WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION



2020 Fiscal Year Annual Report

Fredric L. Wooton, Commissioner

## OUR MISSION

he mission of the West Virginia Alcohol Beverage Control Administration is to regulate, enforce, and control the sales and distribution, transportation, storage, and consumption of alcoholic liquors and nonintoxicating beer as mandated by the West Virginia Liquor Control and Nonintoxicating Beer Act.



## OUR PURPOSE

he West Virginia Legislature created the West Virginia Alcohol Beverage Control in 1935. The WVABCA was organized to give effect to the mandate of the people expressed in the repeal of the state prohibition amendment, and to assure the greatest degree of freedom that is consistent with the health, safety, and good morals, of the people of West Virginia.



#### STATE OF WEST VIRGINIA DEPARTMENT OF REVENUE ALCOHOL BEVERAGE CONTROL ADMINISTRATION

900 Pennsylvania Ave., 4<sup>th</sup> Floor Charleston, West Virginia 25302

FREDRIC L. WOOTON COMMISSIONER DAVE HARDY CABINET SECRETARY

December 30, 2020

The Honorable Jim Justice, Governor Building 1, Capital Complex 1900 Kanawha Boulevard, East Charleston, West Virginia 25305

Re: WVABCA 2020 Fiscal Year Annual Report

Dear Governor Justice:

The West Virginia Alcohol Beverage Control Administration is pleased to submit the Annual Report for Fiscal Year 2020, in compliance with W.Va. Code §60-2-11(9).

Sincerely,

FILWard

Fredric L. Wooton Commissioner

cc: Dave Hardy, Cabinet Secretary, Department of Revenue Karen Goff, Executive Secretary, Library Commission

FLW/cjc

304-356-5500

"AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER"

FAX: 304-558-0081



### Message from Fredric L. Wooton, Commissioner

I am pleased to present the West Virginia Alcohol Beverage Control Administration's (WVABCA) Annual Report for Fiscal Year (FY) 2020.

As I reflect on the past year, I am reminded that in last year's *Annual Report* I noted that it had been a "transformative year". Little did I realize that 2020 had so much more in store! Unexpected challenges and grand opportunities were a common theme for 2020.

We began FY 2020 by building on the accomplishments of FY 2019. The planned 10-year retail liquor outlet rebid was at the forefront of our year. In West Virginia, the WVABCA is a key part of a mutually beneficial relationship between the spirits industry, the State, and the public. Manufacturers, brokers, distilleries, mini-distilleries, micro-distilleries, and retailers all play a vital role in the sale of spirits and providing all West Virginian's with a safe and reliable market-place filled with a variety of spirits products. The Retail Liquor Licensing Board (RLLB) was convened and led by Department of Revenue Cabinet Secretary Dave Hardy. The RLLB, the WVABCA's staff, and an independent consultant proceeded with the 10-year retail liquor outlet rebid conducting many meetings in an open and fair process for all retailers, key stakeholders, and new bidders. The WVABCA's 2020 Rebid was highly anticipated and generated a great deal of interest from current licensees and the public. As highlighted throughout this report, the 2020 Rebid process exceeded all revenue projections as it will generate in excess of \$52 million for the State. The WVABCA strives daily to provide a strong product mix and inventory so that retail liquor outlets can thrive.

Additionally, the WVABCA worked with Governor Justice and the West Virginia Legislature to create many new license and service categories which will provide licensees with more options and flexibility for licensure and operations.

Several bills from the West Virginia 2020 Regular Legislative Session are worth highlighting:

- HB 4524 made the entire state "wet" for the retail sale of spirits and set up guidelines for a county or municipality to become "dry" (2 areas chose to remain dry as set forth in the bill);
- SB 610 removed the out-of-state licensure limitations and set forth a manager requirements for all licensees;
- HB 4388 dealt with beer distributor providing value added services, such as draft lines and draft line cleaning, and addressed advertising requirements;
- ♦ HB 4560 provided additional opportunities for a wine specialty shop license;
- **HB 3098** permits the same licensee, that meets the requirements, to both brew and distill;



- **OMB 4882 dealt with out-of-state wineries attending fairs and festivals;**
- HB 4697 created a micro-distillery license for a distillery that produces less then 10,000 gallons and uses 75% of their raw products grown in West Virginia.

As the 2020 Legislative Session ended in March, the global COVID-19 pandemic ushered in a *State of Emergency Declaration*. The *Governor's Executive Orders, West Virginia Strong - The Comeback* and *WVABCA Advisories* impacted the alcohol industry for the remainder of FY 2020. In the everchanging landscape of the pandemic the WVABCA worked with licensees and local, county, and state governmental agencies to provide West Virginians clear guidelines and advisories. Despite all the challenges, the WVABCA was able to continue to operate and assist current licensees with the annual license renewal process while at the same time processing new license applications.

Although, the COVID-19 pandemic limited public interactions of our educational initiatives and enforcement activities, at no time was it necessary for the WVABCA to stop its operations. In some states, the state-operated retail liquor and wine stores were closed for many months. This had the unintended result on their residents traveling to West Virginia to make liquor purchases. This, combined with the needs of our citizens, caused the sale of spirits in West Virginia to increase exponentially. Our Distribution Center was able to consistently receive and distribute spirits in a timely and efficient manner.

I am pleased to report the 7th annual WVABCA NO School Spirits PSA contest (see education tab) expanded the awarded prizes to include \$5,000 worth of Apple AirPod Pro headphones with a tremendous gift, donated by Diageo<sup>©</sup> to highlight its Foundation for Advancing Alcohol Responsibility.

The economic impact of the pandemic was felt early on by so many West Virginians. In June, I was able to secure a \$10,000 one-time gift from the National Alcohol Beverage Control Association (WVABCA) to support the Mountaineer Food Bank.

The following pages will highlight much of what I have referenced and give the reader more information about the operations at the WVABCA in FY 2020.

Best Wishes,

FILWert



WVABCA Commissioner Wooton joined by West Virginia Governor Justice





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\* NOTE: Andrea Cummings joined the WVABCA in April 2020 replacing Lynn Patrick. The Commissioner and staff at the WVABCA expresses

### Fredric L. Wooton

Commissioner

### **Terry Greenlee**

Deputy Commissioner

### Lynn Patrick

Executive Assistant to the Commissioner



### **EXECUTIVE STAFF**

### Accounting/Procurement Julia Jones, Comptroller **Distribution Center** Ed Hart, Manager Enforcement Tim Deems, Director Information Services Randy Haynes, Manager Legal Anoop Bhasin, General Counsel

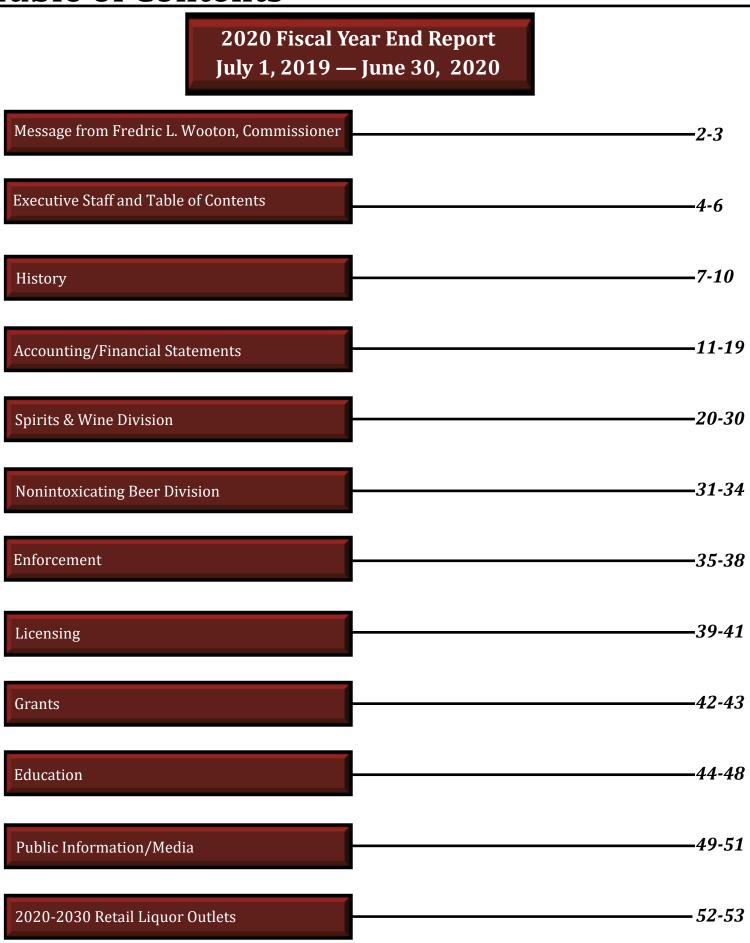
Licensing Ann Hull, Supervisor Licensing & Education Shawn Smith, Manager Nonintoxicating Beer Cindy Clark, Administrator Public Information/Media Gary "Gig" Robinson, Specialist

### Spirits & Wine

Kim Hayes, Administrator



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### History

The West Virginia Legislature created the West Virginia Alcohol Beverage Control Commission **("WVABCC")** in 1935 (See W.Va. Const. Art. IV §46 and W.Va. Code §60-1-1 et seq.) The WVABCC was organized to give effect to the mandate of the people expressed in the repeal of the state prohibition amendment, and to assure the greatest degree of personal freedom that is consistent with the health, safety, and good morals of the people of West Virginia. During the WVABCC's first 56 years of existence, the WVABCC functioned as the exclusive wholesaler and retailer of liquor in West Virginia; non-fortified wines were "privatized" in 1981.

With the repeal of <u>Prohibition</u>, the three-tier system of distribution was established in West Virginia. This distribution format is an effective way to regulate the three tiers: brewer, distributor and licensed retailer. Laws, rules and regulations provide protection for each tier. Fairness and equality are the overriding principles by eliminating connection between the tiers. In 1937, the term nonintoxicating beer was implemented which would allow for the product to be consumed in public. At conception, the authority to regulate beer was the responsibility of the State Tax Commissioner. In 1945, the West Virginia Nonintoxicating Beer Commission was established to regulate and enforce beer laws. The Nonintoxicating Beer Commission in 1990 to form a united West Virginia Alcohol Beverage Control Administration (WVABCA) with a single Commissioner over all aspects of the alcohol industry in West Virginia.

**On February 27, 1990, SB 337** discontinued the retail sale of alcoholic liquor by the State. This legislation created the Retail Liquor Licensing Board *("RLLB" or "Board")* to establish market zones and bid retail liquor outlets throughout West Virginia. Currently, the RLLB is comprised of the Chairman of the Board who is the Secretary of Revenue, the Secretary of the Board who is the WVABCA Commissioner and three gubernatorial board appointees. No member of the board may hold a retail license or have any financial interest, directly or indirectly, in any retail licensee. During Fiscal Year 1991, public bids were held in August 1990, January 1991, and May 1991. This resulted in the sale of retail liquor outlet licenses in all 98 market zones offered and the possibility of 214 privately owned liquor stores being opened in West Virginia.

**In 2000**, the RLLB's license bid process utilized minimum bids which were calculated based on demographics, population and other factors. The bidding generated revenue from all issued licenses which was deposited into the State's General Revenue Fund based on the minimum bids and the Governor's official revenue estimate. The licenses were issued for a ten-year (10) period and expired June 30, 2010. During the 2000 bid process, a few licenses were never issued, and some licenses were abandoned. In 2006, the RLLB approved an Interim Bid and the splitting of certain licenses. The licenses were rebid on a pro-rated minimum bid basis and two licenses were awarded in 2007 for the remainder of the ten-year period ending June 30, 2010.

