

WEST VIRGINIA  
**ALCOHOL  
BEVERAGE  
CONTROL**  
ADMINISTRATION



2018  
FISCAL YEAR  
ANNUAL REPORT

## OUR MISSION

*The 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

*The 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 28, 2018

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

Re: WVABCA 2018 Fiscal Year Annual Report

Dear Governor Justice:

The West Virginia Alcohol Beverage Control Administration is pleased to submit the Annual Report for Fiscal Year 2018, in compliance with W.Va. Code §60-2-11(9).

Sincerely,

Fredric L. Wooton  
Commissioner

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

FLW/lhp



## *Message from Fredric L. Wooton, Commissioner*

It is my pleasure to provide the West Virginia Alcohol Beverage Control Administration (WVABCA) *Fiscal Year 2018 Annual Report*. Since my appointment, as Commissioner, on February 18, 2017 by Governor Jim Justice, I can report that the WVABCA continues to generate revenue for the state while endeavoring to protect the public, especially our youth from the illegal use of alcohol.

Working across the spirits, wine and non-intoxicating beer industries, the WVABCA strives to have licensing and enforcement implemented in an equitable and consistent manner. The emergence of new West Virginia products such as craft beer, craft spirits and farm wines are a driving force of change. In support of the tourism industry, the WVABCA is assisting businesses and communities who provide alcohol at special events such as fairs, festivals and themed special occasions and also those wishing to pass Sunday brunch sales.

New jobs, new opportunities and new revenue growth is occurring due to growing consumer demands in the marketplace. In West Virginia, we have nearly 5,000 on and off premises retail licenses and 1,500 non-retail licenses. Beyond the annual renewal of these licenses, we are seeing a growth in new concept venues, cooperate buyouts and mergers.

The WVABCA is committed to ensuring the sale, manufacture, distribution and consumption of distilled spirits, wine and beer in a safe and legal manner. For adults who can legally consume alcohol, it is vital to know that the WVABCA regulates the manufacture and wholesaler tiers. Further, the WVABCA monitors and controls the distribution and sale in order to achieve compliance with the laws, ensure safe products are sold and protect communities and families while promoting a diverse and vibrant alcohol economy.

In closing, progress and operational efficiencies are taking place across every department at the WVABCA.

### **2018 Highlights and Accomplishments**

Key programs and highlights include:

- Contributed \$23,639,044.00 to the State General Revenue Fund.
- Increased bailment revenue by over 4.3 M.

- With the passage of new legislation in 2017, the WVABCA (in 2018) assisted major West Virginia tourist destinations with obtaining the new Resort License.
- Robust portfolio of products with 2,605 active product codes and 1,227 special order codes as of (Dec. 2018).
- Created and implemented a beer pricing portal for WV Beer Distributors to enter pricing changes.
- Held the 5<sup>th</sup> annual NO School Spirits PSA contest and program. A record 211 high school students from 16 schools submitted essays and/or videos addressing the dangers of underage drinking. The grant funded program distributed \$8,500.00 to four winning schools. The \$10,000.00 grant funded media buy received a return on investment (ROI) of \$172,925.00 in earned public service media with 9,882 spots aired during the prom and graduation season.
- WVABCA's DUI Simulator program reached 7,338 students in FY 2018, with the total program reaching 49,061 students since November 2010.
- A pilot program with new technology to detect fake ID's was initiated in 2017. The new technology called Intellicheck Age ID App was rolled out in 2018. The Enforcement Division worked with law enforcement agencies across the state during compliance checks. Over 2,249 ID's were scanned and 349 were detected as fake, altered or borrowed.
- Finalized and kicked off the Myers Manual at the statewide Prevention Resource Officer (PRO) Conference in July 2018. Nearly 100 police officers will now have a new tool to teach middle and high school students about alcohol poisoning.
- Obtained grant funding from State Farm and the National Alcohol Beverage Control Association to purchase and replace the DUI Simulator. Grant founding will also be used to purchase a desktop mobile DUI Simulator and continue the NO School Spirits PSA contest and program.
- Realignment of the enforcement regions.

### **2019 and Beyond.....**

- Initiate and complete the license rebid process for retail liquor outlet stores.
- Purchase, design and roll-out the new DUI Simulator.
- Update Retail License categories and implement legislative changes to add license options.



