8%	●	129.1		10.1	7.8%
<b>Variable Operating Costs:</b>											
Cost of Goods Sold	77.4	47.0%	77.8	48.1%	0.4	0.5%	●	72.1	47.2%	(5.3)	-7.4%
Variable Administrative Costs	19.2		21.1		1.9	9.2%	●	17.7		(1.5)	-8.2%
<b>Total Variable Costs</b>	96.6		98.9		2.3	2.4%	●	89.8		(6.8)	-7.6%
<b>Contribution Margin</b>	42.6		37.9		4.7	12.5%	●	39.3		3.3	8.4%
Contribution Margin as a % of Store Sales	25.9%		23.4%					25.7%			
<b>Fixed Operating Costs:</b>											
Fixed Administrative Costs	8.3		8.3		0.0	0.1%	●	6.1		(2.2)	-36.6%
Regulatory Costs (Enforcement & Hearings)	1.8		2.8		1.0	35.7%	●	1.6		(0.2)	-11.1%
<b>Total Fixed Costs</b>	10.1		11.1		1.0	9.1%	●	7.7		(2.4)	-31.0%
<b>ABC Net Profit</b>	\$ 32.5		\$ 26.8		\$ 5.7	21.4%	●	\$ 31.6		\$ 0.9	2.9%
As a % of Store Sales	19.8%		16.6%					20.7%			

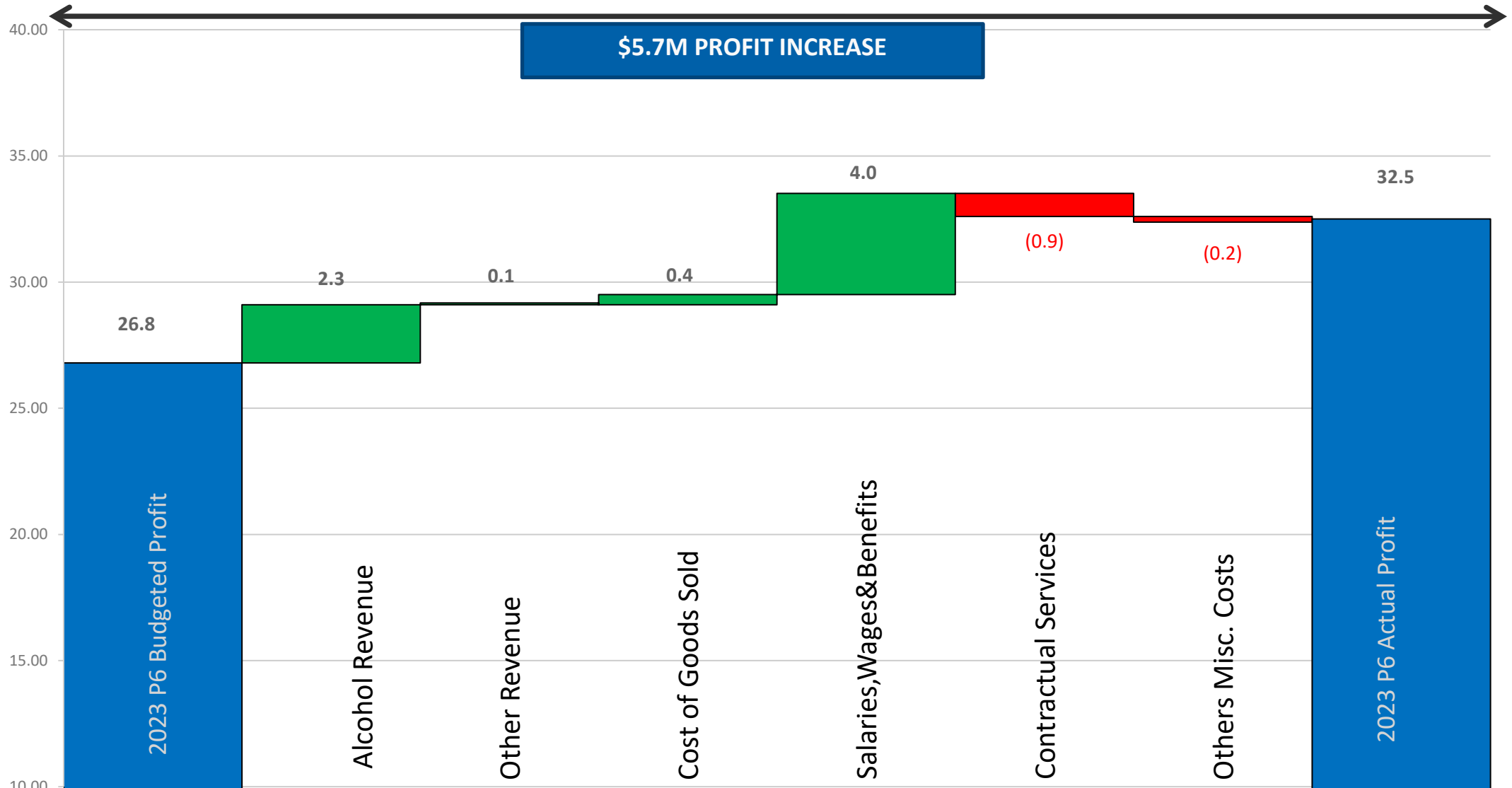
● Favorable Variance  
● Unfavorable Variance