**In 2009, HB 105** passed and created fundamental changes to the Retail Liquor License Bid process by creating Class A freestanding liquor retail outlets and Class B mixed retail liquor outlets (See W.Va. Code of State Rules at 175 CSR 1 and 175 CSR 5). The RLLB and WVABCA were authorized to initiate Purchase Option and License Bid Process (See West Virginia §60-3A- 1, et seq., as amended). In addition, HB 105 changed the closing hours for the 2010 retail liquor outlets Monday through Saturday and were extended from 10:00 p.m. until midnight (12:00 a.m.). No sales continued for Sundays, Christmas and on a statewide Election Day.

**HB 3100** went into effect on June 10, 2011 to allow Election Day sale of liquor at retail liquor outlets. **HB 2481** went into effect on March 3, 2019 to allow Sunday retail sales of spirits to start at 1:00 p.m. and end at midnight. The Christmas Day restriction remained in effect, and Easter Sunday was added as a restricted day.



### History - *continued*

Results from past License Rebids:

1990	-	Bid Revenue - Total - \$ <u>15,300,000</u>	
2000	-	Bid Revenue - Total - \$ <u>22,395,695</u> * Total # of Retail Outlets – <u>168</u>	includes subsequent rounds of bidding
2010	-	Total # of Retail Outlets – <u>178</u>	includes financed amounts, interest, and Licensed fee revenue al Reports for detailed breakdown of bid process)

In 2019, the RLLB voted to proceed with the 2020 Purchase Option and License Bid Process as authorized in the West Virginia Code and Rules. The process began on December 5, 2019 with the 2020 Purchase Option – Phase I with 49 retail Liquor outlets exercising the Purchase Option, and 28 utilizing the Deferred Payment Financing Option. Phase II – 2020 License Bidding Process completed on January 9, 2020 with 128 successful bidders. Phase III – 2020 License Bidding Process completed on April 1, 2020 with two successful bidders. Two retail liquor outlets remain available for bid pending RLLB authorization.

**2020** - Bid Revenue - Total - \$52,223,715 \*includes financed amounts, interest, and Licensed fee revenue

<u>Phase I - Purchase Option Process</u>
 49 Retail Outlets chose the Purchase Option
 28 of those chose the Deferred Payment Financing Option
 Revenue - \$12,397,486 \* includes financed amounts and \$373,062 interest

<u>Phase II – License Bidding Process</u> 128 Retail Outlets were awarded in a robust competitive bidding Revenue - \$35,679,616

<u>Phase III – License Bidding Process</u> 2 Retail Outlets were awarded Revenue - \$566,613

\*\* NOTE: There are 2 licenses that are still available and subject to action by the RLLB



### History - continued

**In 2009, HB 2719** increased the alcohol by volume (ABV) for nonintoxicating beer from 6% to 12% and created a new beer category of nonintoxicating craft beer. **In 2019, SB 529** increased the alcohol content to 15% ABV.

**In 2012, HB 3174** was passed and permitted Class A liquor retail outlets to conduct responsible nonintoxicating beer and liquor sampling events with certain requirements on any day but Sunday. Also, **HB 4376** was passed to allow licensed wine sales at certain professional baseball stadiums. (see WVABCA FY 19 Annual Report)

In 2013, HB 2956 was passed and amended the sections of the Code relating to resident brewers and brewpubs.

**In 2014, HB 3145** removed the limit of nonintoxicating beer that may be sold to an individual for off- premises consumption by a Class B retailer. **SB 172** allowed trusts and limited liability companies to be listed as the owner of a beer distributor. **SB 470** permitted only licensed farm wineries and wineries to sell wine and wine samples during fairs or festivals and on Sunday mornings, subject to requirements. Finally, **SB 450** allowed the sale of alcoholic liquors in specific outdoor dining areas that are adjoining an establishment with a liquor license. This bill also creates a special license to allow the sale of wine at NCAA Division I college and university sports stadiums. (see WVABCA FY 19 Annual Report)

**In 2015, SB 273** permitted licensed brewers and resident brewers to conduct nonintoxicating beer sampling on their brewery premises. It allowed resident brewers to sell growlers for off-premises consumption from their brewery premises. The bill also removed the brewpub bond requirement. **SB 574** promoted the distilling industry in West Virginia by reducing the markup imposed on mini-distillers from 28% to 5% (the mini-distillery could retain the 23% difference) and eliminated the transportation fee of \$2.30 per case on certain distillery sales. The Market Zone Fee was also reduced from 10% of gross sales at the distillery to 2% of gross sales and capped at a total of \$15,000.

**In 2016, SB 298** allowed county commissions to conduct a county option election on the question of whether to allow restaurants, private clubs, Class A retailers, wineries and wine serving entities to sell alcoholic liquors, wine and non-intoxicating beer as their licenses permit on Sundays. The bill also permitted distilleries and mini-distilleries to offer alcohol beginning at 10:00 am on Sundays for on-premises consumption only. An expansion of licenses allowed to operate extended hours on Sunday occurred when "Home Rule" municipalities petitioned the Home Rule Board for the "Brunch Bill" hours. (see WVABCA FY 19 Annual Report)

**Effective May 1, 2017** the WVABCA Commissioner revised the mark-up for spirits from 28% to 32%. The mark-up had not changed since 2003. In 1990, at the beginning of bailment, the markup was 25%. The WVABCA receives no excise tax on the production of spirits. (see WVABCA FY 19 Annual Report)

**In 2017, SB 637** modified the Class A private club licenses which was the first major change to the Private Club Act in nearly 50 years. The new license categories were aimed to Licensees operating tourist destinations and resort facilities by permitting the Licensee to obtain one private resort hotel license for the lawful sale and consumption of alcoholic liquors and nonintoxicating beer in designated and approved areas throughout the licensed premises but within the confines of the property. The bill also created a private golf club license and a private resort license with certain licensing requirements. (see WVABCA FY 19 Annual Report)

**In 2019, SB 561** created licenses for a private fair & festival and a private nine-hole golf course. This bill addressed frozen drink machines and allowed bottle sales at certain Class A on-premises licenses. SB 561 addressed law enforcement assistance during certain WVABCA enforcement activities and clarified that the operation of BYOB's as illegal and the consumption of alcoholic liquors in public. SB 529 created a one-day charitable beer license and wine license for certain non-profits and permitted wine auctions. This bill created a license for beer representatives and a nonintoxicating beer transportation permit. SB 511 dealt with the wine industry created new opportunities for wineries, farm wineries and licensure. The bill clarified tasting, sampling and sales procedures for wineries and farm wineries. (see WVABCA FY 2019 Annual Report)







## **Financial Information**

#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION MANAGEMENT COMPARISON TO PREVIOUS YEAR ANALYSIS June 30, 2020, 2019 and 2018

#### STATEMENTS OF NET POSITION

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current assets	\$ 19,209,975	\$ 17,281,174	\$ 15,333,749
Capital assets, net	1,899,703	1,675,302	1,708,722
Notes and accrued interest receivable	3,881,005	-	
Total assets	24,990,683	18,956,476	17,042,471
Deferred outflows of resources	483,688	473,363	558,017
Current liabilities	\$ 5,235,991	\$ 3,836,082	\$ 3,371,432
Noncurrent Liabilities	\$ 2,033,489	\$ 2,473,674	\$ 3,076,160
Total liabilities	7,269,480	6,309,756	6,447,592
Deferred inflows of resources	919,599	794,504	620,955
Net position, net investment in capital assets	1,899,703	1,675,302	1,708,722
Net position, restricted by enabling legislation	3,881,005	-	-
Net position, unrestricted net position	11,504,584	10,650,277	8,823,219
Total net position	17,285,292	12,325,579	10,531,941

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## **Financial Information**

#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION MANAGEMENT COMPARISON TO PREVIOUS YEAR ANALYSIS Years Ended June 30, 2020, 2019 and 2018

#### STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Sales	\$ 116,751,249	\$ 103,465,864	\$ 97,398,692
Licenses, permits and fees	3,435,887	4,364,849	3,980,572
Administrative hearing fines	119,251	98,296	46,650
Total operating revenues	120,306,387	107,929,009	101,425,914
Cost of sales	88,261,613	78,191,668	73,689,545
General and administrative	5,307,492	4,981,334	4,955,726
Depreciation	182,132	168,964	142,696
Total operating expenses	93,751,237	83,341,966	78,787,967
Operating income	26,555,150	24,587,043	22,637,947
Nonoperating revenues (expenses):			
Retail liquor license renewal fee	48,270,653	-	-
Interest income	373,062	-	-
Grants	93,463	135,455	195,908
Other	82,327	110,609	127,577
Loss of disposal of assets	-	-	-
Receipts (Transfers in) from primary government	-	-	-
Statutory distributions	<u>(70,414,942)</u>	(23,039,469)	(21,119,925)
	<u>(21,595,437)</u>	(22,793,405)	(20,796,440)
Change in net position	\$ 4,959,713	\$ 1,793,638	\$ 1,841,507



WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION STATEMENT OF CASH FLOW

Year Ended June 30, 2020

Cash flows from operating activities: Cash received from customers an Cash paid to employees Cash paid to suppliers	d users Net cash provided by operating activities	\$ 120,209,180 (4,216,771) (88,214,150) 27,778,259
Cash flows from noncapital financing activities Receipts on nonoperating grants Proceeds from liquor license rene Payments to primary government		93,463 44,762,710 (70,414,942) (25,558,769)
Cash flows from capital and related financing activ Purchases of capital assets	vities:	(406,533)
Increase (decrease) in cash and cash equivalents		1,812,957
Cash and cash equivalents, beginning of year		16,647,466
	Cash and cash equivalents, end of year	<u>\$ 18,460,423</u>
Supplemental Disclosure of Cash Flow Information	n	
Non-cash special funding contrib	ution related to OPEB	<u>\$ 82,327</u>
Reconciliation of operating income to net cash pro by operating activities: Operating income Adjustments to reconcile operating	ng income to net	\$ 26,555,150
cash provided by operating activ Depreciation	nties:	182,132
Pension Expensi	e	155,592
OPEB Expense		12,099
Change in assets		
	Increase in accounts receivable	(97,207)
	(Increase) Decrease in inventory Increase (decrease) in accounts payable and	(18,637)
	accrued expense	1,399,909
	Increase in deferred outflows of resources	(423,990)
	Increase in accrued annual leave	13,211
Net cash provided by operating a	ctivities	<u>\$ 27,778,259</u>

#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION Year Ended June 30, 2020

Operating revenues:	
Sales	\$ 116,751,249
Licenses, permits and fees	3,435,888
Administrative hearing fines	119,250
	120,306,387
Operating expenses:	
Cost of sales	88,261,613
General and administrative	5,307,492
Depreciation	182,132
	93,751,237
Operating income	26,555,150
Nonoperating revenues (expenses):	
Retail liquor license renewal - financing option	3,507,943
Retail liquor license renewal	44,762,710
Interest income	373,062
Grants	93,463
Loss of disposal of assets	-
Other (Special funding contributions related to OPEB)	82,327
Statutory distributions	(70,414,942)
	(21,595,437)
Change in net position	4,959,713
Net position, beginning of year	12,325,579
Net position, end of year	\$ 17,285,292
Net position, end of year	\$ 17,285,292



#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION Year Ended June 30, 2020