**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

### Human Resources

Lisa Wensil, Manager

### Information Services

Randy Haynes, Manager

### Legal

Anoop Bhasin, General Counsel

### Licensing

Ann Hull, Supervisor

### Licensing & Education

Shawn Smith, Manager

### Nonintoxicating Beer

Cindy Clark, Beer Administrator

### Public Information/Media

Gary "Gig" Robinson, Specialist

### Spirits & Wine

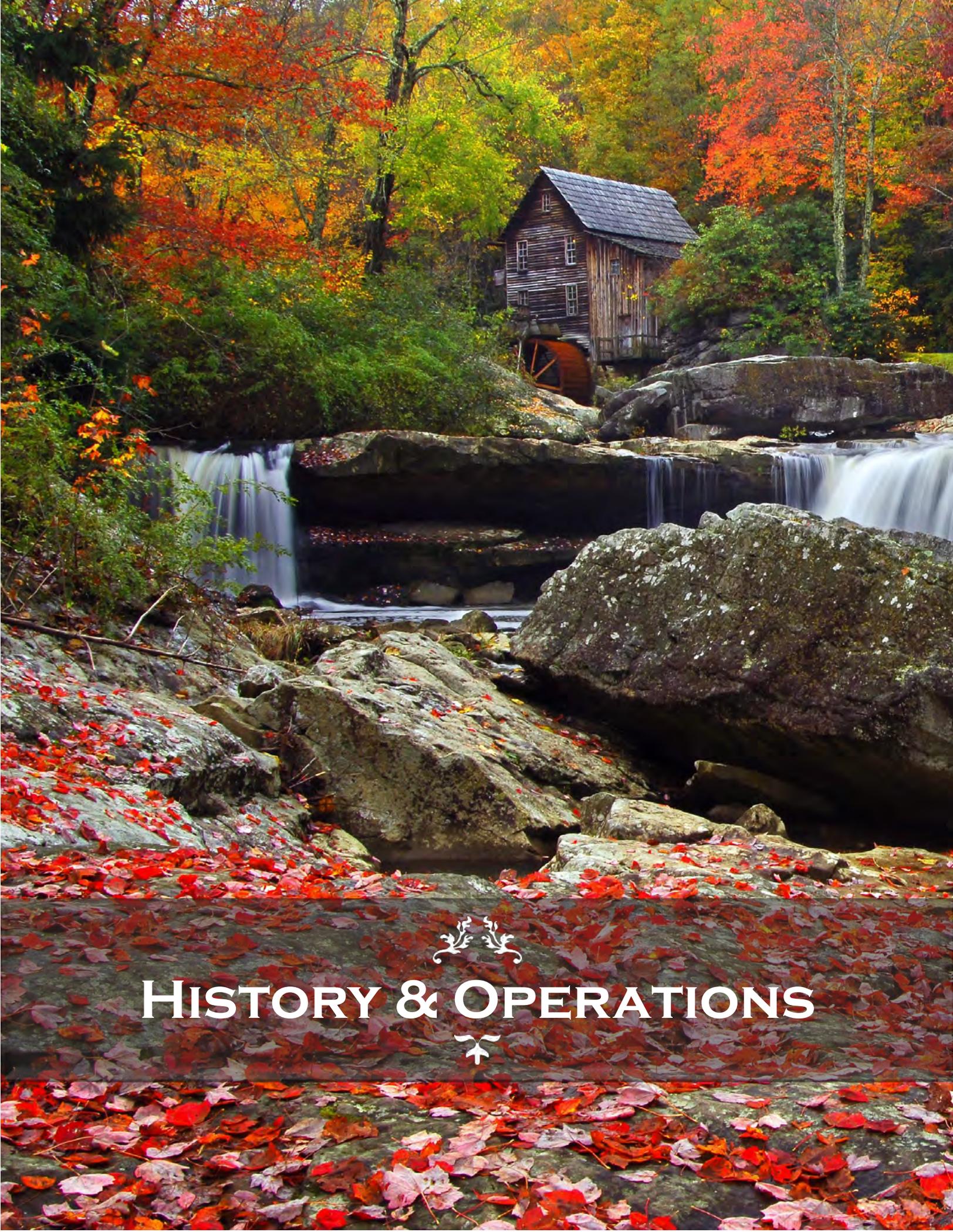
Kim Hayes, Wine & Spirits Administrator

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# HISTORY & OPERATIONS



# History & Operations

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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 Prohibition, 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 was a stand-alone independent agency until it merged with the West Virginia Alcohol Beverage Control 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 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 2009, HB 105 passed and created fundamental changes to the Retail Liquor License Bid process by creating Class A free-standing 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 (see Election Day change in 2011).

Class A Retail Licenses are required to be a freestanding liquor retail outlet and sell only liquor, wine, beer, tobacco-related products, and alcohol-related products. Class B Retail Licenses may sell non-alcohol related products, along with liquor, wine and beer.

# History & Operations - *continued*

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Results from the various License Rebids:

**1990** - Bid Revenue - Total - \$15,300,000

**2000** - Bid Revenue - Total - \$22,395,695 \*includes subsequent rounds of bidding and later bidding of retail outlets

Total # of Retail Outlets – 168

**2010** - Bid Revenue - Total - \$38,031,478 \*includes financed amounts, interest and license fee revenue

Total # of Retail Outlets – 178

#### Phase I - Purchase Option Process

46 Retail Outlets chose the Purchase Option and

20 of those chose the Deferred Payment Financing Option

Revenue - \$9,437,977

\* includes financed amounts  
and \$126,240 interest

#### Phase II – License Bidding Process

119 Retail Outlets were awarded in a robust competitive bidding

Revenue - \$26,491,060

#### Phase III – Subsequent License Bidding Process

10 Retail Outlets were awarded

Revenue - \$1,731,480

#### Extended Phase III

1 Retail Outlet was awarded

Revenue - \$119,121

#### Continuation of Extended Phase III

2 Retail Outlets were awarded

Revenue - \$125,600

**2020** - Projected Bid Revenue - Total - \$40,000,000 \*\*

\*\* Based on current W.Va. Code of State Rules 175 CSR 5 §5 and the formula set in the W.Va. Code. The WVABCA estimates the 2020 rebid could generate up to or exceeding the aforementioned revenue.

# History & Operations - *continued*

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In 2011, HB 3100 was passed and made effective on June 10, 2011 which permitted Election Day sales of liquor at retail liquor outlets (off-premises).

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. The bill requires that the events be pre-approved by the WVABCA Commissioner, with certain guidelines.

In 2012, HB 4376 was passed and allows licensed wine sales at certain professional baseball stadiums. The Appalachian Power Park located in Charleston, West Virginia took advantage of this special license and received the wine license in early 2012. In 2015, the Monongalia County Ball Park also took advantage of this wine license for the West Virginia Black Bears baseball team and the West Virginia Mountaineer baseball team.

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

In 2014, HB 3145 was passed and removed the limit of nonintoxicating beer that may be sold to an individual for off-premises consumption by a Class B nonintoxicating beer retailer.

In 2014, SB 172 was passed and allows trusts and limited liability companies to be listed as the owner of a beer distributor.

In 2014, SB 470 was passed and permits only licensed farm wineries and wineries to sell wine and wine samples during fairs or festivals and on Sunday mornings for those events. The samples cannot exceed three ounces. Consumption would be allowed on the premises of these fairs and festivals except from 2 a.m. to 10 a.m. on Sundays.

In 2014, SB 450 was passed and allows for the restricted sale of alcoholic liquors in specific outdoor dining areas. It allows outside areas that are adjoining an establishment with a liquor license to allow consumption outside. This bill also allows the WVABCA Commissioner to issue a special license to allow the sale of wine at NCAA Division I college and university sports stadiums at a cost of \$250 per license. West Virginia University has made extensive use of these licenses.

In 2015, SB 273 was passed and permits licensed brewers and resident brewers to conduct nonintoxicating beer sampling on their brewery premises within the state. It allows resident brewers to sell growlers for off-premises consumption from their brewery premises. The bill also removed the bond requirement for a brewpub license.

In 2015, SB 574 was passed to promote the distilling industry in West Virginia. The bill reduced service charges imposed on mini-distillers from 28% to 5% and eliminated the transportation fee of \$2.30 per case, since no service is provided. Mini-distillers may not sell product below the state minimum price, so retail liquor stores are protected from such distillers underpricing. The Market Zone Fee paid to retailers was also reduced from 10% of gross sales at distillery to 2% of gross sales and capped at a total of \$15,000. Mini- distilleries were allowed to produce 50k gallons per year.