NM = Not Meaningful

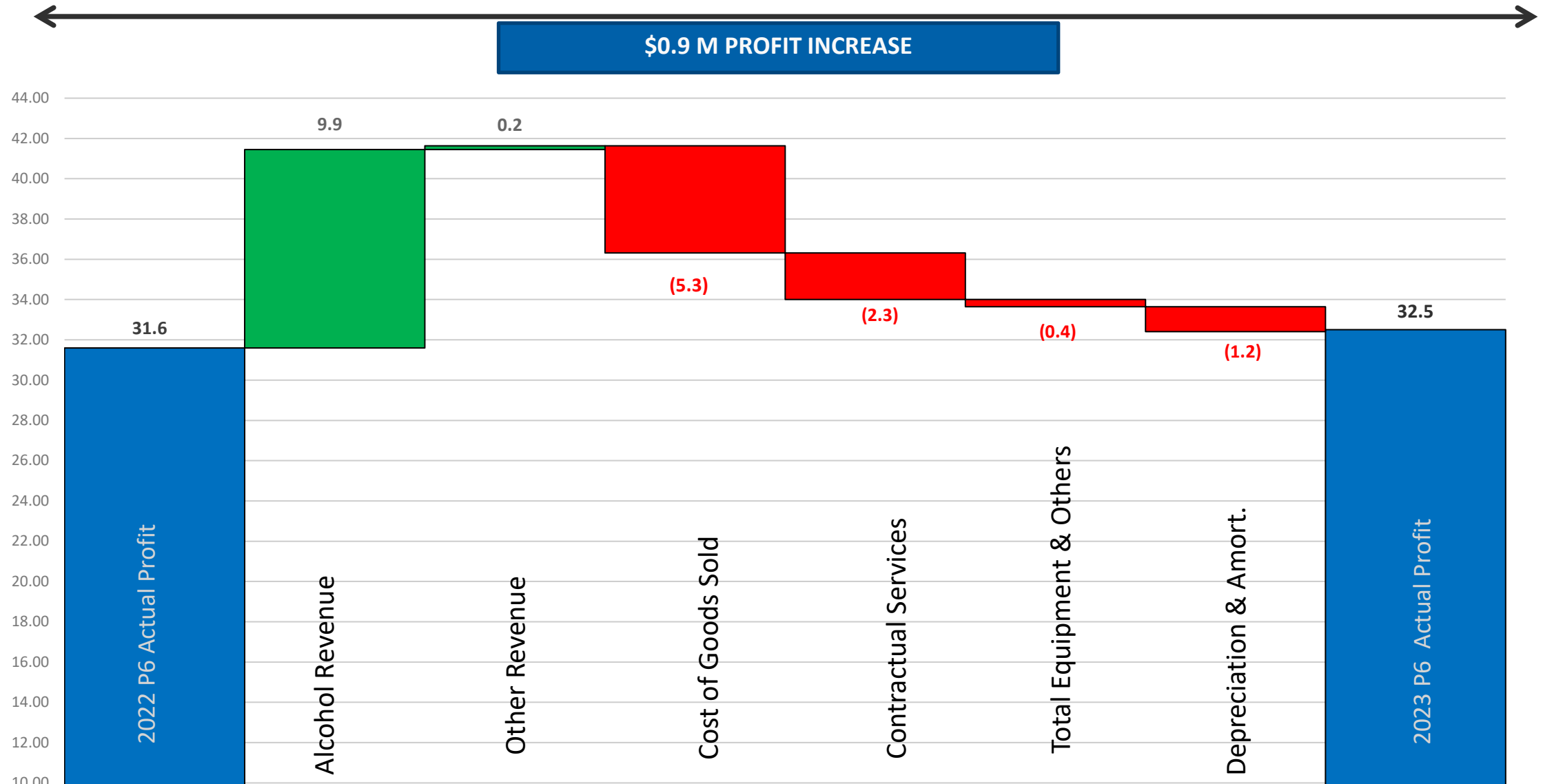
**Notes:** Fund 05001 was utilized because this represents the Operational revenue and expenses that are utilized to calculate the disbursements to the Commonwealth.  
Contribution Margin - represents the amount of earnings available to contribute towards profit after removing the variable costs of operations.  
Example: if the sales forecast was increased by \$1M (with a 24% contribution margin), \$240K of additional earnings would flow through to profit.



# FY23-P6 Actual vs FY23-P6 Budget



# FY23-P6 Actual vs FY22-P6 Actual



**VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY**  
**Contribution Margin - Income Statement (In Millions)**  
**Fiscal Year 2023 - YTD as of 12/31/2022**

	FY 2023		FY 2023		FY 2023		FY 2023		FY 2022	
	Actual	Budget	Variance	Percentage	Actual	Variance	Percentage	Actual	Variance	Percentage
<b>Revenue Sources:</b>										
Alcoholic Beverages (Store Sales)	\$ 752.8	\$ 740.2	\$ 12.6	1.7%	●	\$ 718.3	\$ 34.5	4.8%		
Online Sales	4.9	5.2	(0.3)	-4.8%	●	4.3	0.6	14.4%		
Other	10.9	11.0	(0.1)	-0.9%	●	10.8	0.1	0.8%		
<b>Gross Revenue</b>	<b>768.6</b>	<b>756.4</b>	<b>12.2</b>	<b>1.6%</b>	●	<b>733.4</b>	<b>35.2</b>	<b>4.8%</b>		
Less: Spirits Excise Tax	125.3	123.5	(1.8)	-1.5%	●	119.5	(5.8)	-4.9%		
<b>Net Revenue</b>	<b>643.3</b>	<b>632.9</b>	<b>10.4</b>	<b>1.6%</b>	●	<b>613.9</b>	<b>29.4</b>	<b>4.8%</b>		
<b>Variable Operating Costs:</b>										
Cost of Goods Sold	362.7	358.3	(4.4)	-1.2%	●	345.6	(17.1)	-4.9%		
Variable Administrative Costs	105.7	110.2	4.5	4.1%	●	98.2	(7.5)	-7.6%		
<b>Total Variable Costs</b>	<b>468.4</b>	<b>468.5</b>	<b>0.1</b>	<b>0.0%</b>	●	<b>443.8</b>	<b>(24.6)</b>	<b>-5.5%</b>		
<b>Contribution Margin</b>	<b>174.9</b>	<b>164.4</b>	<b>10.5</b>	<b>6.4%</b>	●	<b>170.1</b>	<b>4.8</b>	<b>2.8%</b>		
Contribution Margin as a % of Store Sales	<b>23.1%</b>	<b>22.1%</b>				<b>23.5%</b>				
<b>Fixed Operating Costs:</b>										
Fixed Administrative Costs	40.9	46.4	5.5	11.9%	●	31.4	(9.5)	-30.2%		
Regulatory Costs (Enforcement & Hearings)	11.3	15.6	4.3	27.5%	●	9.7	(1.6)	-16.8%		
<b>Total Fixed Costs</b>	<b>52.2</b>	<b>62.0</b>	<b>9.8</b>	<b>15.8%</b>	●	<b>41.1</b>	<b>(11.1)</b>	<b>-27.0%</b>		
<b>ABC Net Profit</b>	<b>\$ 122.7</b>	<b>\$ 102.4</b>	<b>\$ 20.3</b>	<b>19.9%</b>	●	<b>\$ 129.0</b>	<b>\$ (6.3)</b>	<b>-4.9%</b>		
As a % of Store Sales	<b>16.2%</b>	<b>13.7%</b>				<b>17.9%</b>				