Operating revenues:	Administrative / Liquor Fund #7352	Enforcement Fund <u>#7356</u>
Sales	\$ 116,751,249	\$ -
Licenses, permits and fees	2,447,887	
Administrative hearing fines	-	119,251
Total revenues	119,199,136	
Operating expenses:		
Cost of sales	88,261,613	-
General and administrative	5,064,878	50,807
Depreciation	90,584	621
	93,417,075	51,428
Operating income	25,782,061	67,823
Nonoperating revenues (expenses):		
Grants	72,243	-
Retail liquor license renewal - financing option	3,507,943	
Retail liquor license renewal	44,762,710	
Interest income	373,062	
Other	80,475	-
Statutory distributions	(70,309,909)	(96,783)
	(21,513,476)	(96,783)
Change in net position	4,268,585	(28,960)
Net position, beginning of year	8,268,380	71,937
Net position, end of year	<u>\$ 12,536,965</u>	<u>\$ 42,977</u>

#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION (continued) Year Ended June 30, 2020

<u>Wine Fund</u> <u>#7351</u>	<u>Grants / Gift</u> <u>#7357</u>	Beer Operations <u>#7358</u>	Wine & Liquor Operations Fund <u>#7359</u>	<u>Total</u>
\$ -	\$	- \$	- \$ -	\$ 116,751,249
560,900		- 275,20	0 151,900	3,435,887
		<u>-</u>	<u> </u>	119,251
560,900		- 275,20	0 151,900	120,306,387
-		-		88,261,613
136,912	36,455	5 9	0 18,350	5,307,492
65,313	25,614	4		182,132
202,225	62,069	99	0 18,350	93,751,237
358,675	(62,069)	) 275,11	0 133,550	26,555,150
-	21,220	0		93,463
	,			3,507,943
-		-		44,762,710
				373,062
1,852		-		82,327
(8,250)			<u>-</u>	(70,414,942)
(6,398)	21,220	0	<u> </u>	(21,595,437)
352,277	(40,849	) 275,11	0 133,550	4,959,713
3,355,677	196,935	5 258,65	0 174,000	12,325,579
<u>\$ 3,707,954</u>	<u>\$ 156,086</u>	<u>6 \$ 533,76</u>	<u>0   \$                                 </u>	<u>\$ 17,285,292</u>



#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION COMBINING STATEMENT OF NET POSITION

June 30, 2020

<u>ASSETS</u>	<u>Administrative /</u> Liquor Fund #7352	Enforcement Fund #7356
Current assets: Cash and cash equivalents Inventory Accounts Receivable Notes receivable - current, restricted	\$ 14,119,866 42,530 707,022 560,126 113,982	\$ 43,477 - -
Accrued interest - current, restricted Total current assets	15,543,526	43,477
Noncurrent assets: Notes receivable - noncurrent, restricted Accrued interest - noncurrent, restricted Capital assets, net	2,947,817 259,080 1,413,994	- 1,130
Total noncurrent assets	4,620,891	1,130
Total assets	<u>\$ 20,164,417</u>	<u>\$ 44,607</u>
DEFERRED OUTFLOWS OF RESOURCES Deferred outflows from OPEB and pension amounts	<u>\$ 474,672</u>	<u> </u>
LIABILITIES Current liabilities: Accrued expenses Accounts payable Total current liabilities	278,824 <u>\$ 4,932,546</u> <u>\$ 5,211,370</u>	<u>\$ 1,630</u> <u>\$ 1,630</u>
Noncurrent liabilities:		
Net OPEB Liability Accrued annual leave Net pension liability Total noncurrent liabilities	1,327,389 282,218 <u>382,826</u> 1,992,433	- 
Total liabilities	7,203,803	1,630
DEFERRED INFLOWS OF RESOURCES Deferred inflows from OPEB and pension amounts	898,321	
Net position: Net investment in capital assets Restricted by enabling legislation Unrestricted Total net position	1,413,994 3,881,005 <u>7,241,966</u> 12,536,965	1,130 



#### WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION COMBINING STATEMENT OF NET POSITION (continued) June 30, 2020

<u>Wine Fund</u> <u>#7351</u>	<u>Grants / Gift</u> <u>#7357</u>	Beer Operations Fund #7358	<u>Wine &amp; Liquor</u> <u>Operations Fund</u> <u>#7359</u>	<u>Total</u>
\$ 3,425,709 - -	\$ 30,046 - -	\$ 533,775	\$ 307,550 - -	\$ 18,460,423 \$ 42,530 \$ 707,022 \$ 560,126
3,425,709	30,046	533,775	307,550	<u>\$ 113,982</u> <u>19,884,083</u>
- 	<u> </u>	- - 	- - 	2,947,817 259,080 <u>1,899,703</u> <u>5,106,600</u>
<u>\$ 3,772,248</u>	<u>\$ 168,086</u>	<u>\$ 533,775</u>	<u>\$ 307,550</u>	<u>\$ 24,990,683</u>
<u>\$ 9,016</u>	<u> </u>	<u>_\$</u>	<u>.</u>	<u>\$ 483,688</u>
5,721 <u>\$5,255</u> <u>\$10,976</u>	<u>\$ 12,000</u> <u>\$ 12,000</u>	<u>\$ 15</u> <u>\$ 15</u>	- <u>\$</u> - \$-	\$ 284,545 <u>\$ 4,951,446</u> <u>\$ 5,235,991</u>
30,554	-	-	-	1,357,943 282,218
<u>    10,502</u> <u>    41,056</u>				<u> </u>
52,032	12,000	15	<u> </u>	7,269,480
21,278				<u> </u>
346,539	138,040	-	-	1,899,703 3,881,005
<u>3,361,415</u> 3,707,954	<u>    18,046</u> 156,086	<u>533,760</u> 533,760	<u> </u>	<u>11,504,584</u> 17,285,292







## Spirits & Wine Division

The WVABCA Spirits & Wine Division works daily with alcohol vendors, state liquor representatives, licensed retail liquor outlets, and wine retailers to meet the demands of each request and provide safe and reliable products.

Main functions of the division include, but are not limited to, new vendor/company setups, product listings, product integrity, pricing, label registration, 190 form collection and data entry (from private club liquor orders), warehouse inventory audits, various warehouse and inventory fee assessments, special pricing allowances, shipment approvals, and scheduling of liquor deliveries. These functions help maintain the WVABCA's Portal website, as well as, keep liquor and wine brands in the state current and up-to-date.

### **The Portal**

All licensed retail liquor outlet owners and employees, and liquor and vendor representatives have secure online access to the agency's own website, WVABCA Portal. This system is a database providing product information, bailment reports, sales data, and more, all in real-time. It allows licensed retail liquor outlet owners and employees to conveniently create their weekly scheduled orders, and liquor and vendor representatives to adjust special prices on their own products.





1,514 Active Special2,379 Active BailmentOrder Product CodesProduct Codes



### **Distribution Center**

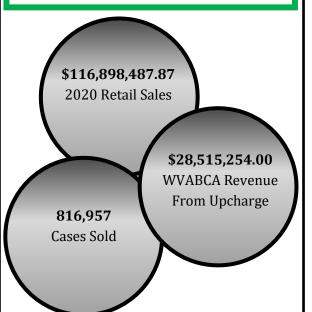
The WVABCA Distribution Center is a 153,000square foot warehouse. The Distribution Center is responsible for assembling retail orders for delivery to retail liquor outlets. Fiscal Year 2020 Distribution Center employees were responsible for picking 816,957 cases of liquor for West Virginia retail liquor outlets.

W

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### Fiscal Year 2020 Sales

This fiscal year has once again seen growth. Sales have increased by 11.33% and case sales have increased by 10.52%.



### **Top Brands by Revenue**

The top five brands retail sales total over \$4,427,894.17 in revenue. These brands are ranked in descending order:

Crown Royal - \$1,313,400.99 Tito's Handmade Vodka - \$1,186,403.55 Jack Daniels Black - \$998,264.88 Crown Royal Apple - \$945,834.83 Hennessy Vs - \$648,601.13

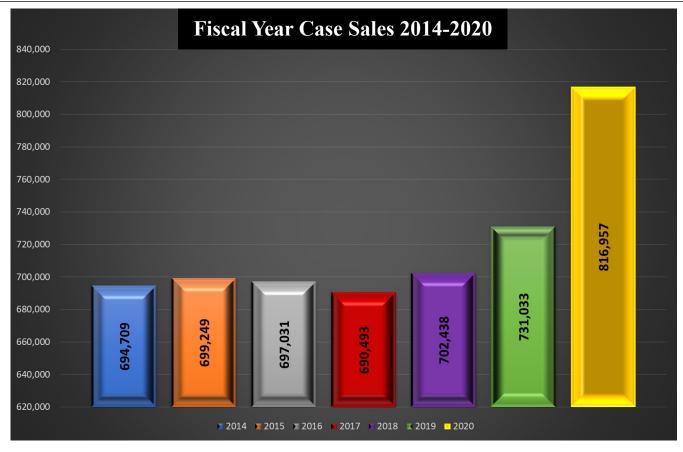
### **Top Brands by Case Sales**

The top five brands in descending case sales order: *Tito's Vodka—23,220 Vladimir Vodka Pet—22,042 Crown Royal—19,220 Fireball Cinnamon Whisky—18,745 Barton—18,410* 

#### FY 2020 REVENUE BY MONTH \$103,655,371.16

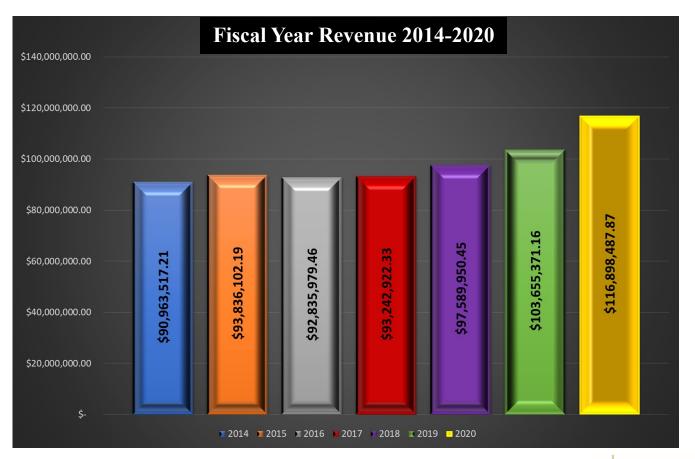






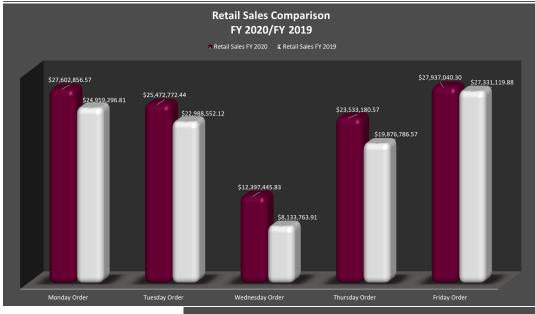
These two graphs display the timeline of fiscal year sales from 2014-2020.