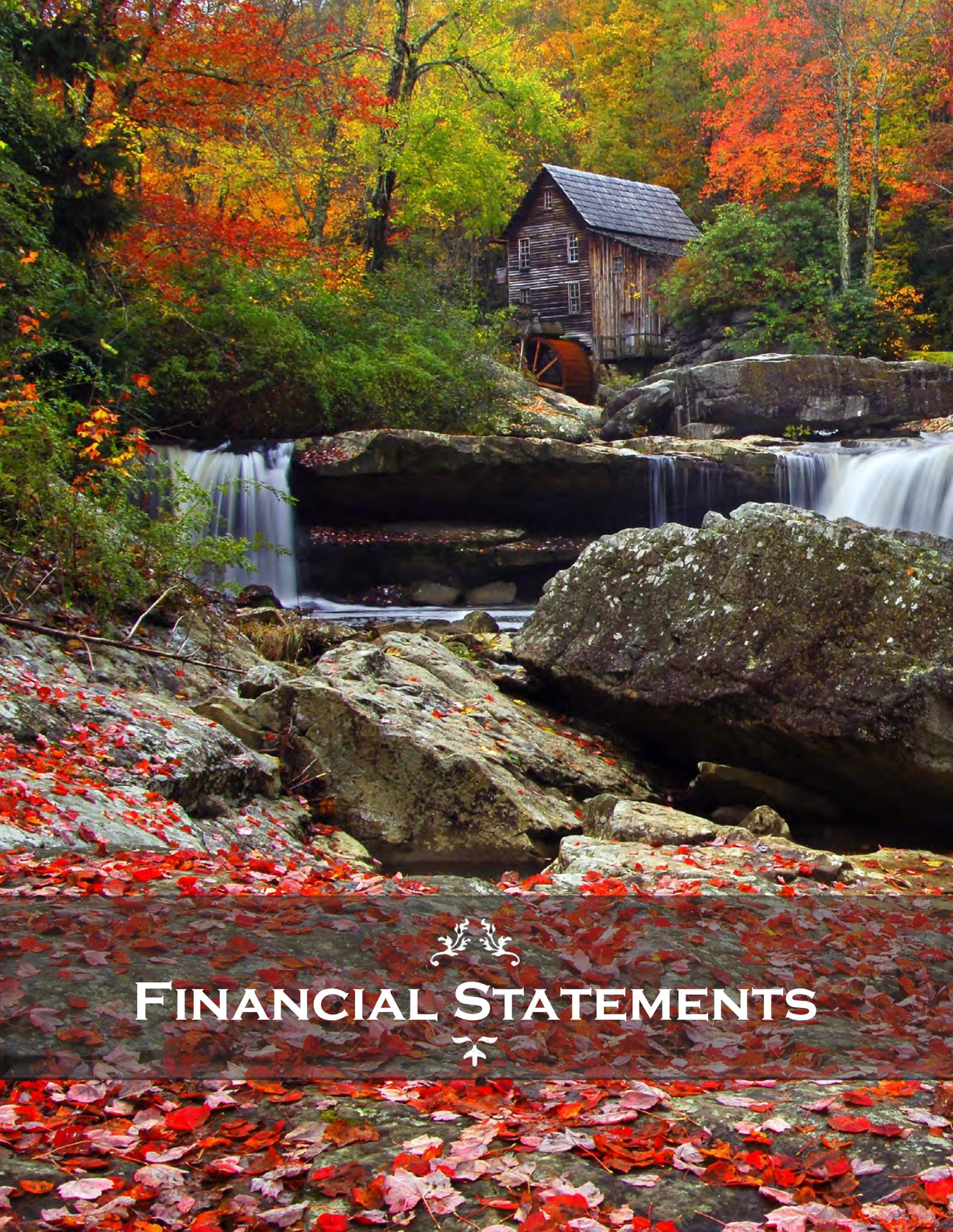
# History & Operations - *continued*

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In 2016, SB 298 was passed to allow 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 nonintoxicating beer as their licenses permit on Sundays, and distilleries and mini-distilleries to offer alcohol beginning at 10:00 am on Sundays for on-premises consumption only. After the November 8, 2016 statewide election, the following counties have approved on-premises 10:00 am Sunday alcohol sales: Berkeley, Cabell, Greenbrier, Harrison, Jefferson, Marion, Marshall, Monongalia, Morgan, Ohio, Pocahontas, Putnam and Tucker. The following home rule cities have also approved on-premises 10:00 am Sunday alcohol sales: Beckley, Bluefield, Bridgeport, Buckhannon, Charleston, Charles Town, Clarksburg, Elkins, Grafton, Lewisburg, Martinsburg, Morgantown, Nitro, Oak Hill, Parkersburg, Ranson, Saint Albans, Shepherdstown, South Charleston, and Wheeling.

Effective May 1, 2017 the WVABCA Commissioner revised the mark-up for spirits from 28% to 32%. The mark-up had not changed in 14 years. In 1990, at the beginning of bailment, the markup was 25% and remained at that level until 2003 (13 years later) when it changed to 28%. The WVABCA receives no excise tax on the production of spirits. The beer barrel tax and the wine liter tax go directly to the State Tax Commissioner.

In 2017, SB 637 was passed to modify Class A private club licenses which was the first major change to the Private Club Act in almost 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 permitted certain private club Licensees that operate golf or country clubs to obtain a private golf club license for the lawful sale and consumption of alcoholic liquors and nonintoxicating beer on the premises of the facility. Both the “private resort license” and the “private golf club license” established licensing requirements and permits certain other exceptions.



# FINANCIAL STATEMENTS



# Financial Statements

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
MANAGEMENT COMPARISON TO PREVIOUS YEAR ANALYSIS  
June 30, 2018 and 2017

## STATEMENTS OF NET POSITION

	<u>2018</u>	<u>2017</u>
Current assets	\$15,333,749	\$13,827,757
Capital assets, net	1,708,722	1,796,452
Other noncurrent assets	-	-
Total assets	<u>17,042,471</u>	<u>15,624,209</u>
Deferred outflows of resources from pension amounts	<u>558,017</u>	<u>979,931</u>
Current liabilities	3,371,432	3,596,465
Noncurrent Liabilities	<u>3,076,160</u>	<u>4,395,837</u>
Total liabilities	<u>6,447,592</u>	<u>7,992,302</u>
Deferred inflows of resources from pension amounts	620,955	178,549
Net position, net investment in capital assets	1,708,722	1,796,452
Net position, restricted by enabling legislation	-	-
Net position, unrestricted net position	<u>8,823,219</u>	<u>6,636,837</u>
Total net position	<u>\$10,531,941</u>	<u>\$8,433,289</u>

# Financial Statements - *continued*

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
MANAGEMENT COMPARISON TO PREVIOUS YEAR ANALYSIS  
Years Ended June 30, 2018 and 2017

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

	<u>2018</u>	<u>2017</u>
Sales	\$97,398,692	\$93,039,242
Licenses, permits and fees	3,980,572	3,793,583
Administrative hearing fines	46,650	59,075
Total operating revenues	<u>101,425,914</u>	<u>96,891,900</u>
Cost of sales	73,689,545	72,197,394
General and administrative	4,955,726	5,162,523
Depreciation	142,696	292,769
Total operating expense	<u>78,787,967</u>	<u>77,652,686</u>
Operating income	22,637,947	19,239,214
Nonoperating revenues (expenses):		
Retail liquor license renewal	-	-
Interest income	-	-
Other	127,577	-
Grants	195,908	161,898
Loss of disposal of assets	-	-
Receipts (Transfers in) from primary government	-	-
Statutory distributions	<u>(21,119,925)</u>	<u>(26,317,206)</u>
	<u>(20,796,440)</u>	<u>(26,155,308)</u>
Change in net position	<u>\$(1,841,507)</u>	<u>\$(6,916,094)</u>

# Financial Statements - *continued*

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
STATEMENT OF CASH FLOW  
Year Ended June 30, 2018

Cash flows from operating activities:

Cash received from customers and users	\$101,383,683
Cash paid to employees	(3,738,583)
Cash paid to suppliers	<u>(75,216,401)</u>
Net cash provided by operating activities	<u>22,428,699</u>

Cash flows from noncapital financing activities:

Receipts on nonoperating grants	195,908
Provided from issuing liquor licenses	-
Receipt from primary government	-
Payments to primary government	<u>(21,119,925)</u>
Net cash used by noncapital financial activities	<u>(20,924,017)</u>

Cash flows from capital and related financing activities:

Purchases of capital assets	<u>(54,966)</u>
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Increase (decrease) in cash and cash equivalents 1,449,716

Cash and cash equivalents, beginning of year 13,373,809

Cash and cash equivalents, end of year \$14,823,525

Reconciliation of operating income to net cash provided by operating activities:

Operating income	\$22,637,947
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	142,696
Pension Expense	130,427
OPEB Expense	235,468
Change in assets and liabilities:	
Increase in accounts receivable	(42,231)
Decrease in inventory	(14,045)
Increase (decrease) in accounts payable and accrued expenses	(225,033)
Increase in accrued post employment benefits	-0-
Increase in deferred outflows of resources	(443,078)
Decrease in accrued annual leave	<u>6,548</u>

Net cash provided by operating activities \$22,428,699

# Financial Statements - *continued*

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION  
Years Ended June 30, 2018

Operating revenues:	
Sales	\$97,398,692
Licenses, permits and fees	3,980,572
Administrative hearing fines	<u>46,650</u>
	101,425,914
Operating expenses:	
Cost of sales	73,689,545
General and administrative	4,955,726
Depreciation	<u>142,696</u>
	<u>78,787,967</u>
Operating income	22,637,947
Nonoperating revenues (expenses):	
Retail liquor license renewal - financing option	-
Retail liquor license renewal	-
Interest income	-
Grants	195,908
Loss of disposal of assets	-
Transfers from primary government	-
Other	127,577
Statutory distributions	<u>(21,119,925)</u>
	<u>(20,796,440)</u>
Change in net position	1,841,507
Net position, beginning of year	8,433,289
Cumulative effect of adoption of accounting principle	<u>257,145</u>
Net position, beginning of year, as restated	<u>\$8,690,434</u>
Net position, end of year	<u>\$10,531,941</u>