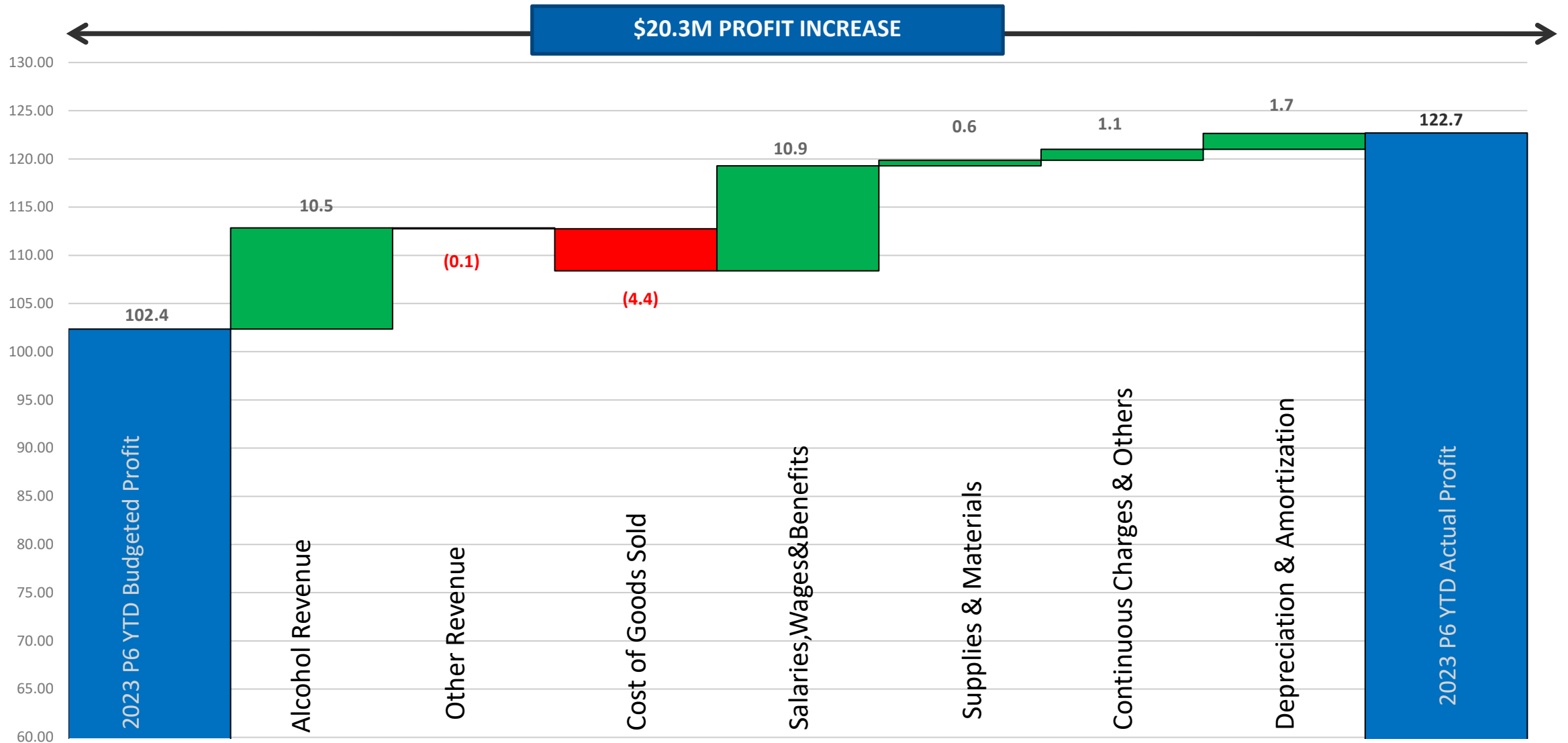
● Favorable Variance  
● Unfavorable Variance

NM = Not Meaningful

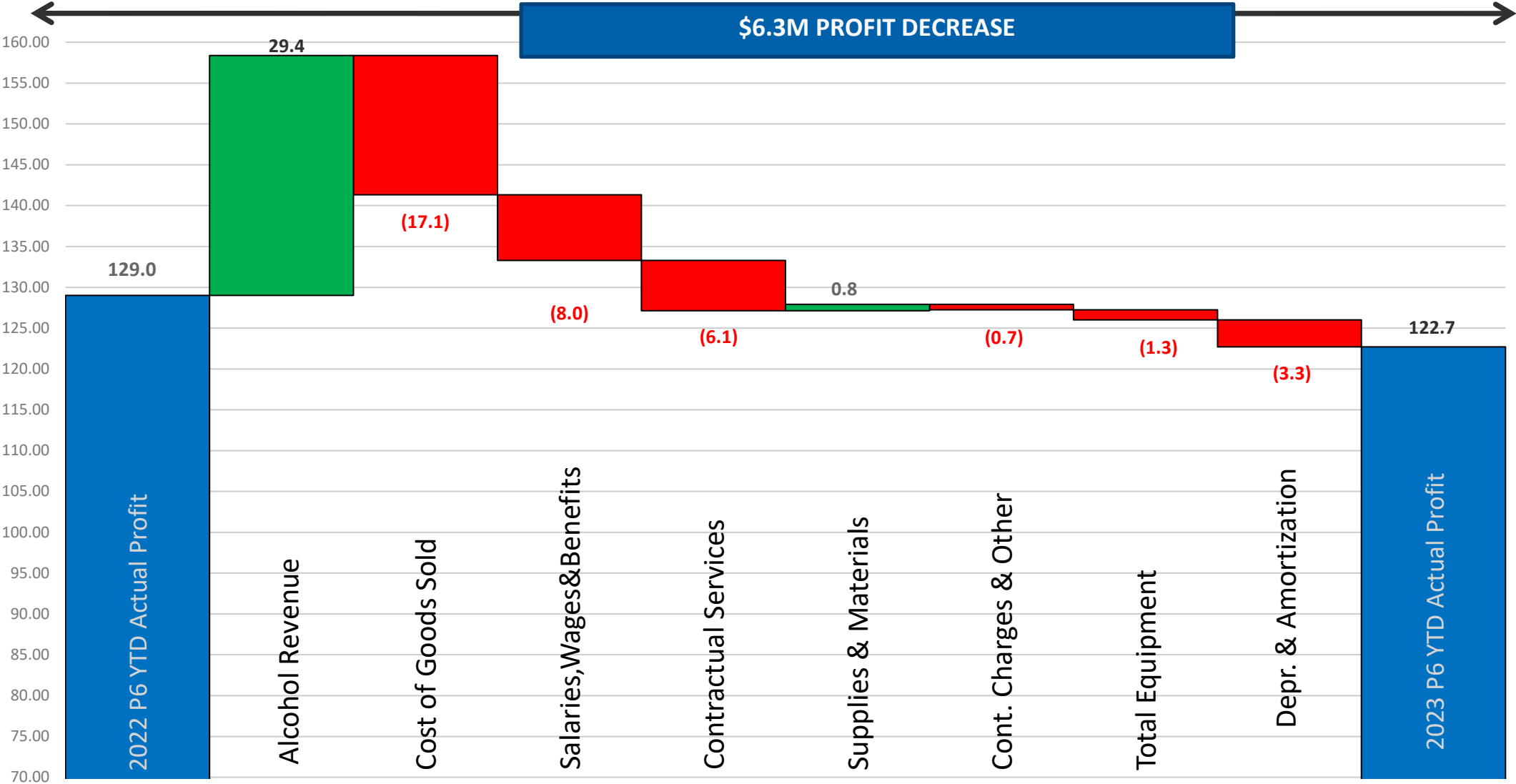
**Notes:** Fund 05001 was utilized because this represents the Operational revenue and expenses that are utilized to calculate the disbursements to the Commonwealth.  
Contribution Margin - represents the amount of earnings available to contribute towards profit after removing the variable costs of operations.  
Example: if the sales forecast was increased by \$1M (with a 24% contribution margin), \$240K of additional earnings would flow through to profit.