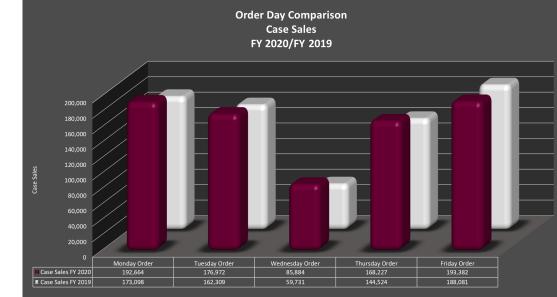
The top graph represents fiscal year case sales and the bottom graph represents fiscal year revenue

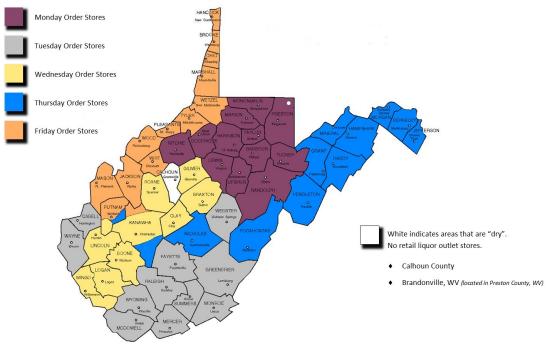


**WVABCA** 







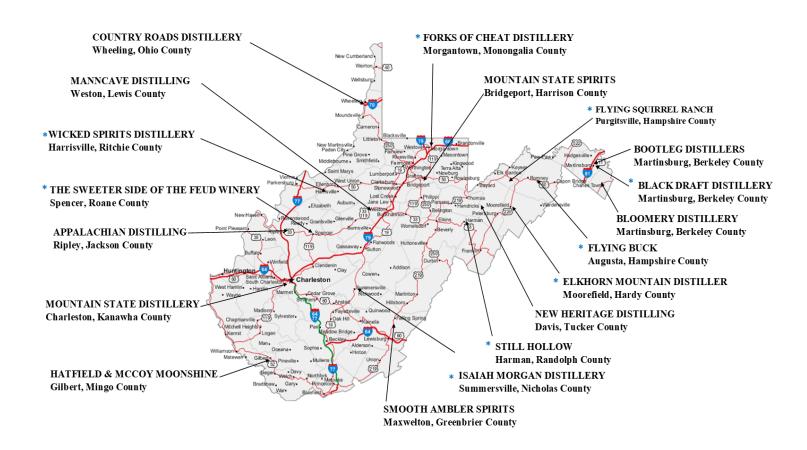


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### WEST VIRGINIA DISTILLERIES & MINI-DISTILLERIERS

\* Denotes Mini-Distillery

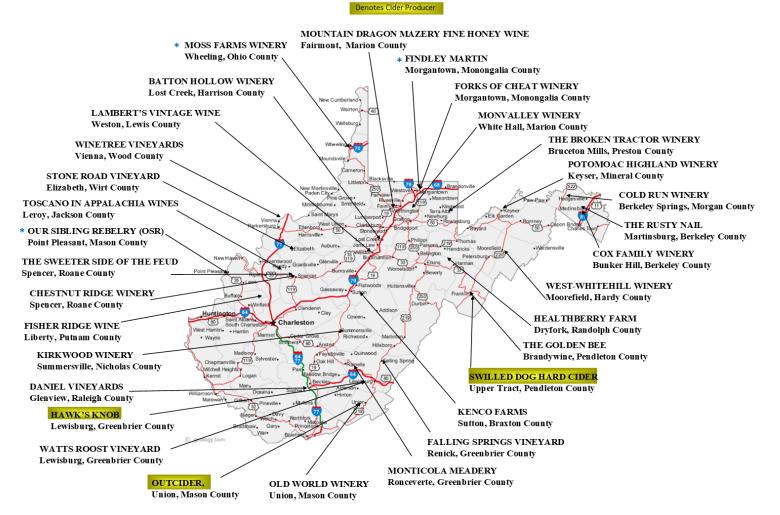


West Virginia Distilleries	9
West Virginia Mini-Distilleries	9

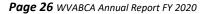


# WEST VIRGINIA WINERIES & WEST VIRGINIA FARM WINERIES





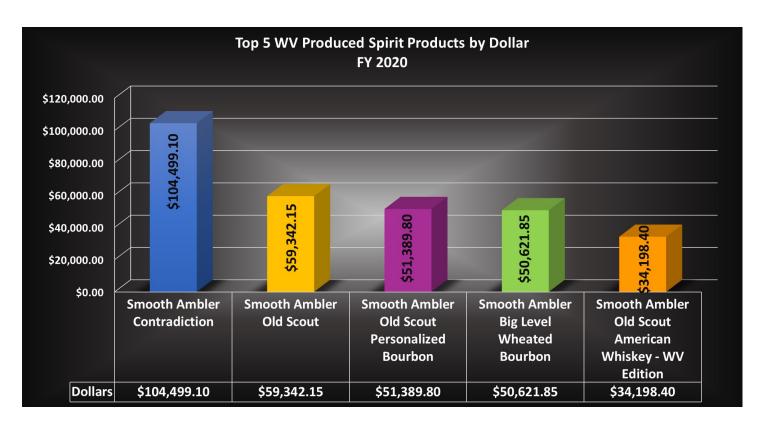
West Virginia Wineries	3
West Virginia Farm Wineries	29

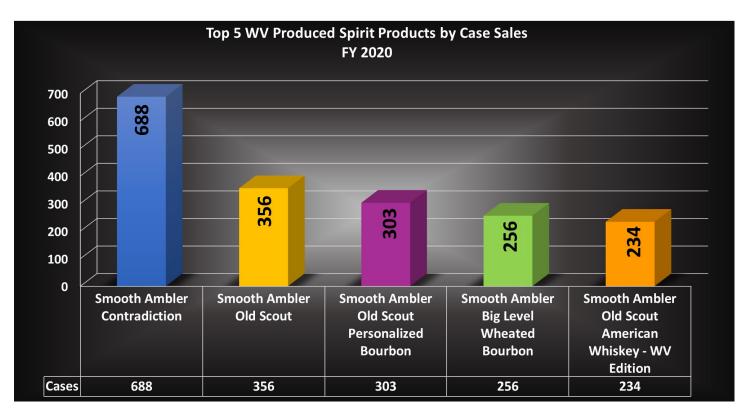




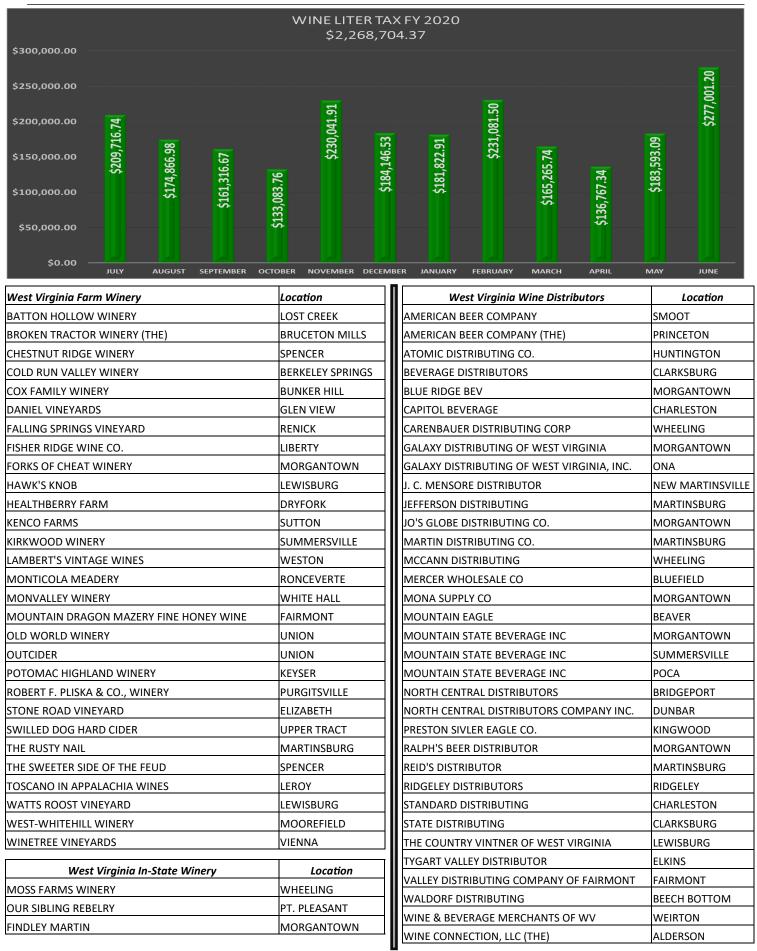
The two graphs below display the sales of the top five West Virginia produced products during Fiscal Year 2020.

The top graph represents sales by dollar amount and the bottom graph represents sales by case amount.







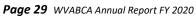






Retail Liquor Outlet	Location
7-Eleven #10670	Martinsburg
7-Eleven #16924	Romney
7-Eleven #17109	Keyser
7-Eleven #20685	Shepherdstown
7-Eleven #25306	Martinsburg
7-Eleven #28303	Berkley Springs
7-Eleven #28310	Hedgesville
7-Eleven #28316	Chares Town
7-Eleven #28317	Wardensville
7-Eleven #28326	Fort Ashby
7-Eleven #34688	Ranson
7-Eleven #34915	Petersburg
7-Eleven #28320a	Falling Waters
7-Eleven #35910h	Charleston
7-Eleven #35915h	St. Albans
7-Eleven #35920h	Oceana
7-Eleven #35927h	Hamlin
7-Eleven #35963h	West Union
A & A Spirits Shoppe	Moorefield
Agent: bfs Foods Inc.	Davis
Agent: KO Convenience Center	Bluefield
Ashbrooke Liquor Outlet	Morgantown
Belington Shop-n-Save	Belington
Belko Foods #6	Hundred
Celebrations	Weirton
CJ's Tobacco Shop Inc	Beckley
CJ's Tobacco Shop Inc	Beckley
CJ's Tobacco Shop Inc.	Sophia
Classic Liquors	Huntington
Classic Liquors	Kenova
Comac #3	Oak Hill
Comac #4	Fayetteville
Corner Liquor & Wine	Huntington
Crown Spirits	Petersburg
Cruise Thru	Romney
CVS Pharmacy #1427	Keyser
CVS Pharmacy #4419	Huntington
CVS Pharmacy #6307	Gassaway
CVS Pharmacy #6313	Beaver

Retail Liquor Outlet	Location
CVS Pharmacy #6350	Kenova
CVS Pharmacy #7124	Hurricane
CVS Pharmacy #7604	Parkersburg
CVS Pharmacy # 6276	Parkersburg
CVS Pharmacy #6277	Moundsville
CVS Pharmacy #6278	Wheeling
D & D Beverages, Inc	Bluewell
East Fairmont Shop-n-Save	Fairmont
Par Mar 1105/Cork-n-Bottle	Williamstown
GDSH Dist/bfs Foods #19	Bridgeport
GDSH Distributors, L.L.C.	Fairmont
GDSH Distributors, L.L.C.	Morgantown
GDSH Distributors, L.L.C.	Bruceton Mills
Giant Eagle #58	Morgantown
Giant Eagle #59	Morgantown
Godfather Liquors No. 2	Mount Nebo
Godfather Liquors, Inc	Bradley
Greenbrier Liquor Shoppe	White Sulphur
Greenbrier Valley Liquors	Harts Run
H&H Spirits Inc.	Williamson
J&J's Mountaineer Mart	Salem
J&J's Mountaineer Mart #11	Terra Alta
J&J's Mountaineer Mart #32	Richwood
Julian's Market	Huntington
King Cut Rate Tobacco	Barboursville
King Cut Rate Tobaccos	Marmet
King Cut Rate Tobaccos #3	Summersville
King Cut Rate Tobaccos dba King Spirits	Huntington
Kroger #790	Beckley
L & W Spirit Shop LLC	Franklin
L.A. Liquor & Lottery, Inc	Logan
Lewis County Liquor Store	Weston
Liquors & More #1	Princeton
Liquors & More #2	Princeton
Liquors & More #3	Marlinton
Little General Store #2150	Alderson
Little General Store #4095	Charleston
Little General Store #4135	Pinch
Little General Store #5065	Barboursville
Little General Store #5400	Bradshaw
Marathon Food Mart	New Haven
Mido Inc. dba Mt. Top Citgo	Thomas
Mini-Giants, Inc.	Parkersburg
New Cumberland Liquors Inc.	New Cumberland
Old White Club Corp.	White Sulphur
Old White Corporation dba Monroe Liquor	Union
Olde Towne Liquors, LLC	Harpers Ferry
One Stop Beverage Mart	Bluefield