# Financial Statements - *continued*

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
Year Ended June 30, 2018

	Administrative / Liquor Fund #7352	Enforcement Fund #7356	Wine Fund #7351	Grants/ Gift #7357	Total
<u>OPERATING REVENUES</u>					
Sales	\$97,398,692	\$-	\$-	\$-	\$97,398,692
Licenses, permits and fees	3,542,472	-	438,100		3,980,572
Administrative hearing fines	-	<u>46,650</u>	-	-	<u>46,650</u>
Total revenues	<u>100,941,164</u>	<u>46,650</u>	<u>438,100</u>	-	<u>101,425,914</u>
<u>OPERATING EXPENSES</u>					
Cost of sales	73,689,545	-	-	-	73,689,545
General and administrative	4,797,275	42,895	91,320	24,236	4,955,726
Depreciation	<u>42,974</u>	<u>23,136</u>	<u>69,368</u>	<u>7,218</u>	<u>142,696</u>
	<u>78,529,794</u>	<u>66,031</u>	<u>160,688</u>	<u>31,454</u>	<u>78,787,967</u>
<u>OPERATING INCOME</u>	22,411,370	(19,381)	277,412	(31,454)	22,637,947
<u>NONOPERATING REVENUES</u>					
Grants	103,808	-	-	92,100	195,908
Other	125,829	-	1,748	-	127,577
Statutory distributions	(21,091,099)	(28,826)	-	-	(21,119,925)
	20,861,462	(28,826)	1,748	92,100	(20,796,440)
Change in net position	1,549,908	(48,207)	279,160	60,646	1,841,507
Net position, beginning of year	<u>5,325,117</u>	<u>73,306</u>	<u>2,888,723</u>	<u>145,143</u>	8,433,289
Cumulative effect of adoption of accounting principle	<u>287,999</u>	-	<u>(30,854)</u>	-	<u>257,145</u>
Net position, beginning of year, as restated	<u>5,613,116</u>	<u>73,306</u>	<u>2,857,869</u>	<u>146,143</u>	<u>8,690,434</u>
Net position, end of year	<u>\$7,163,024</u>	<u>\$25,099</u>	<u>\$3,137,029</u>	<u>\$206,789</u>	<u>\$10,531,941</u>

# Financial Statements - *continued*

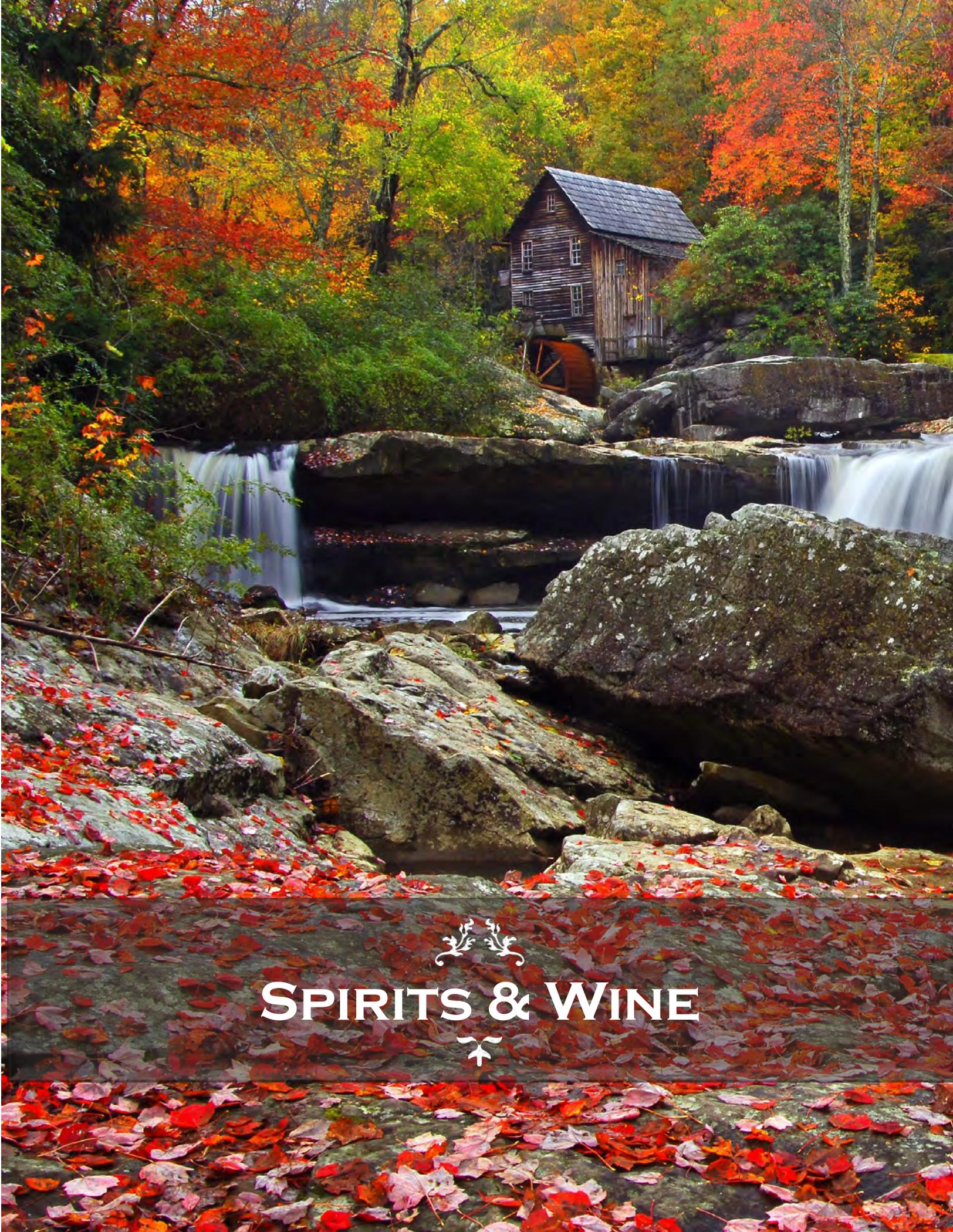
WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
COMBINING STATEMENT OF NET POSITION  
June 30, 2018

	<u>Administrative / Liquor Fund #7352</u>	<u>Enforcement Fund #7356</u>	<u>Wine Fund #7351</u>	<u>Grants/ Gift #7357</u>	<u>Total</u>
<u>ASSETS</u>					
Current assets:					
Cash and cash equivalents	\$11,893,411	\$24,094	\$2,745,346	\$160,674	\$14,823,525
Inventory	39,864	-	-	-	\$39,864
Accounts Receivable	470,360	-	-	-	\$470,360
Other	-	-	-	-	\$ -
Total current assets	<u>12,403,635</u>	<u>24,094</u>	<u>2,745,346</u>	<u>160,674</u>	<u>15,333,749</u>
Noncurrent assets:					
Notes receivable	-	-	-	-	-
Accrued interest	-	-	-	-	-
Capital assets, net	<u>1,211,072</u>	<u>1,345</u>	<u>450,190</u>	<u>46,115</u>	<u>1,708,722</u>
Total noncurrent assets	<u>1,211,072</u>	<u>1,345</u>	<u>450,190</u>	<u>46,115</u>	<u>1,708,722</u>
Total assets	<u>13,614,707</u>	<u>25,439</u>	<u>3,195,536</u>	<u>206,789</u>	<u>17,042,471</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Deferred outflows from pension amounts					
	<u>549,088</u>	-	<u>8,929</u>	-	<u>558,017</u>