# FY23-P6YTD Actual vs FY23-P6YTD Budget



# FY23-P6YTD Actual vs FY22-P6YTD Actual



# Quarterly Management Review Quarter Ending December 31, 2022

Virginia ABC  
February 3, 2023



# Financial: Management Observations

## Virginia ABC: Store Sales and Profit Comparisons Dec 2022

In \$M	Current Month	Current Month FY'22	Current Month FY'21	Growth vs FY'22	Growth vs FY'21	CAGR
Store Sales	164.6	152.8	145.3	7.8%	13.3%	6.4%
Profits	32.5	31.6	29.2	2.8%	11.6%	5.6%

In \$M	Quarter to Date	Quarter to Date FY'22	Quarter to Date FY'21	Growth vs FY'22	Growth vs FY'21	CAGR
Store Sales	410.9	387.5	368.4	6.0%	11.5%	5.6%
Profits	70.2	71.8	70.6	-2.1%	-0.6%	-0.3%

In \$M	FY to Date	FY'22 to Date	FY'21 to Date	Growth vs FY'22	Growth vs FY'21	CAGR
Store Sales	757.7	722.6	687.8	4.9%	10.2%	5.0%
Profits	122.7	129.0	131.1	-4.9%	-6.4%	-3.2%

## Overall Results Summary

### Current Month vs Prior Year:

- Favorable net revenues; partially offset by unfavorable operating costs as follows:
- Higher personnel costs due to the state pay increase & comp. adjust. to align with market
- Impairment charge related to software licenses (perpetual licenses in Licensing group)
- Higher leasing costs due to converted short-term leases to Finance leases with higher amortization expense (GASB 87)
- Increased outbound freight costs due to an increased contract rate and fuel prices
- Increased media services costs for sales promotions

### Quarter-to-date and YTD vs Prior Year:

- Favorable net revenues; more than offset by unfavorable operating costs as follows:
- Higher personnel costs due to the state pay increase & comp. adjust. to align with market
- Impairment charge related to software licenses (perpetual licenses in Licensing group)
- Higher leasing costs due to converted short-term leases to Finance leases with higher amortization expense (GASB 87)
- Increased outbound freight costs due to an increased contract rate and fuel prices
- Increased media services costs for sales promotions
- Higher contractual services costs related to IT projects



**VIRGINIA ALCOHOLIC BEVERAGE CONTROL AUTHORITY**  
**Contribution Margin - Income Statement (In Millions)**  
**Fiscal Year 2023 - YTD as of 12/31/2022**

	FY 2023		FY 2023		FY 2023		FY 2023		FY 2022	
	Actual	Budget	Variance	Percentage	Actual	Variance	Percentage	Actual	Variance	Percentage
<b>Revenue Sources:</b>										
Alcoholic Beverages (Store Sales)	\$ 752.8	\$ 740.2	\$ 12.6	1.7%	●	\$ 718.3	\$ 34.5	4.8%		
Online Sales	4.9	5.2	(0.3)	-4.8%	●	4.3	0.6	14.4%		
Other	10.9	11.0	(0.1)	-0.9%	●	10.8	0.1	0.8%		
<b>Gross Revenue</b>	<b>768.6</b>	<b>756.4</b>	<b>12.2</b>	<b>1.6%</b>	●	<b>733.4</b>	<b>35.2</b>	<b>4.8%</b>		
Less: Spirits Excise Tax	125.3	123.5	(1.8)	-1.5%	●	119.5	(5.8)	-4.9%		
<b>Net Revenue</b>	<b>643.3</b>	<b>632.9</b>	<b>10.4</b>	<b>1.6%</b>	●	<b>613.9</b>	<b>29.4</b>	<b>4.8%</b>		
<b>Variable Operating Costs:</b>										
Cost of Goods Sold	362.7	358.3	(4.4)	-1.2%	●	345.6	(17.1)	-4.9%		
Variable Administrative Costs	105.7	110.2	4.5	4.1%	●	98.2	(7.5)	-7.6%		
<b>Total Variable Costs</b>	<b>468.4</b>	<b>468.5</b>	<b>0.1</b>	<b>0.0%</b>	●	<b>443.8</b>	<b>(24.6)</b>	<b>-5.5%</b>		
<b>Contribution Margin</b>	<b>174.9</b>	<b>164.4</b>	<b>10.5</b>	<b>6.4%</b>	●	<b>170.1</b>	<b>4.8</b>	<b>2.8%</b>		
Contribution Margin as a % of Store Sales	<b>23.1%</b>	<b>22.1%</b>				<b>23.5%</b>				
<b>Fixed Operating Costs:</b>										
Fixed Administrative Costs	40.9	46.4	5.5	11.9%	●	31.4	(9.5)	-30.2%		
Regulatory Costs (Enforcement & Hearings)	11.3	15.6	4.3	27.5%	●	9.7	(1.6)	-16.8%		
<b>Total Fixed Costs</b>	<b>52.2</b>	<b>62.0</b>	<b>9.8</b>	<b>15.8%</b>	●	<b>41.1</b>	<b>(11.1)</b>	<b>-27.0%</b>		
<b>ABC Net Profit</b>	<b>\$ 122.7</b>	<b>\$ 102.4</b>	<b>\$ 20.3</b>	<b>19.9%</b>	●	<b>\$ 129.0</b>	<b>\$ (6.3)</b>	<b>-4.9%</b>		
As a % of Store Sales	<b>16.2%</b>	<b>13.7%</b>				<b>17.9%</b>				