Retail Liquor Outlet	Location
Par Mar Oil Co, Inc.	Sistersville
Par Mar Store #3	Parkersburg
Par Mar Store #45	Huttonsville
Premiere Liquors	Charleston
Rasi's Discount Liquor & Tobacco, Inc.	Beaver
Rite Aid	Charleston
Rite Aid #3702	Cross Lanes
Rite Aid #1694	Beckley
Rite Aid #113	Pineville
Rite Aid #121	Rainelle
Rite Aid #1277	Clay
Rite Aid #1289	Danville
Rite Aid #1305	Weston
Rite Aid #1373	Mullens
Rite Aid #1373	St Marys
Rite Aid #1582	Mannington
Rite Aid #1408	Eleanor
Rite Aid #1503	Benwood
Rite Aid #1562	Charleston
Rite Aid #1687	Webster Springs
Rite Aid #1688	Pt. Pleasant
Rite Aid #1914	Nutter Fort
Rite Aid #1949	Follansbee
Rite Aid #1982	Grafton
Rite Aid #2265	Parsons
Rite Aid #2460	Chapmanville
Rite Aid #2571	Big Chimney
Rite Aid #2605	Kingwood
Rite Aid #2736	Smithers
Rite Aid #280	Ravenswood
Rite Aid #286	Hinton
Rite Aid #294	Sissonville
Rite Aid #3341	Harrisville
Rite Aid #3388	Wellsburg
Rite Aid #733	Wheeling
Rite Aid #734	Wheeling
Rite Aid #906	Buckhannon
Rite Aid #914	Elkins
Rite Aid #915	Clarksburg
Rite Aid #919	Westover
Rite Aid #934	Charleston
Rite Aid #935	Charleston
Rite Aid #937	Dunbar
Rite Aid #944	Charleston
Rite Aid #946	St Albans
Rite Aid #947	South Charleston
Rite Aid #953	Whitesville
Rite Aid #957	Beckley
Rite Aid #959	Ripley
Rocko's	Bridgeport
Saad's Wine & Spirits	Huntington
Sam's Club #6373	Vienna



Smoker Friendly #41

Smoker Friendly #8

Spencer Spirits, Inc.

Spirit Shoppe (The)

Stadium Spirits Inc.

The Liquor Lair

The Loft

The Liquor Store

**Top Shelf Liquors** 

Video Palace, Inc.

Smoker Friendly dba Big Apple Liquors

Smoker Friendly's dba Liquor Plus #43

Smoker Friendly dba Liquor Express

Smoker Friendly dba Penn Liquors

South Fairmont Shop-n-Save

Lewisburg Spirits and Wine

Trails End Souvenirs, Inc.

Tri-State Discount Liquor

Tyler's Hatfield-McCoy Liquor

Walmart Supercenter #2036

Walmart Supercenter #2576

Walmart Supercenter #2684

Zeek Enterprise's dba Bridge Mart

Welch Bantam Market Wild Vine & Spirits

Tri-State Disc. Liquor

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Wheeling

Inwood

Inwood

Glenville

Fairmont

Spencer

Man

Nutter Fort

Huntington

Princeton

Lewisburg

Lewisburg

Gilbert

Weirton

Chester

Nitro

Welch

Sutton

Kermit

Matewan

Montgomery

South Charleston

New Martinsville

Berkley Springs

Scott Depot

Martinsburg

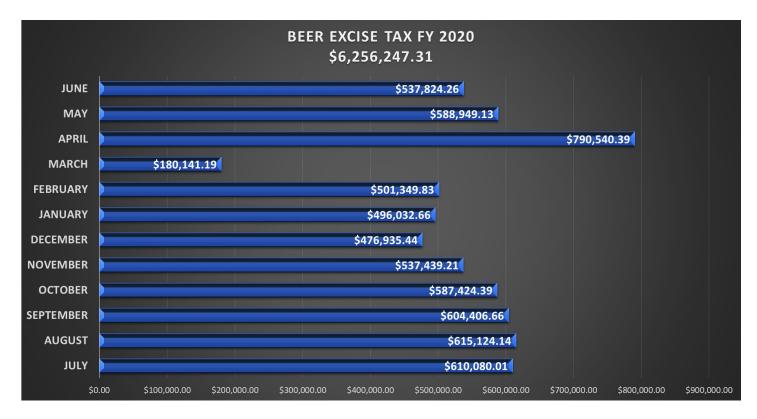




## Nonintoxicating Beer

### Nonintoxicating Beer Numbers FY 2020

Fiscal Year 2020 Beer Barrel Excise Tax records are Illustrated in the graph below. The Beer Barrel Excise Tax is a production tax on Nonintoxicating Beer and collected by the State Tax Commissioner. The Beer Barrel Excise Tax for Fiscal Year 2020 totaled **\$6,256,247.31**.



COVID-19 had an overwhelming impact on the alcohol industry. Starting in mid-March 2020 and running throughout the remainder of Fiscal Year 2020, most on-premises licensees were closed, partially closed, or had limited seating capacity. The pandemic also resulted in supply chain challenges and the beer market experienced significant disruptions. Below are several factors the industry faced.

#### **Draft Beer - West Virginia and Nationally**

When on-premises licensees were forced to close their doors, brewers, distributors and retailers around the U.S. were left grappling with what do to with the untapped kegs of draft beer. The U.S. marketplace has almost 400,000 licensed on-premise establishments, including bars, taverns, restaurants, night clubs, hotels and concessioners. Draft beer sold into these accounts represents ten percent of all beer volumes in the marketplace. Removing out-of-date draft beer from these establishments and replacing it with fresh draft beer will continue to be a logistical challenge. The ongoing loss of business at bars, taverns, restaurants and stadium venues, especially during peak seasons continues to decimate traditional on-premise beer sales, particularly of draft beer. As of June, the total beer industry is down 2.5 percent nationally on volumes for the year despite strong off-premise sales.



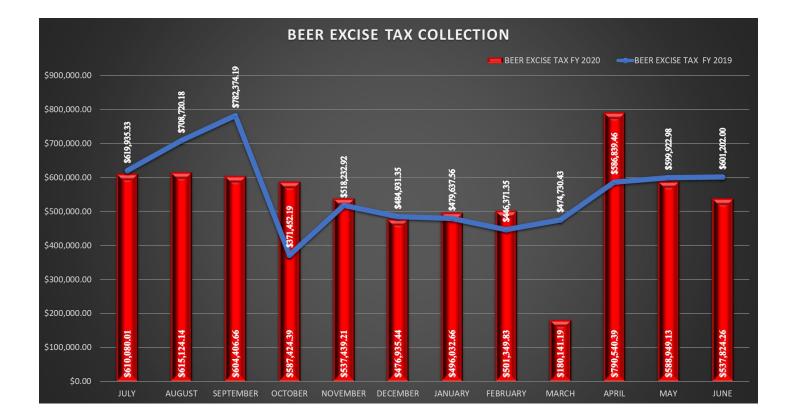
#### Off-premise beer sales are up

Nationwide, nearly all of the 400,000 on-premises (bars and restaurants) venues were negatively impacted. This contributed to the nearly 240,000 off-premises grocery, convenience and liquor store establishments which remained open for beer consumers and experienced a surge in sales. In most cases, these retailers were considered essential businesses as they sold other commodities. Nationally, sales data for mid-2020 indicates a 12 percent (12%) increase in volume and an impressive increase on dollar sales.

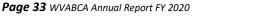
#### Higher demand for cans

Since the sale of alcohol in restaurants and bars has shifted to alcohol to-go, there is a higher demand for packaged beer sold at off-premises locations. In West Virginia, Resident Brewers are shifting their operations from kegging to more package beer to meet the demand of off-premises consumption. Beverages such as soft drinks and other non-alcoholic drinks share in the demand of aluminum cans. All of these factors have created a shortage of aluminum cans for many brewers.

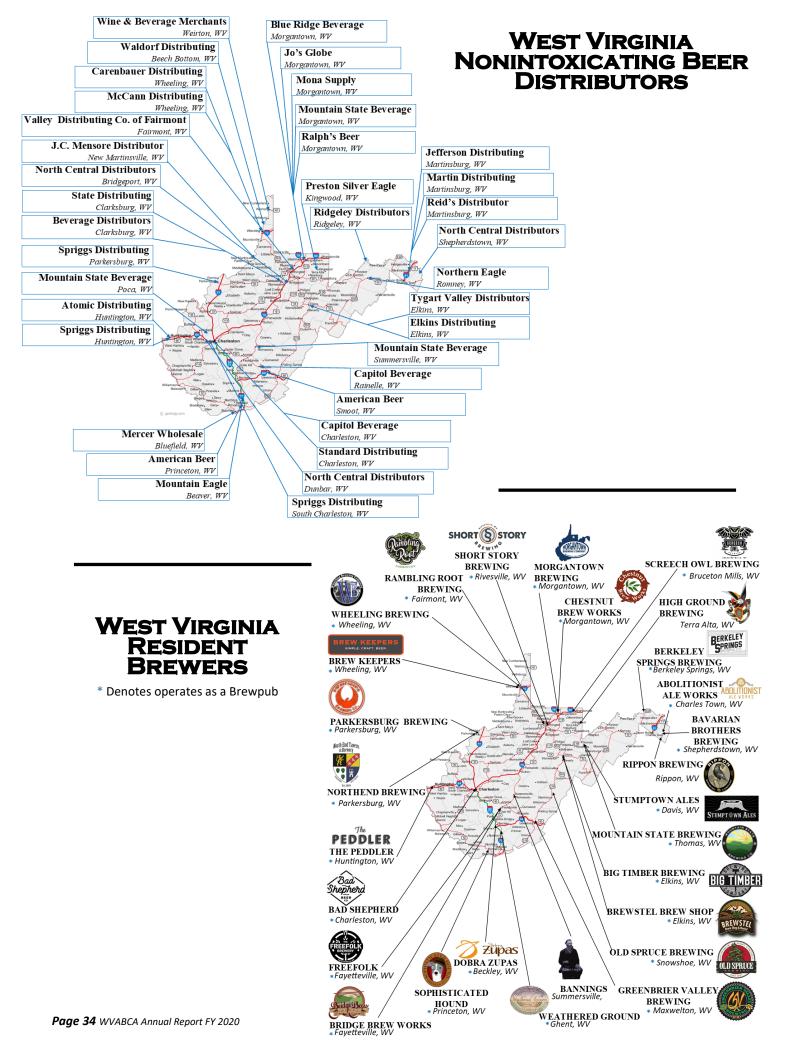
Before the March COVID-19 disruption, cans had already been making strong gains on glass bottles. In 2019, the can package share of total sales nationally reached 60 percent (60%) of volume with glass bottles at 30 percent (30%) and draft at 10 percent (10%). With draft beer out of the marketplace for most of the Spring and summer of 2020, package can share rose to 67 percent (67%) and bottle package share rose to 33 percent (33%) of total volume. Draft beer is showing growth but numbers are not comparable to previous years with continued restrictions and fear of COVID-19.