# Financial Statements - *continued*

WEST VIRGINIA ALCOHOL BEVERAGE CONTROL ADMINISTRATION  
COMBINING STATEMENT OF NET POSITION (continued)  
June 30, 2018

	<u>Administrative / Liquor Fund #7352</u>	<u>Enforcement Fund #7356</u>	<u>Wine Fund #7351</u>	<u>Grants/ Gift #7357</u>	<u>Total</u>
<u>LIABILITIES</u>					
Current liabilities:					
Accrued expenses	\$222,340	-	\$7,828	-	230,168
Accounts payable	<u>3,140,924</u>	<u>340</u>	<u>-</u>	<u>-</u>	<u>3,141,264</u>
Total current liabilities	<u>3,363,264</u>	<u>340</u>	<u>7,828</u>	<u>-</u>	<u>3,371,432</u>
Noncurrent liabilities:					
Other post-employment Benefits	1,995,600	-	27,719	-	2,023,319
Accrued annual leave	244,304	-	-	-	244,304
Net pension liability	<u>787,919</u>	<u>-</u>	<u>20,618</u>	<u>-</u>	<u>808,537</u>
Total noncurrent liabilities	<u>3,027,823</u>	<u>-</u>	<u>48,337</u>	<u>-</u>	<u>3,076,160</u>
Total liabilities	<u>6,391,087</u>	<u>340</u>	<u>56,165</u>	<u>-</u>	<u>6,447,592</u>
<u>DEFERRED INFLOWS OF RE-</u>					
Deferred outflows from pension amounts	<u>609,684</u>	<u>-</u>	11,271	<u>-</u>	<u>620,955</u>
Net Position:					
Invested in capital assets	1,211,072	1,345	450,190	46,115	1,708,722
Unrestricted	<u>5,951,952</u>	<u>23,754</u>	<u>2,686,839</u>	<u>160,674</u>	<u>8,823,219</u>
Total net position	<u>7,163,024</u>	<u>\$25,099</u>	<u>\$3,137,029</u>	<u>\$206,789</u>	<u>\$10,531,941</u>



# SPIRITS & WINE



# 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.

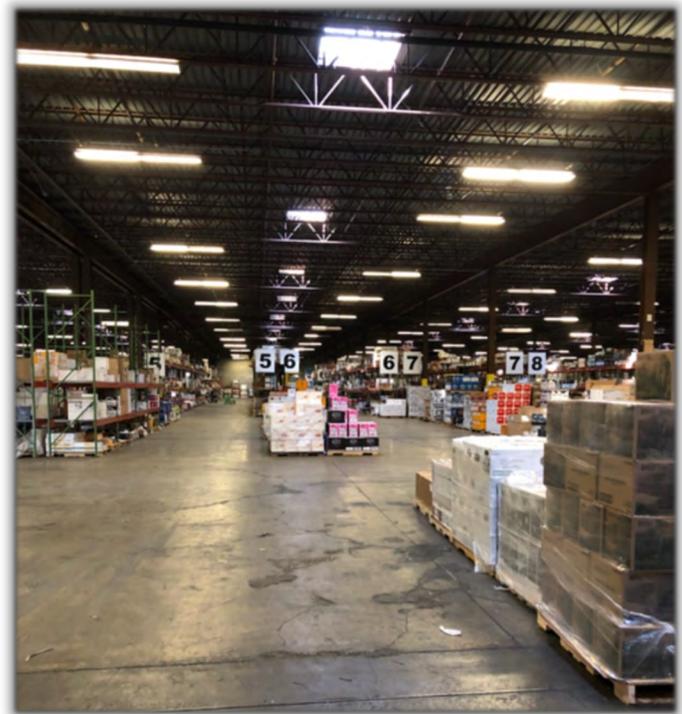


**1,227 Active Special  
Order Products daily**

**2,605 Active Bailment  
Products daily**

## 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, The 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.

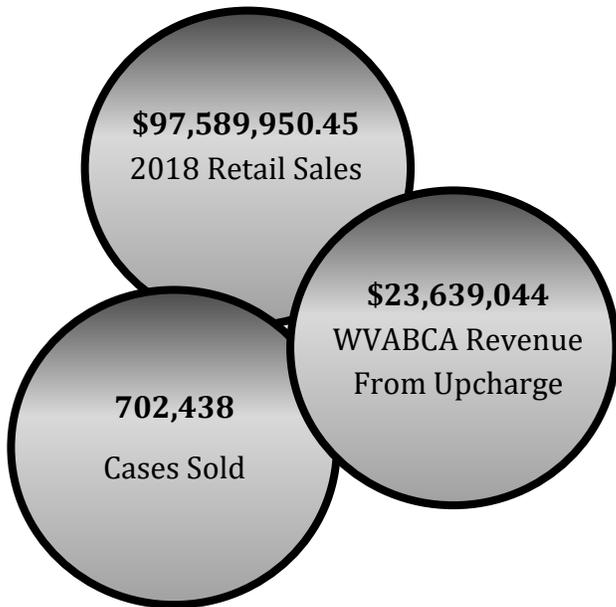


## Distribution Center

The WVABCA Distribution Center is a 153,000-square foot warehouse. The Distribution Center is responsible for assembling retail orders for delivery to retail liquor outlets. Fiscal Year 2018 Distribution Center employees were responsible for picking 702,438 cases of liquor for West Virginia retail liquor outlets.

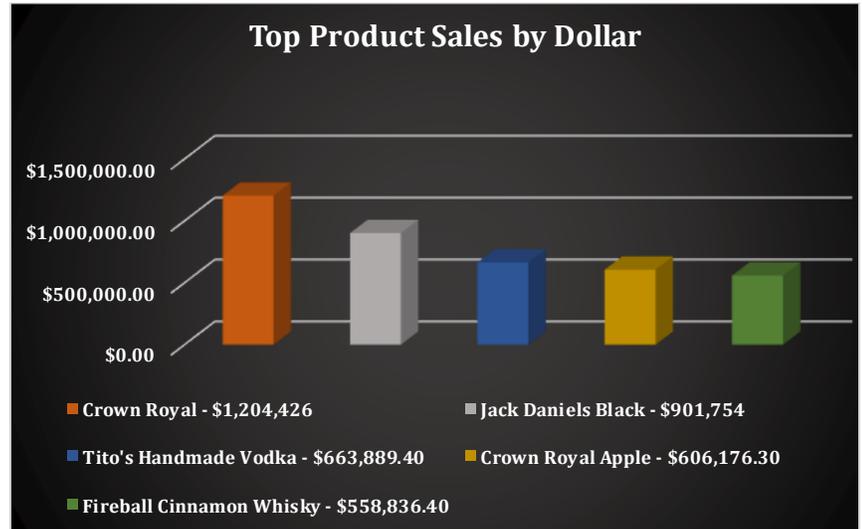
## Fiscal Year 2018 Sales

This fiscal year has once again seen growth. Sales have increased by 4.45% and case sales have increased by 1.7%.