● Favorable Variance  
● Unfavorable Variance

NM = Not Meaningful

**Notes:** Fund 05001 was utilized because this represents the Operational revenue and expenses that are utilized to calculate the disbursements to the Commonwealth.  
Contribution Margin - represents the amount of earnings available to contribute towards profit after removing the variable costs of operations.  
Example: if the sales forecast was increased by \$1M (with a 24% contribution margin), \$240K of additional earnings would flow through to profit.



**Total Expenditures**  
**Public Safety and Homeland Security Secretariat**  
*In Millions of Dollars As Of December 2022 (FY 2023)*

	<u>Annual Expenditure Trends (Completed Fiscal Years)</u>					<u>Completed Quarterly Expenditures</u>			<u>Quarterly Growth</u>				<u>Current Year Approp (FY 2023)</u>	<u>YTD Expenditures As Of Dec 2022</u>		<u>Monthly Expenditures Dec 2022 (FY 2023)</u>	
	2022	2021	2020	2019	2018	5 Yr Avg*	Actual	Prior Year	Q2 2023	Q1 2023	Q4 2022	Q3 2022		5 Yr Avg*	Actual	5 Yr Avg*	Actual
	2022	2021	2020	2019	2018												
Virginia Alcoholic Beverage Control Authority (999)	\$921.976	\$900.993	\$774.209	\$696.277	\$656.496	\$106.644	\$260.439	\$225.376	\$260.439	\$248.198	\$245.199	\$234.416	\$1,012.163	\$208.103	\$508.637	\$39.961	\$102.159
Year Over Year % Change	2.3%	16.4%	11.2%	6.1%			15.6%		15.6%	14.4%	7.4%	11.8%	4.4%	15.0%		18.8%	

**Drivers of Expenditure Increases or Decreases vs the Prior Year:**

**December Expenditure increases** were driven principally by higher alcohol purchases associated with increased sales, higher personal services costs due to 3 salaried payrolls in FY 2023 vs 2 in FY 2022 as well as the impact of the 5% state-pay increase and compensation adjustments to align with market pricing.

**December YTD Expenditure increases** were driven by higher alcohol purchases associated with increased sales and including a \$10 million advance purchase to avoid vendor price increases, higher outbound freight costs, higher skilled services costs for projects and higher personal services costs due to 13 salaried payrolls in FY 2023 vs 12 in FY 2022 as well as the impact of the 5% state-pay increase and compensation adjustments to align with market pricing.

**Public Safety and Homeland Security Secretariat - Detailed Monthly Expenditure Report**

Total Dollars in Thousands As of December 2022 (FY 2023)

	Approp / Operating Plan	Approp % Chang	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD Tot	YTD Expend Chang	12 Month Expend Total	Monthly Expend A
<b>Virginia Alcoholic Beverage Control Authority (999)</b>																		
FY 2023: Personnel Expenses	149,723		15,203	13,810	19,161	8,503	13,853	23,249							93,778	9.9%	93,778	15,630
FY 2022: Personnel Expenses			18,876	12,696	12,793	7,944	12,911	20,088	8,467	13,075	18,403	13,132	8,141	13,445	85,308	12.8%	159,972	14,218
FY 2021: Personnel Expenses			16,240	11,399	11,374	11,637	11,883	13,126	12,190	11,731	11,782	12,168	13,326	8,582	75,658		145,438	12,610
FY 2023: Contractual Services	41,165		3,311	2,417	2,909	2,622	1,715	3,671							16,646	38.0%	16,646	2,774
FY 2022: Contractual Services			2,281	1,408	2,041	1,652	1,197	3,481	3,563	2,173	2,570	2,062	2,283	3,933	12,059	9.4%	28,644	2,010
FY 2021: Contractual Services			1,984	1,548	2,233	1,657	1,439	2,161	3,381	1,818	2,553	1,756	2,094	1,958	11,021		24,580	1,837
FY 2023: VITA Info Tech/Telecomm			12		10			1							22	-98.8%	22	4
FY 2022: VITA Info Tech/Telecomm			331	236	188	744	350	30	22		246	13	12		1,879	-74.8%	2,173	313
FY 2021: VITA Info Tech/Telecomm			4,612	485	913	669	110	675	516	1,247	127	876	319	378	7,464		10,927	1,244
FY 2023: Other Info Tech/Telecomm	10,806		1,579	1,241	812	1,369	636	923							6,561	-32.3%	6,561	1,094
FY 2022: Other Info Tech/Telecomm			1,047	1,218	2,518	1,382	2,030	1,504	2,029	1,980	1,581	1,343	1,622	1,327	9,698	-41.0%	19,580	1,616
FY 2021: Other Info Tech/Telecomm			1,256	3,278	5,227	1,863	2,349	2,459	1,008	1,787	1,663	1,550	1,463	1,342	16,432		25,245	2,739
FY 2023: Supplies and Materials	754,139		67,375	49,630	56,790	60,914	60,552	69,352							364,613	17.8%	364,613	60,769
FY 2022: Supplies and Materials			50,122	51,590	46,496	52,039	52,250	57,043	48,953	59,613	61,547	68,508	58,145	59,207	309,539	-5.7%	665,512	51,590
FY 2021: Supplies and Materials			54,867	50,978	53,710	50,948	56,236	61,533	56,115	42,335	51,164	59,017	52,383	59,857	328,272		649,143	54,712
FY 2023: Transfer Payments	773		79	33	27	1	3	12							154	-23.9%	154	26
FY 2022: Transfer Payments			41	67	23	0	57	14	8	17	52	6	31	60	203	-58.5%	377	34
FY 2021: Transfer Payments			34	2	179	1	219	54	16	80	3		7	66	488		661	81
FY 2023: Insurance and Other Continuous Charges	37,914		2,332	456	272	263	650	740							4,712	9.6%	4,712	785
FY 2022: Insurance and Other Continuous Charges			2,611	332	316	382	264	395	363	263	341	208	363	245	4,299	12.0%	6,083	717
FY 2021: Insurance and Other Continuous Charges			2,295	287	396	377	157	328	239	274	431	218	305	195	3,840		5,501	640
FY 2023: Operating Lease Payments			3,137	3,285	2,921	3,193	2,982	3,315							18,834	4.5%	18,834	3,139
FY 2022: Operating Lease Payments			612	5,138	3,498	2,807	2,950	3,013	2,876	2,834	2,919	3,053	4,032	3,048	18,017	-3.9%	36,779	3,003
FY 2021: Operating Lease Payments			5,192	2,504	2,659	2,786	2,992	2,616	2,798	2,702	2,684	2,981	2,787	3,459	18,749		36,160	3,125
FY 2023: Property and Improvements			1			1		1							3	0.0%	3	1
FY 2022: Property and Improvements									2							0.0%	2	0
FY 2021: Property and Improvements																		0
FY 2023: Equipment	17,643		293	152	948	693	331	895							3,312	144.0%	3,312	552
FY 2022: Equipment			94	99	316	396	46	407	149	259	109	287	407	287	1,357	15.7%	2,855	226
FY 2021: Equipment			260	169	201	86	221	235	110	237	670	190	244	712	1,174		3,338	196
FY 2023: Bonds, Loans, and Debt Service Expenses																-100.0%		0
FY 2022: Bonds, Loans, and Debt Service Expenses						1									1	0.0%	1	0
FY 2021: Bonds, Loans, and Debt Service Expenses																		0