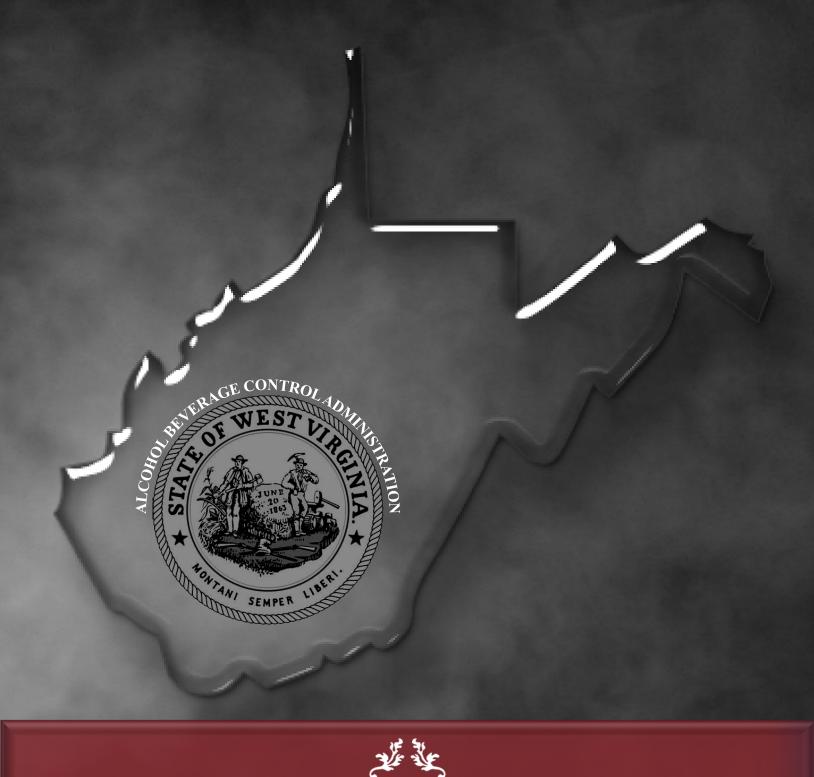


Source: "COVID-19's Impact on the Beer Industry." NBWA, 3 Sept. 2020, www.nbwa.org/news/covid-19%E2%80%99s-impact-beer-industry.











### Duties and Responsibilities

The mission of the WVABCA Enforcement Division is to ensure adherence to W.Va. State Code and Rules. The enforcement staff live and work in the communities they serve and are committed to enforcing state laws pertaining to the sale, purchase, transportation, manufacture, consumption, and possession of alcoholic beverages. The duties performed (see illustration below) are crucial to protecting the public, patrons, and licensees.

Licensed locations are visited a minimum of two times per year. In addition, agents disseminate educational materiel such as our in-house carding video, Blood Alcohol Content (BAC) chart, Fetal Alcohol Syndrome (FASD) poster and the Human Trafficking poster.

Initial Inspection •Performs initial inspections for new applicants •Special Events •Revised Floor Plans	Background Checks <ul> <li>To identify criminal history of applicant</li> <li>To ensure applicant is of good moral character</li> </ul>	Inspections • Performs inspections of Class A and Class B licensed establishments to ensure compliance with rules and regulations
Responding to Complaints <ul> <li>Allegations received from an individual, group, or entity</li> <li>Allegations received from law enforcement</li> </ul>	<b>Compliance Checks</b> •Underage Alcohol Compliance Checks are conducted to help protect the underage public and the public at large	Walk-throughs •Walk-throughs are a technique carried-out to combat illegal underage drinking and identify other compliance issues
Compliance Sweeps •Working together with other law enforcement agencies to perform compliance sweeps	Investigations •Hidden ownership •Complaints •Trade Practices •Underage and Overserving •Source (DUII Death)	Undercover Details •Undercover operations are conducted to help protect the public by ensuring establishments are following rules and procedures

### <u>Training</u>

The Enforcement Division conducts regional trainings throughout the year to keep up-to-date with safety issues, administrative laws, policies, and industry trends. In addition, training for the entire division was held in August 2019 at Chief Logan State Park. Training topics were; Driver Safety, Outlaw Motorcycle Gangs, and Sales to Intoxicated Patrons. Agents across the state also learned investigation techniques for; Place of Last Drink, Undercover Operations, and Hidden Ownership. Updates were also provided by the U.S. Attorney's Office Southern District of West Virginia and the Fusion Center. WVABCA specific topics covered; Underage Drinking Forms, Human Resource Issues, Legal and Licensing Legislation (SB 511, SB 529, SB 561 and HB 2481.

Grant funding from the Governor's Highway Safety Program offset some of the training costs. Special guest trainers from the National Liquor Law Enforcement Association (NLLEA) were also on hand.



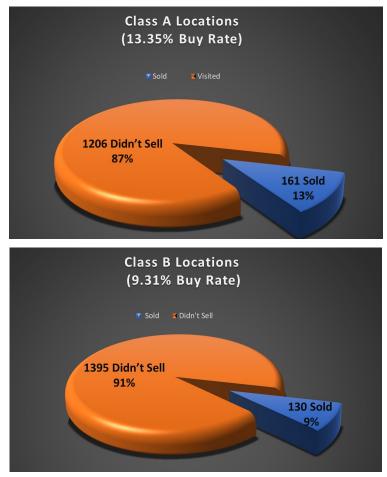
## Enforcement - continued

### **Compliance Checks**

Compliance checks are a valuable tool to address underage access to alcohol. The WVABCA works with the West Virginia State Police, county sheriff's and city police departments across the state to conduct these operations. The charts to the right illustrate the total number of compliance checks conducted in Fiscal Year 2020 at Class A On Premises licensees (Private Clubs, Restaurants, and Taverns) and Class B Off Premises Licensees (Carry Outs, Grocery Stores, and Retail Liquor Outlets)

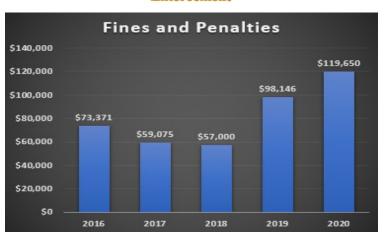
Enforcement activities and administrative actions have contributed to reducing underage access to alcohol. Continued grant funding from the Governor's Highway Safety Program and the Commissioner on Drunk Driving Prevention (CDDP) has enabled the WVABCA to conduct additional compliance checks. In Fiscal Year 2020 the WVABCA conducted 1,367 compliance checks at Class A On Premises locations and 1,525 at Class B Off Premises locations, the buy rate was 13.35% and 9.31% respectively (see chart). Compliance has improved in Fiscal Year 2020 as compared to Fiscal Year 2019. Last year the buy-rate for Class A license was 13.35% and Class B licenses was 16.01%.

The WVABCA Commissioner has the authority and responsibility to impose sanctions to achieve compliance. Sanctions may be a written warning, license operating restriction, momentary penalties, probation, suspension, or revocation. Licensees deemed to be a threat to public safety are subject to immediate suspension pending further investigation.



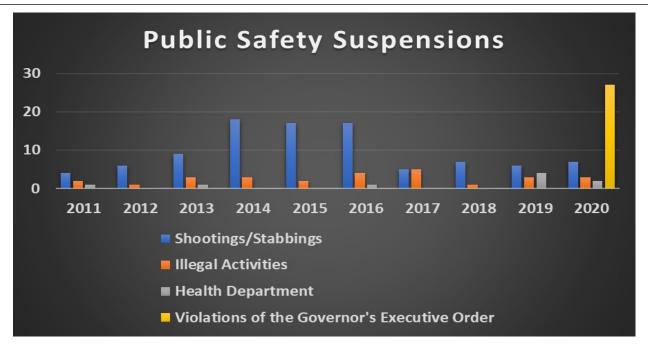
The buy-rate is a percentage that indicates the total number of licensees that received a compliance check divided by the total number of licenses that did not pass a compliance check. This enforcement method is designed to monitor and prevent underage alcohol sales and enforce W.Va. State Code.







## Enforcement - continued



Note: Previously, suspensions attributed to county health departments were the result of a suspended health permit due to violations such as food safety, well water or indoor clean air. In Fiscal Year 2020, the graph above illustrates suspensions due to violations of the Governor's Executive Orders or WVABCA Advisories. When action was taken by a health departments related to public safety during the COVID-19 pandemic.



#### COVID-19

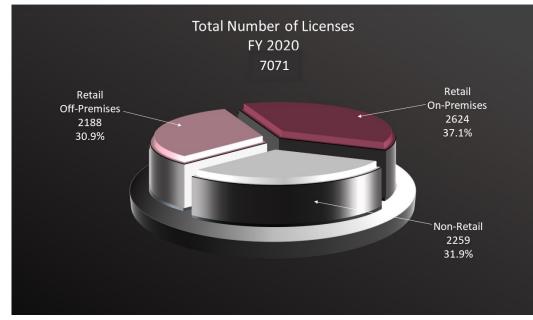
The COVID-19 pandemic impacted many functions of the WVABCA Enforcement Division. The State of Emergency Declaration initially closed most Class A licensed establishments and later instituted many temporary measures designed to protect the public while allowing businesses to continue operation (curbside service, home delivery, limited & temporary outside dining, reduced seating capacity). These measures created the need for the Enforcement Agents working in the field to broaden the scope of their normal duties by shifting to multifaceted inspections, not only enforcing W. Va. Code and Rules but also enforcing the *Governor's Executive Orders, WVABCA Advisories*, and the *West Virginia Strong – The Comeback.* The Enforcement Agents worked with county health departments and made many additional visits to the licensee's and made every effort to educate and encourage compliance of these orders and advisories and in some instances were met with resistance and occasionally a blatant refusal to comply. Some licensees were temporarily suspended until a plan of compliance and adherence could be furnished. The Enforcement Agent's were additionally responsible for ensuring these plans were kept in place as well as investigating the influx of complaints made by local authorities, the general public and other licensees.



## Licensing Division

The WVABCA Licensing Division is responsible for ensuring applicants comply with West Virginia law pertaining to the issuance and maintenance of licenses, encompassing all aspects of handling, serving, and sales of alcoholic beverages. The West Virginia State Code and Rules permit licenses to be issued under specific guidelines and require direct oversight to ensure the safety of customers, businesses and most importantly, the general public.

The majority of retail licenses issued in West Virginia are grouped into three types; Class A On-Premises (bars, restaurants, taverns), Class B Off-Premises (carry-outs, grocery stores), and Non-Retail (industry reps, transportation, brewers, wine suppliers). As illustrated in the graph below, 7,071 licenses were issued in Fiscal Year 2020.



### Our Staff

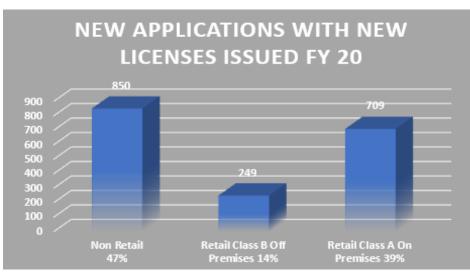
The WVABCA Licensing Division is committed to providing fast, accurate, and courteous service while ensuring fair and equitable treatment of all applicants.

The WVABCA licenses are processed by a team comprised of five full-time employees.

These licenses span twenty-three distinct categories with their own sets of compliance regulations. The majority of license categories are available on the WVABCA website.

### **Issued Licenses**

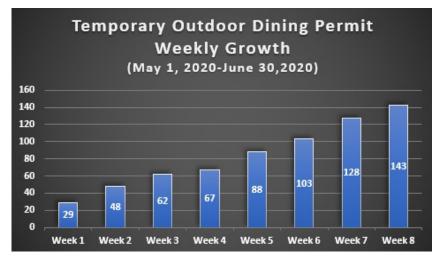
In Fiscal Year 2020 there were 2,869 new licenses issued, as is illustrated in the graph below. (see COVID-19 remarks on next page). In addition, the WVABCA issued 5,696 renewals for a total of 7,504 active licenses.