## Top Brands by Revenue

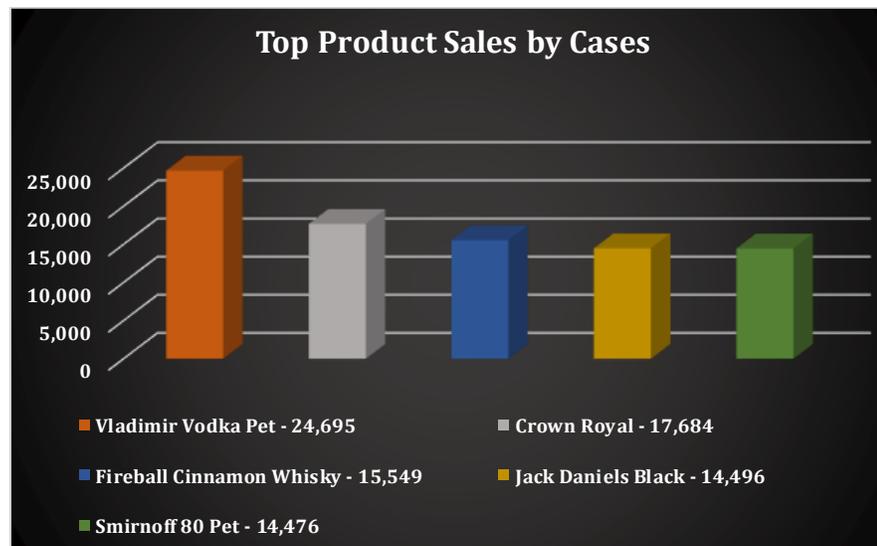
The top five brands product retail sales total over \$3,935,000 in revenue. These brands are ranked in descending order: Crown Royal, Jack Daniels Black, Tito's Handmade Vodka, Crown Royal Apple, and Fireball Cinnamon Whisky

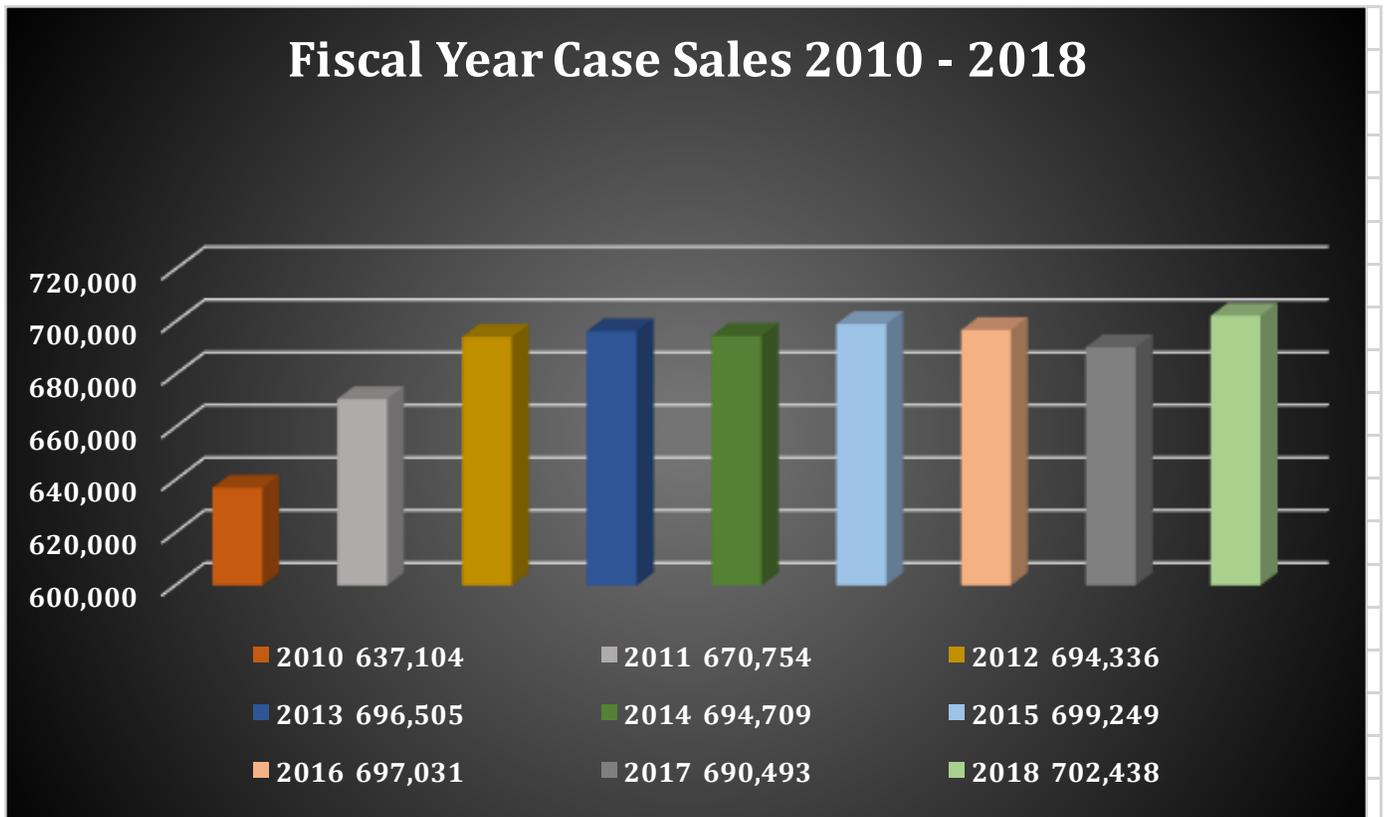


## Top Brands by Case Sales

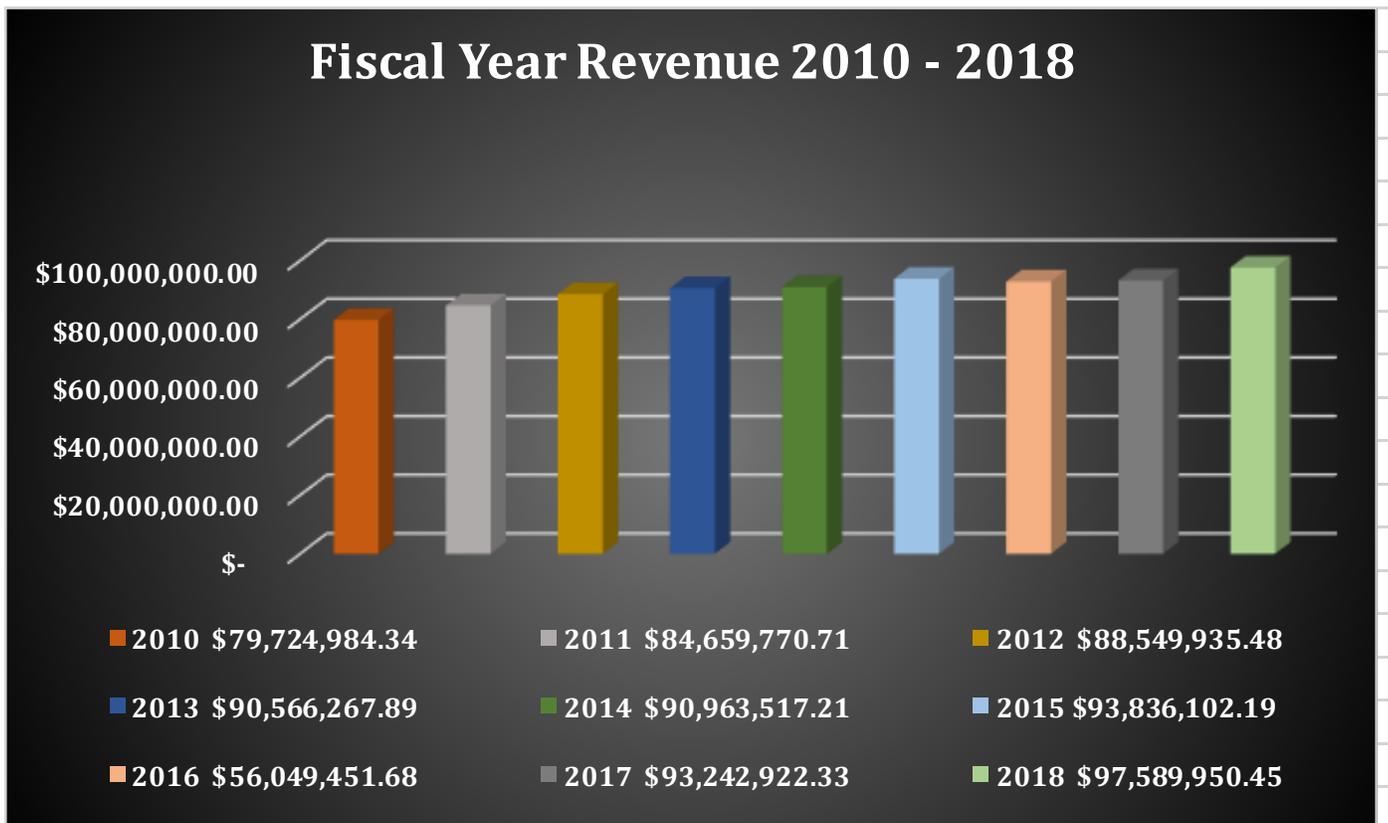
The top five brands in descending case sales order:

- Vladimir Vodka Pet—24,695
- Crown Royal—17,684
- Fireball Cinnamon Whisky—15,549
- Jack Daniels Black—14,496
- Smirnoff 80 Pet—14,476



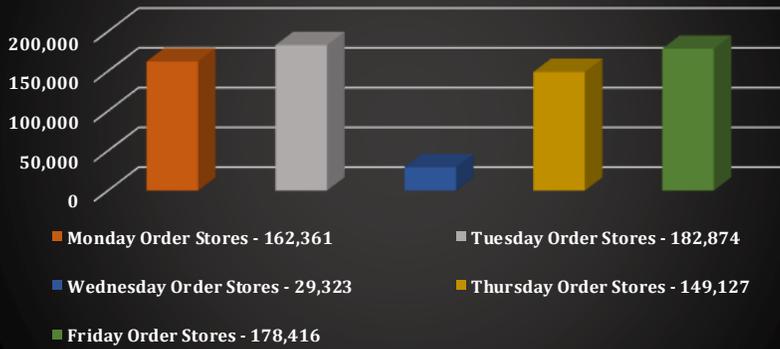


These two graphs display the timeline of fiscal year sales from 2010-2018. The top graph represents fiscal year case sales and the bottom graph represents fiscal year revenue sales.



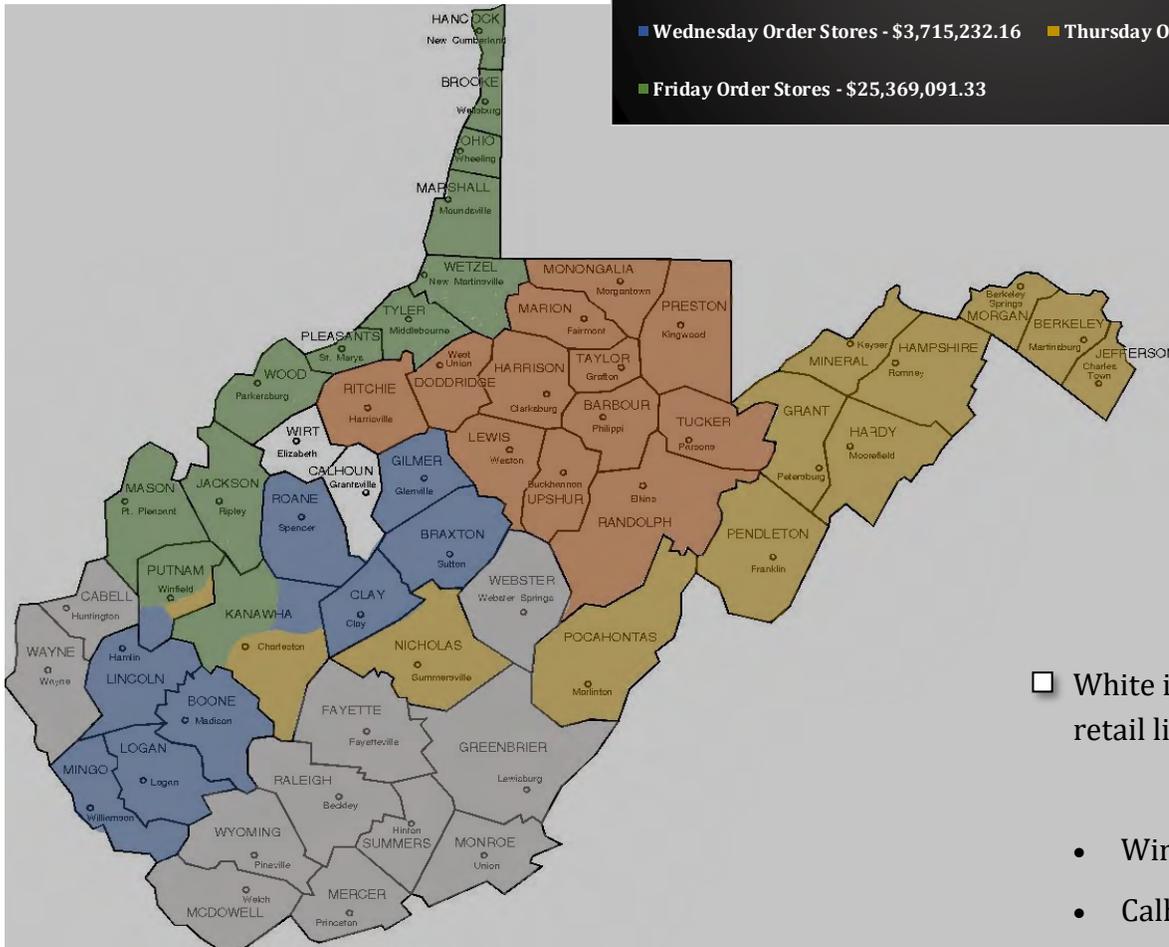
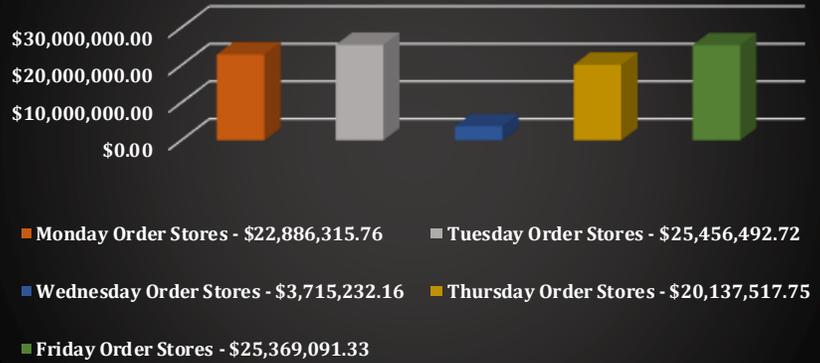
# Spirits & Wine Division- *continued*

### Case Sales Fiscal Year 2018



- Monday Order Stores
- Tuesday Order Stores
- Wednesday Order Stores
- Thursday Order Stores
- Friday Order Stores

### Retail Sales Fiscal Year 2018



# Spirits & Wine Division- *continued*

The WVABCA is proud to support West Virginia produced products from across the state. From Gilbert to Wheeling there are a total of 49 distilleries and wineries in West Virginia.