<b>FY 2023 Total</b>	<b>1,012,163</b>	<b>4.4%</b>	<b>93,322</b>	<b>71,025</b>	<b>83,850</b>	<b>77,559</b>	<b>80,721</b>	<b>102,159</b>							<b>508,637</b>	<b>15.0%</b>	<b>508,637</b>	<b>84,773</b>
<b>FY 2023 % Expended</b>			<b>9.2%</b>	<b>7.0%</b>	<b>8.3%</b>	<b>7.7%</b>	<b>8.0%</b>	<b>10.1%</b>							<b>50.3%</b>		<b>50.3%</b>	<b>8.4%</b>
<b>FY 2023 Rest of Year Avg</b>									<b>83,921</b>	<b>83,921</b>	<b>83,921</b>	<b>83,921</b>	<b>83,921</b>	<b>83,921</b>				
<b>FY 2023 Rest of Year Avg %</b>									<b>8.3%</b>	<b>8.3%</b>	<b>8.3%</b>	<b>8.3%</b>	<b>8.3%</b>	<b>8.3%</b>				
<b>FY 2022 Total</b>	<b>969,792</b>	<b>7.0%</b>	<b>76,015</b>	<b>72,782</b>	<b>68,188</b>	<b>67,346</b>	<b>72,055</b>	<b>85,975</b>	<b>66,433</b>	<b>80,215</b>	<b>87,768</b>	<b>88,611</b>	<b>75,036</b>	<b>81,552</b>	<b>442,360</b>	<b>-4.5%</b>	<b>921,976</b>	<b>73,727</b>
<b>FY 2022 % Expended</b>			<b>7.8%</b>	<b>7.5%</b>	<b>7.0%</b>	<b>6.9%</b>	<b>7.4%</b>	<b>8.9%</b>	<b>6.9%</b>	<b>8.3%</b>	<b>9.1%</b>	<b>9.1%</b>	<b>7.7%</b>	<b>8.4%</b>	<b>45.6%</b>		<b>95.1%</b>	<b>7.6%</b>
<b>FY 2021 Total</b>	<b>906,461</b>		<b>86,741</b>	<b>70,650</b>	<b>76,891</b>	<b>70,024</b>	<b>75,605</b>	<b>83,188</b>	<b>76,372</b>	<b>62,211</b>	<b>71,077</b>	<b>78,756</b>	<b>72,929</b>	<b>76,548</b>	<b>463,099</b>		<b>900,993</b>	<b>77,183</b>
<b>FY 2021 % Expended</b>			<b>9.6%</b>	<b>7.8%</b>	<b>8.5%</b>	<b>7.7%</b>	<b>8.3%</b>	<b>9.2%</b>	<b>8.4%</b>	<b>6.9%</b>	<b>7.8%</b>	<b>8.7%</b>	<b>8.0%</b>	<b>8.4%</b>	<b>51.1%</b>		<b>99.4%</b>	<b>8.5%</b>



**Variance Explanations on the Detailed Monthly Expenditure Report FY 2023 vs FY 2022 (Dec 23 vs Dec 22 and Dec 23 YTD vs Dec 22 YTD)**