## Licensing Division - continued

In March, the annual renewal period for nearly every license category starts and renewal packets are mailed to over 5,000 licensees. The WVABCA works with licensees and processes renewals to and through the expiration date, which is June 30. COVID-19 impacted the license renewal process in-turn causing the WVABCA to alter many of its internal procedures. For instance: receiving and processing mail; employees working from home or remote sites; technology upgrades and new requirements; re-routing the public's inquires; conference and video call interaction with other governmental agencies; issuance of the 2020-2021 licenses; and the delay of renewal fee requirements. While the license renewal period occurred during the beginning of the *State of Emergency*, it should be noted the WVABCA was processing both new licenses for the 2019-2020 license period and renewals for the 2020-2021 license period. The full-impact of COVID-19 on licensee's will not be determined until next year's Annual Report (FY21).



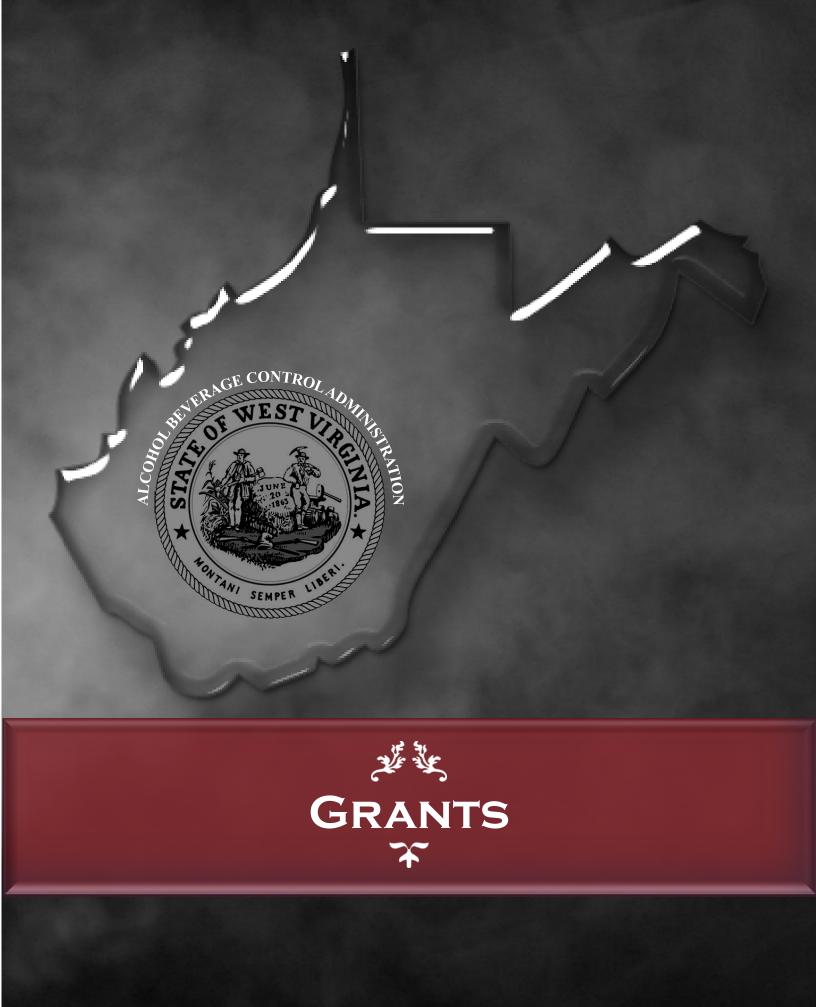
In addition, Governor Justice's *State of Emergency Declaration* allowed for the temporary suspension of rules and special allowances for licensees. Curbside pickup and home delivery of food with sealed beer and wine, and 30-day floor plan extensions for outdoor dining and outdoor street dining created a major influx of applications during a time when the WVABCA was already very busy with license renewals. Other guidelines and

protocols include seating capacity limitations, both inside and outside of the licensee's licensed premises; entertainment requirements; and other public safety guidelines issued by the State and county health departments. All the executive orders. Guides, guidelines, protocols, and information created the need for the WVABCA to issue numerous licensee advisories which were updated and revised often and generated more interaction with the public and licensees via the phone, email, and mail.



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Monongalia County Advisory (8th Revision) - 10/13/20
Limited Outdoor Dining Area Advisory (5th Revision) - 10/12/20
Limited Outdoor Dining Area Application (3rd Revision) - 10/6/20
Monongalia County Advisory (7th Revision) - 9/2/20
Monongalia County Advisory (6th Revision) - 8/31/20
Monongalia County Advisory (5th Revision) - 8/20/20
Monongalia County Advisory (4th Revision) - 8/13/20
Monongalia County Advisory (3rd Revision) - 8/3/20
Limited Outdoor Dining Area Advisory (3rd Revision) - 7/27/20
Indoor Dining Restaurant and Bar Limited Entertainment Advisory (4th Revision) - 7/24/20
Limited Outdoor Dining Area Application (2nd Revision) - 7/24/20
Monongalia County Advisory (2nd Revision) - 7/24/20
Monongalia County Advisory - 7/14/20
Indoor Dining Restaurant and Bar Limited Entertainment Advisory (3rd Revision) - 7/14/20
Limited Outdoor Dining Area Advisory (2nd Revision) - 6/16/20
Indoor Dining Restaurant and Bar Limited Entertainment Advisory (2nd Revision) - 6/16/20
Indoor Dining Restaurant and Bar Limited Entertainment Advisory - 5/29/20
Limited Outdoor Dining Area Advisory - 5/21/20
Limited Outdoor Dining Area Application- 5/21/20
Indoor Dining Area Advisory - 5/18/20
Limited Home Delivery Advisory - 4/2/20
License Renewal Advisory - 4/1/20
Retail Liquor Outlet Advisory - 3/27/20
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WVABCA



## Grants



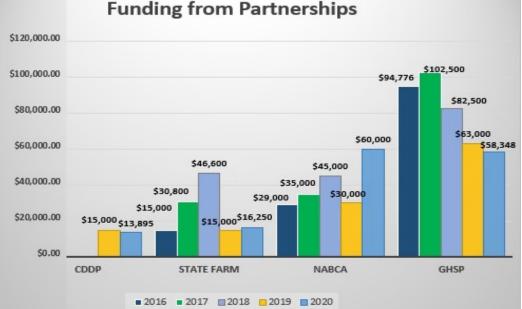
In Fiscal Year 2020, the WVABCA received a total of \$153,463 in grant funding. The National Alcohol Beverage Control Association (NABCA) provided \$60,000 in funding with a \$10,000 educational award and \$50,000 supplemental award. NABCA funding supports the DUI Simulator, NO School Spirits PSA contest, and other educational and training initiatives. These awards reflect both money received and a pending award.

The West Virginia Governor's Highway Safety Program (GHSP) receives funding from the National Highway Traffic Safety Administration and provided the WVABCA with \$58,348 to support educational programs, conduct enforcement compliance checks and training. A \$16,250 grant from State Farm<sup>®</sup> funds the DUI Simulator and NO School Spirits PSA contest. Two grants totaling 13,895 from the

Commission on Drunk Driving Prevention (CDDP) fund enforcement underage compliance checks.

The WVABCA received a grant for \$4,970 from the WV Division of Justice and Community Service to support a new alcohol educational program (Myers Manual) for students across the state (not illustrated below).

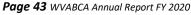
The COVID-19 pandemic has seriously impacted grant funded programs (see educational and enforcement tabs. Will also impact the FY21 Annual Report).



#### Activities Grant Funding



VABCA







## Education

## **DUI Simulator**



The WVABCA DUI Simulator program was launched in November 2010. The program travels the state visiting high schools, institutions of higher learning and other venues to educate our youth about the harmful effects of drinking

and distractive driving. The program provides youth with the opportunity to experience various driving conditions, hazards and scenarios while safely operating a simulation system. The program mimics the difficulties drivers would encounter at various blood alcohol content (BAC) levels. By engaging the youth in this interactive manner, the WVABCA can provide valuable tools to combat underage drinking and distractive driving. The DUI Simulator program also includes a classroom lecture and collects relevant statistical data such as the students alcohol use, perceived use of their peers, and general knowledge of alcohol and its impact on the body. The survey also collects ancillary information such as the students drinking habits, texting and seatbelt usage in order to aid in prevention programming.





On June 10, 2019, the WVABCA commissioned a new simulator to replace the simulator and trailer purchased in 2010. The simulator has state of the art graphics and the seat has motion to help create a more realistic experience. This program is a fantastic tool to use to educate participants concerning the risks associated with drunk driving. The simulator is in very high demand with multiple events scheduled

weekly. There has been positive feedback from educators, law enforcement, students, and the general public. Several comments have been made by students that they, "will never drink and drive". There has been extensive media coverage of simulator events that have all been very positive.

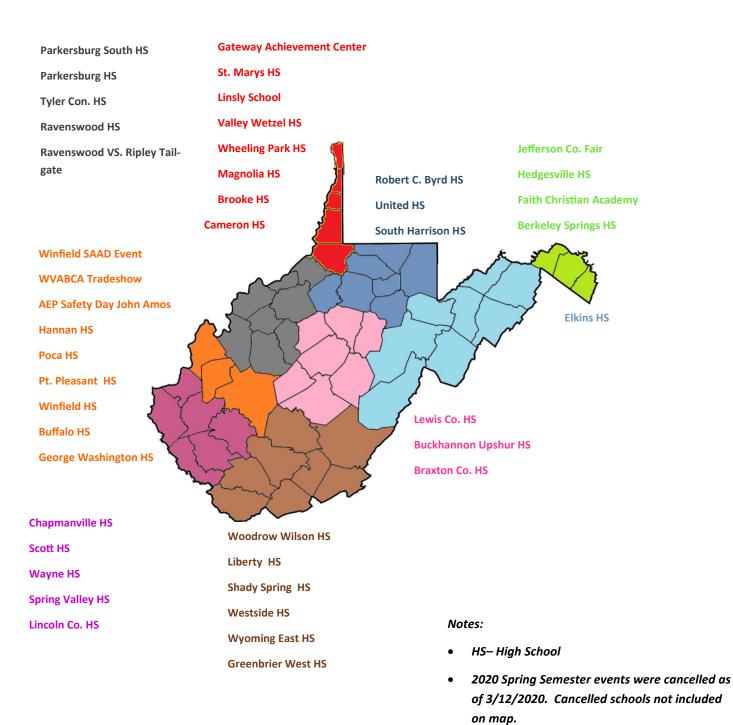
Student participation during the 2019-2020 school year increased our program total to 61,262 students. Unfortunately, due to the COVID-19 pandemic the DUI Simulator was unable to compete the tour schedule already in place for March, April, May and June of 2020.





## DUI Simulator Site Visits Fall 2019 and Spring 2020

(Events cancelled due to COVID-19 not included)





## Education - continued

### **NO School Spirits PSA Contest**

The NO School Spirits PSA contest seeks video entries that address the dangers of underage drinking or drinking and driving. The contest is open to high school and middle school students who attend a public or private school in West Virginia. Students compete for \$10,000 in prize money. Winners must use the prize money for a school sanctioned event and/or school equipment. The program is sponsored by State Farm <sup>®</sup>, National Alcohol Beverage Control Administration, Foundation for Advancing Alcohol Responsibility, and the Governor's Highway Safety Program.

The 2019-2020 academic school year marked the 7<sup>th</sup> year for the PSA contest. The WVABCA received a record breaking 55 video entries from over 400 students attending 38 schools. Due to the overwhelming popularity of the program and the high quality of entries received, the WVABCA expanded the prize categories to include fourth and fifth places. Additionally, this year the Foundation for Advancing Alcohol Responsibility purchased 15 Apple AirPod Pros (\$5,000) to award to the first-place winning students.



#### **First Place Winners**



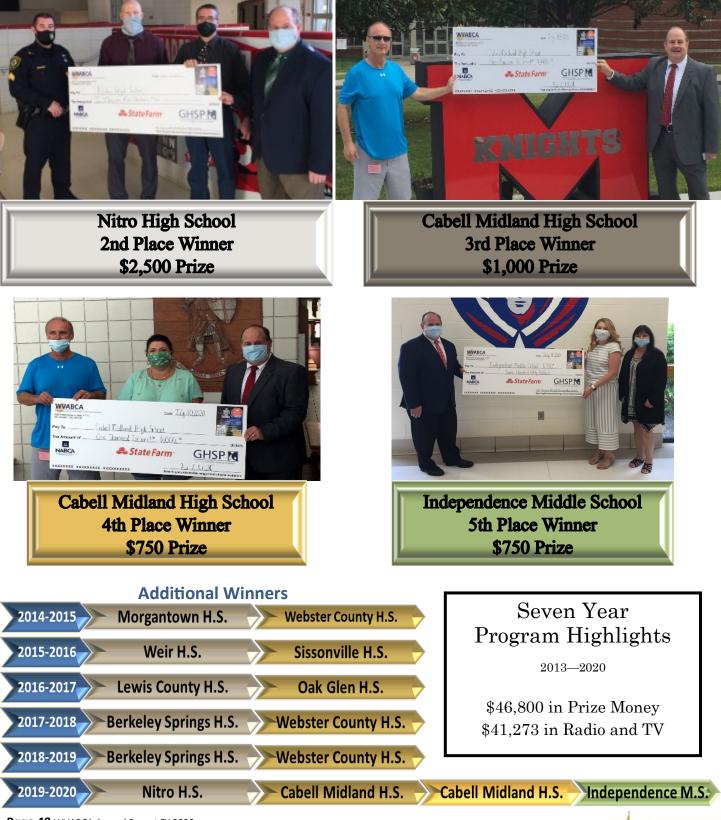
The winning entry was developed into a PSA that was aired across the state during prom and graduation season. A \$12,000 media buy yielded a \$106,242 *Return on Investment* accounting for 7,344 media placements on television and radio stations.

Certificates of Recognition from West Virginia Gov. Jim Justice were also awarded to every participant.



## Education - continued

This year, both a middle school and private school placed for first time . Unfortunately, the NO School Spirits PSA program was negatively impacted by the *COVID-19 pandemic*. While the entry solicitation, contest deadline, judging, and PSA development occurred prior to the pandemic. The large public awards ceremonies for the winning schools that were planned for April had to be rescheduled several times. The WVABCA was ultimately forced to abandon these large events and hold smaller private award presentations.



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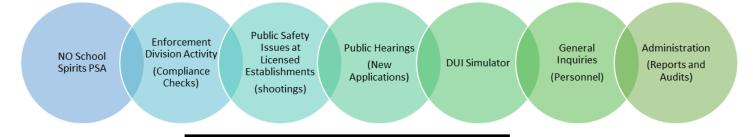
## ジェン Public Information/Media ン

## Public Information/Media

The WVABCA interacts with the public across every department. By providing factual, relevant and current information regarding the duties of the WVABCA as it relates to W.Va. State Code and Rules and addressing other factors of the alcohol industry, we can fulfill our mission and better serve the public.

We coordinate, collect and distribute information to individuals and businesses within the private sector. The WVABCA works with units of governments on a local, county, state and federal level.

The media is interested in a variety of topics and activities at the WVABCA. The most common areas of media coverage can by categorized into the following groups:



## She Harald-Dispatch.com

## Cabell Midland students win statewide anti-underage drinking PSA contest

ONA — With a hard stance against underage drinking and driving and advanced media tools at their fingertips, six Cabell Midland High School students placed in the statewide West Virginia Alcohol Beverage Control Administration's seventh annual "NO School Spirits" PSA contest, winning nearly \$2,000 for their submissions.





### Two Raleigh County Schools win NO School Spirits PSA contest

Charleston, W.Va. – Nearly 400 students in 38 high schools and middle schools from across the state submitted 55 video entries for the West Virginia Alcohol Beverage Control Administration's (WVABCA) 7th Annual NO School Spirits PSA (Public Service Announcement) contest.

The number of entries received and schools participating nearly doubled over last year's contest. WVABCA Commissioner Fred Wooton said, "Clearly the program is successfully serving a great need and public interest continues to grow.

## Point Pleasant Register

### DUI simulator promotes safety, awareness

TOP STORIES

Educating young drivers



## DUI simulator teaches students the dangers of drunk driving

The simulator gave four real-life scenarios for students to experience the impact of drunk driving.



#### West Virginia allows beer, wine home deliveries during coronavirus outbreak

Alcohol, Beverage Control Administration commissioner Frederic Wooton says licensed restaurants and bars can ship beer and wine as long as they accompany take-out food orders.



## Public Information/Media - continued



1 dead, 2 injured in shooting behind Martinsburg Moose Lodge



SERVING NORTH-CENTRAL WEST VIRGINIA SINCE 1864

## One man shot following bar argument, police say



# UPDATE: Authorities investigating Parkersburg bar fight



# Bridgeport business owner charged for serving alcohol to customers inside, violating governor's order

According to the Bridgeport Police Department, on April 17, a representative with the office of Alcohol Beverage Control responded to citizen complaints that Main Street Station in Bridgeport had been serving alcohol to customers in the store.

## MetroNews

Huntington bar surrenders liquor license following fatal shooting



Telling West Virginia's Story

Citing Pandemic, Monongalia County Restricts Liquor Sales To In-State Residents



#### Clerks, bartenders cited at 14 Putnam establishments in underage alcohol sting

Deputies and the West Virginia Alcohol Beverage Control Administration conducted underage compliance checks Thursday at businesses in Putnam County, a news release from the sheriff's office said.

### The Weirton Daily Times

### Bar license suspended for violating order

FOLLANSBEE — The West Virginia Alcohol Beverage Control Administration has suspended the liquor license of a local bar, saying customers were being served on the premises, a violation of a statewide order aimed at reducing the spread of the COVID-19 coronavirus.



RALEIGH COUNTY

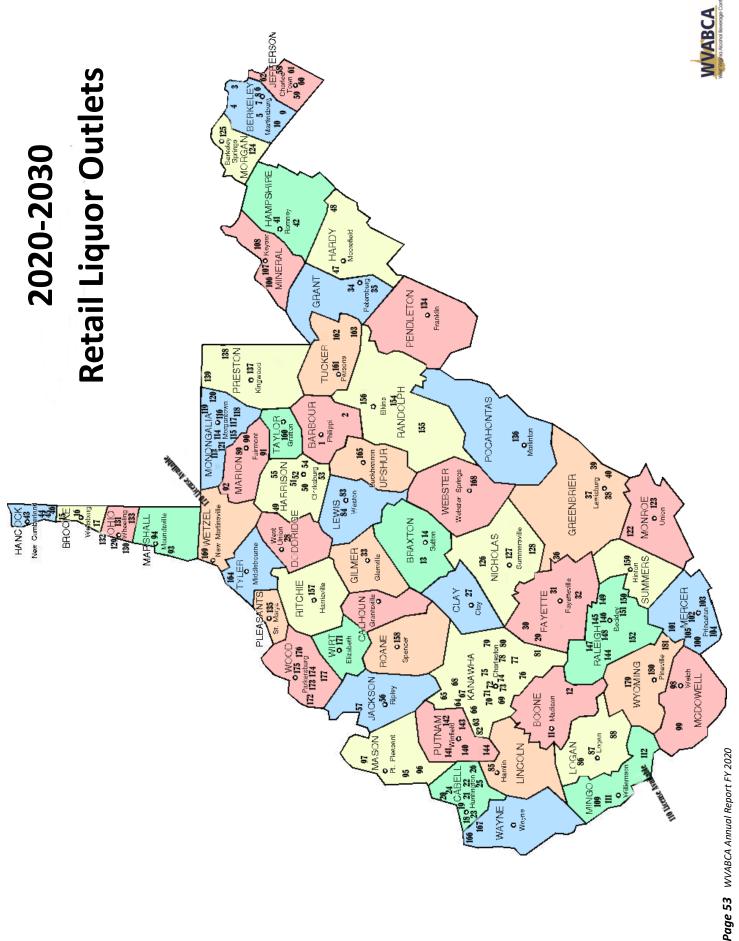
UPDATE: Man indicted in Mad Hatter murder



<ul> <li>Putnam County         <ul> <li>J40. 538-CVS Pharmacy #7.124, Hurricane</li></ul></li></ul>	181. 664 <i>-7-</i> 11 #35920H, Oceana
<ul> <li>Marshall County</li> <li>93. 429-Walgreens 13305, Berwood</li> <li>94. 504-CVS Pharmacy #6277, Moundsville</li> <li>95. 503-Simoker Friendly #38, Point Pleasant</li> <li>95. 605-Simoker Friendly #38, Point Pleasant</li> <li>95. 655-Simoker Mice dba American Spirits</li> <li>95. 525-Siersteave Nice dba American Spirits</li> <li>96. 530-Wald Beverages, Bluewell</li> <li>101. 503-580 Beverages, Bluewell</li> <li>102. 548-680 Beverages, Bluewell</li> <li>102. 548-680 Beverages, Bluewell</li> <li>103. 535-The Liquor S &amp; More #1, Princeton</li> <li>103. 535-The Liquor S &amp; More #1, princeton</li> <li>103. 535-The Liquor S &amp; More #2, Princeton</li> <li>103. 535-The Liquor S fore, Fisher All Princeton</li> <li>103. 535-The Liquor S fore, Fisher All Princeton</li> <li>103. 535-The Liquor S fore, Princeton</li> <li>104. 473-LiBS ADA Souwents, Gilbert</li> <li>111. 539-H&amp;H Spirits, Williamson</li> <li>112. 539-H&amp;H Spirits, Williamson</li> <li>113. 371-BFS #26, Morgantown</li> <li>113. 371-BFS #26, Morgantown</li> <li>113. 371-BFS #38, Morgantown</li> <li>113. 371-BFS #38, Morgantown</li> <li>113. 371-BFS #38, Morgantown</li> <li>113. 371-BFS #38, Morgantown</li> <li>113. 471-BFS #38, Morgantown</li> <li>113. 471-BFS #38</li></ul>	135. 479-liquors & More #3, Marlinton Preston County 137. 436-Valgreen 19666, Kingwood 138. 475-BFS #10, Bruceton Mills 139. 659-Par Mar dba J&J's Mountaineer Mart, Terra Alta
<ul> <li>Hancok County         <ul> <li>43. 47)-Tin-state Discount Liquor, Chester</li></ul></li></ul>	91. 610-South Fairmont Shop N Save, Fairmont 92. 428-Walgreens 18959, Mannington
<ul> <li>Barbour County         <ul> <li>5.93-Heilington Shop N Save, Belington</li> <li>5.93-Heilington Shop N Save, Belington</li> <li>5.93-F11 #10670, Martinsburg                 <ul> <li>5.623-F11 #23306, Hardissville</li> <li>5.623-F11 #23306, Martinsburg                     <li>5.623-F11 #23306, Martinsburg                     <li>5.623-F11 #23306, Martinsburg                     <li>5.623-F11 #23306, Martinsburg                        <li>5.623-F11 #23306, Martinsburg                                </li></li></li></li></li></ul></li></ul></li></ul>	

2020-2030 Retail Liquor Outlets







900 PENNSYLVANIA AVE., 4TH FLOOR CHARLESTON, WV 25302

304-356-5500 1-800-642-8208 (Toll free within west Virginia)

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