\$ in thousands				
Category of Expenditure	Increase (Decrease)		Increase (Decrease)	
	\$ change Dec 23 vs Dec 22	Explanation	\$ change Dec 23YTD vs Dec 22YTD	Explanation
Personnel Expenses	3,161	due to payment timing since December FY23 had 3 salaried payrolls paid vs 2 in FY 2022 and increased salaries and benefits due to the 5% state pay increase and comp study impact	8,470	due to payment timing since December YTD FY23 had 13 salaried payrolls paid vs 12 in FY 2022 and increased salaries and benefits due to the 5% state pay increase and comp study impact
Contractual Services	190	higher skilled services \$0.8M and increased media services \$0.4M; partially offset by lower outbound freight services \$0.7M and lower manual labor services \$0.3M	4,587	increased outbound freight services \$1.1M, higher skilled services \$2.8M and increased manual labor services \$0.7M
VITA Info Tech/Telecomm	(29)		(1,857)	decrease due to exit of VITA, (\$1.1M for telecom and \$0.7M for infrastructure)
Other Info Tech/Telecomm	(581)	decreased computer software development costs \$0.3M and computer software purchases \$0.3M	(3,136)	decrease due to lower software development costs \$1.6M, lower information mgmt costs \$0.7M and lower computer software purchases \$0.8M
Supplies and Materials	12,309	increased alcohol purchases driven by higher volume and vendor cost increases	55,074	higher alcohol purchases including a \$10M advance buy to save on vendor price increases and higher volume and vendor cost increases
Transfer Payments	(2)	lower awards and grant activity	(48)	lower awards and grant activity
Insurance and Other Continuous Charges	345	increased agency services charges	413	increase agency service charges \$0.7M: partially offset by lower workers comp. \$0.2M
Operating Lease Payments	301	increase due to higher computer software rentals \$0.3M	817	increase due to rent escalation \$0.6M and higher equipment rentals \$0.5M; partially offset by lower computer software rentals \$0.3M
Property and Improvements	1		3	
Equipment	489	increased electronic equipment \$0.3M and motor vehicle equipment \$0.2M	1,955	higher fixture costs \$0.7M, built-in equipment \$0.4M, electronic equipment \$0.4M and motor vehicle equipment \$0.5M
Bonds, Loans, and Debt Service Expenses	0		(1)	
	16,184		66,277	

# Summary of Delegated Items

ITEM: Travel Authorization Reports (3 or more people or excess of \$5000)	Participants		Meeting Information/Name	Location and Dates	Cost	Reason Travel Required	Approver: CEO
3+ more	Paul Williams		National Retail Federation Conference	New York- January 15-17, 2023	\$3,250.00	annual membership benefits include retail research and publications and significant content around technology and services	SINGLETON, JOHN-HR Director
	Vida Williams		National Retail Federation Conference	New York- January 15-17, 2023	\$3,250.00	annual membership benefits include retail research and publications and significant content around technology and services	SINGLETON, JOHN-HR Director
	Mark Dunham		National Retail Federation Conference	New York- January 15-17, 2023	\$3,250.00	annual membership benefits include retail research and publications and significant content around technology and services	SINGLETON, JOHN-HR Director

ITEM: Recognition/Rewards of \$750 or higher	Employee to receive LAST	FIRST	Manager	Reasoning	Amount	Notes	Approver: CAO
Cash award 750	LONG	STEVEN	WALLMEYER ROSE, MEGHAN	Performance	\$750.00		SINGLETON, JOHN-HR Director
Cash award 750	FOWLER	MEGAN	RUSSELL, JOHNNIE	Service	\$750.00		SINGLETON, JOHN-HR Director
Cash award 750	SMALL	MICHAEL	HILL, PAMELA	Performance	\$750.00		SINGLETON, JOHN-HR Director



# CIO Report – Paul Williams

IT Monthly Summary

IT KPIs (Work in Progress)

IT Support Summary

# IT Monthly Summary

## Introduction

We have been very thankful for a quiet month through December! We pushed releases in several areas off into January to avoid holiday risks and appear to have been successful achieving excellent stability through the peak season. The outage last month was the only major disruption through the last 3 months

We continue to work on improved KPI's with only two showing adverse – our staff allocated to 'improvement' work – Projects and bugs / Backlog fell well below target. This was almost entirely due to reduced capacity as holidays accrued to the year end and would be surrendered if not used. Notably the segment related to Projects was most adverse and BnB stayed on target as we transferred resources to meet priority demands for January releases (mostly HR related new year impacts). We expect cumulatively to make up the allocation shortfall between January and June as more projects move towards execution (PDH, Website, ServiceNow and HR). Commentary on the staffing KPI is below

## IT Performance

Although we have migrated to Oracle Cloud services, we will have to rebuild the cloud web services to correctly assign the transfer of on premise to cloud licensing, and 'shrink' the size of the Oracle environment. This work should be invisible to users – but both items have been deferred into January.

We are seeing some communication issues between Oracle and our private cloud – not critical but are affecting technical performance.

Store cameras roll out continues – we are treating as Proof of Concept (POC) until we can get to a reliably repeatable deployment.

We will be continuing conversations with Applexus as that system is not meeting our performance throughput expectations (it can run 240K transactions per day which leaves us with an overflow almost every Thursday – Saturday) and delays reporting

## People

The staff resourcing environment remains challenging, December was, as expected, particularly quiet.

We did find we had under counted our available MEL – correcting for 2 unassigned MEL increased our vacancy rate but we will continue recruiting for key posts and these were anticipated mid-year hires we had not yet started working

We have made significant progress in hiring but we net lost one BSA (2 exits, one hire – one Internal promotion to another division, one lost to another state entity offering 100% remote work). Open positions stands at 13% (13 up from 9). Market conditions continue to be a problem for Contractor Conversion and Reporting / Developers / BSA's



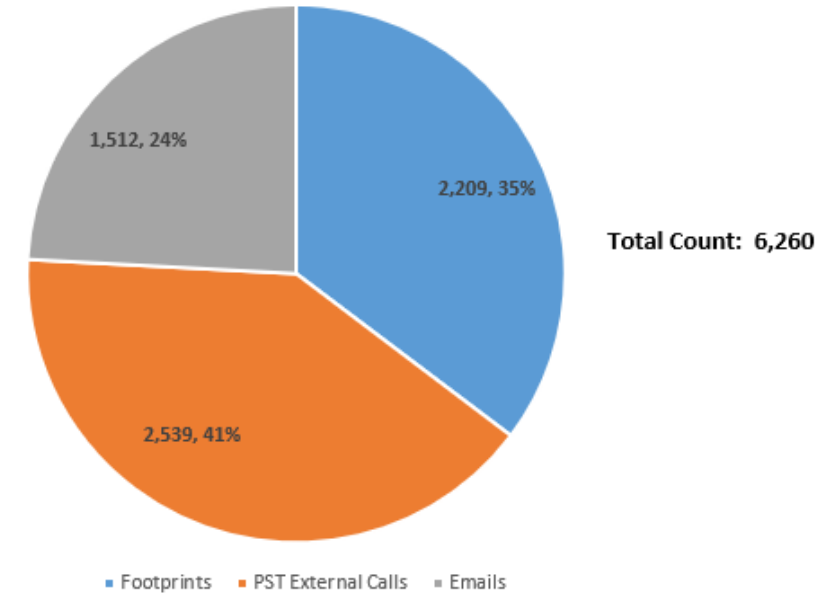
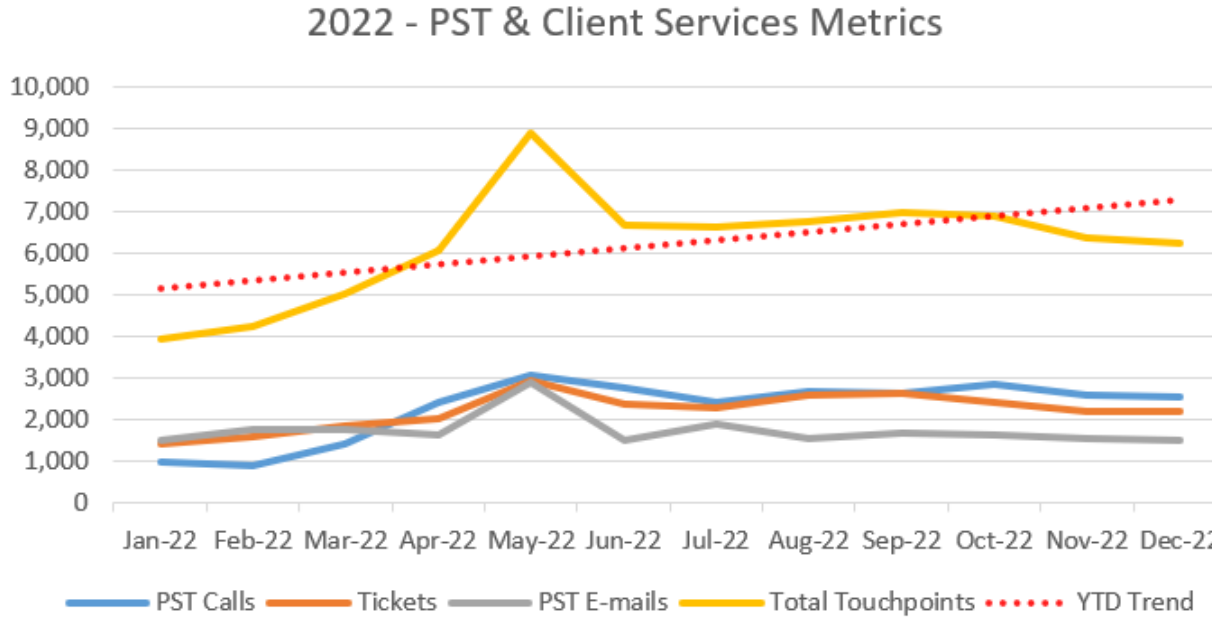


# IT KPI's (Work in progress)

Measure	Indicator	Current	C-1	C-2	C-3	Comments
Staffing (MEL)	Open + Exits (10,2)	12/1	9/1	15/2	16/1	
Reliability – Core	Ops hrs uptime (99.9%)	99.9%	99.3%	99.9%	99.9%	
Reliability POS	Lost Hours (all registers)	7.5	0.5 hrs.	0	22.6	4 hrs a store Firewall failure, balance password resets (user error)
Operational Support Requests	Total Footprints tkts, PST ext calls & Emails	6,260	6,351	6,889	6,974	
Registered Users	Domain Accounts	4,794	4,690	4,657	4,551	
Resource Allocation	Hours Target / Alloc	79.9%	73.44%	122.6%	87.6%	
First contact ticket resolution	Tickets closed on 1 touch	96.73%	95.04%	93.55%	93.21%	70% is industry standard
Calls accepted	Answered calls	97.6%	97.33%	97.54%	96.21%	90% of calls answered is target
Average wait time	Customer wait time	35 sec.	28 sec.	24 sec.	32sec.	1 minute max target. Increased wait time drives call abandonment.
Daily ticket average	Footprint tickets	68	78	81	94	
Average call handle time	Time to resolve	4.05 min.	3.9 min.	4.03 min	4.58 min	15-minute target / estimate (industry)

# Operational Support Metrics

Volume Breakdown - Tier I, PST, and Client Services



## PST KPIs:

- First Contact Ticket Resolution (FCR): 96.73%
- Total Call Handling Time: ~167 hours
- Average Call Time: ~4.05 minutes
- Calls Accepted: 97.60%
- Calls Rejected: 0.47%
- Average Customer Wait Time: 35 seconds
- Average Callback Wait Time: 2.7 minutes
- Daily Ticket Average: 68

## Additional Information:

- Acuity returned to the ABC in mid-December to complete the Hearings Room setup.
  - VOIP fully operational, switch and backup iPad controllers configured.
  - One cable needed for a single camera which vendor is sourcing
- Call/Ticket volume remained consistent with FCR & Call Acceptance improving from November
- All Verifone devices received SSL certificate update in December
- Sales Tax increased prepared for 1/1/2023

## Outages & Store Movement:

- 7.5 total store outage hours reported for December
  - Four hours were due to MX failure
  - The remaining 150 were related to password issues
- No store movement occurred in December of 2022



# CEO Report



# Real Estate Leases Signed

Store Number and Location	Leased Space	Term	REC Vote	Board Approval
<b>Renewal of Store #054 (Loudoun)</b> Stone Ridge Village Center 42015 Village Center Plaza, Suite 115 Stone Ridge, Virginia 20105	3207 square feet	7 years	4-12-22	5-17-22
<b>Expansion of Store #051 (Fluvanna)</b> Jefferson Centre 265 Turkeysag Trail Lake Monticello, Virginia 22963	3280 square feet	10 years	9-20-22	10-20-22
<b>Renewal of Store #291 (Martinsville)</b> Mountainview Plaza Shopping Center 786 Commonwealth Boulevard Martinsville, Virginia 24112	3002 square feet	5 years	10-21-21	11-18-21
<b>Renewal of Store #368 (Fairfax)</b> Courthouse Plaza 10308 Willard Way Fairfax, Virginia 22030	3000 square feet	5 years	9-20-22	10-20-22
<b>Renewal of Store #072 (Locust Grove – Orange County)</b> Wilderness Corner Shopping Center 5390-A Lyndon Drive Locust Grove, Virginia 22508	2417 square feet	5 years	7-19-22	9-8-22
<b>Renewal of Store #182 (Richmond)</b> 1217-19 West Broad Street Richmond, Virginia 23220	4290 square feet	5 years	8-16-22	9-8-22

# Board Commentary



# Public Comments

# Meeting Adjournment