## West Virginia Distilleries

There are 8 distilleries and 10 mini distilleries in the state. Their products generated \$542,631.60 in sales and 4,739 cases for Fiscal Year 2018.



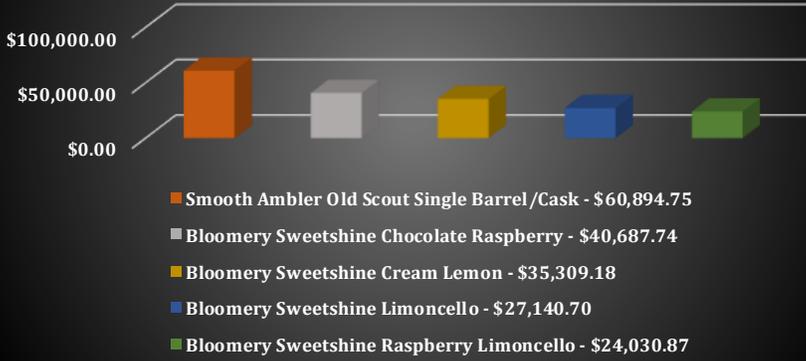
## West Virginia Wineries



There are 2 wineries and 29 farm wineries in the state. During Fiscal Year 2018, there were 4,372 approved brand registrations through 320 direct wine shippers, 43 wine distributors, and 150 wine suppliers.

# Spirits & Wine Division- *continued*

**Top 5 WV Produced Spirits Products by Dollar**



These two graphs display the sales of West Virginia produced products during Fiscal Year 2018.

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

**Top 5 WV Produced Spirit Products by Case Sales**



<b>West Virginia Distilleries</b>	<b>Location</b>
Appalachian Distillery	Ripley
Country Roads Distillery	Wheeling
Hatfield & McCoy Moonshine	Gilbert
Manncave Distilling Inc	Weston
Mountain State Distillery	Charleston
Mountain State Spirits	Bridgeport
Pinchgut Hollow Distillery	Fairmont
Smooth Ambler Spirits	Maxwelton

<b>West Virginia Mini-Distilleries</b>	<b>Location</b>
Black Draft Distillery	Martinsburg
Bloomery Plantation Distillery	Charles Town
Elkhorn Mountain Distillery	Moorefield
Flying Buck Distillery	Augusta
Flying Squirrel Ranch	Purgitsville
Forks of Cheat Distillery	Morgantown
Isaiah Morgan Distillery	Summersville
Still Hollow	Harman
The Sweeter Side of the Feud Winery	Spencer
Wicked Spirits Distillery	Harrisville



# Spirits & Wine Division- *continued*

## Wine Liter Tax Fiscal Year 2018

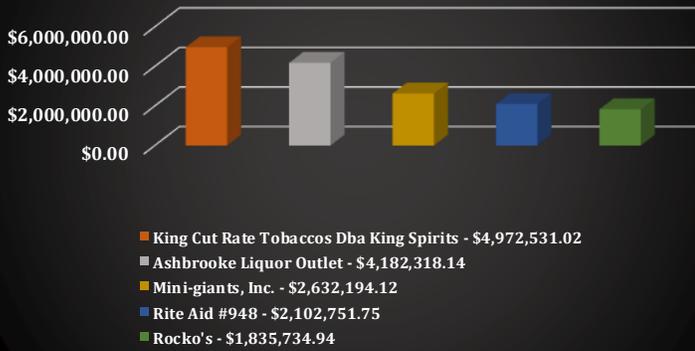


<i>West Virginia Wine Distributors</i>	<i>Location</i>
American Beer Company	Smoot
American Beer Company (The)	Princeton
Atomic Distributing Co.	Huntington
Beverage Distributors	Clarksburg
Blue Ridge Bev	Morgantown
Capitol Beverage	Charleston
Carenbauer Distributing Group	Wheeling
Elkins Distributing Co.	Elkins
Galaxy Distributing of West Virginia	Morgantown
Galaxy Distributing of West Virginia, Inc.	Ona
J.C. Mensore Distributor	New Martinsville
JC Distributing Co.	Elkins
Jefferson Distributing	Martinsburg
Jo's Globe Distributing Co.	Morgantown
Martin Distributing Co.	Martinsburg
McCann Distributing	Wheeling
Mercer Wholesale Co.	Bluefield
Mona Supply Co.	Morgantown
Montagnard Imports	Morgantown
Mountain Eagle	Beaver
Mountain State Beverage	Fairmont
Mountain State Beverage Company	Nitro
Mountain State Beverage Inc	Morgantown
Mountain State Beverage Inc	Summersville
Mountain State Beverage Inc	Poca
North Central Distributors	Bridgeport
North Central Distributors Company	Shepherdstown
North Central Distributors Company Inc.	Dunbar
Preston Silver Eagle Co.	Kingwood
Proud Eagle Inc.	South Charleston
Proud Eagle, Inc.	Parkersburg
Ralph's Beer Distributor	Morgantown
Reid's Distributor	Martinsburg
Ridgeley Distributors	Ridgeley
Standard Distributing	Charleston
Standard Distributing Co.	Charleston
State Distributing	Clarksburg
Standard Distributing Co.	Charleston
State Distributing	Clarksburg

<i>West Virginia Wine Distributors</i>	<i>Location</i>
The Country Vintner of West Virginia	Lewisburg
Tygart Valley Distributor	Elkins
Valley Distributing Company of Fairmont	Fairmont
Waldorf Distributing	Beech Bottom
Wine & Beverage Merchants of WV	Weirton
Wine Connection, LLC (The)	Alderson
<i>West Virginia Farm Wineries</i>	<i>Location</i>
Batton Hollow Winery	Lost Creek
Broken Tractor Winery (The)	Bruceton Mills
Chestnut Ridge Winery	Spencer
Cold Run Valley Winery	Berkeley Springs
Cox Family Winery	Bunker Hill
Daniel Vineyards	Glen View
Falling Springs Vineyard	Renick
Fisher Ridge Wine Co.	Liberty
Forks of Cheat Winery	Morgantown
Hawk's Knob	Lewisburg
Healthberry Farm	Dryfork
Heston Farm Winery	Fairmont
Kenco Farms	Sutton
Kirkwood Winery	Summersville
Lambert's Vintage Wines	Weston
Monticola Meadery	Ronceverte
Monvalley Winery	White Hall
Mountain Dragon Mazery Fine - Honey Wine	Fairmont
Old World Winery	Union
Potomac Highland Winery	Keyser
Robert F. Pliska & Co., Winery	Purgitsville
Stone Road Vineyard	Elizabeth
Swilled Dog Hard Cider	Franklin
The Rusty Nail	Martinsburg
The Sweeter Side of the Feud Winery	Spencer
Toscana in Appalachia Wines	Leroy
Watts Roost Vineyard	Lewisburg
West-Whitehill Winery	Moorefield
Winetree Vineyards	Vienna
<i>West Virginia In-State Winery</i>	<i>Location</i>
Moss Farms Winery LLC	Wheeling
Our Sibling Rebelry LLC	Pt. Pleasant

# Spirits & Wine Division- *continued*

**Top 5 Sales by Retail Liquor Outlets in Dollars**



<b>Retail Liquor Outlet</b>	<b>Location</b>
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

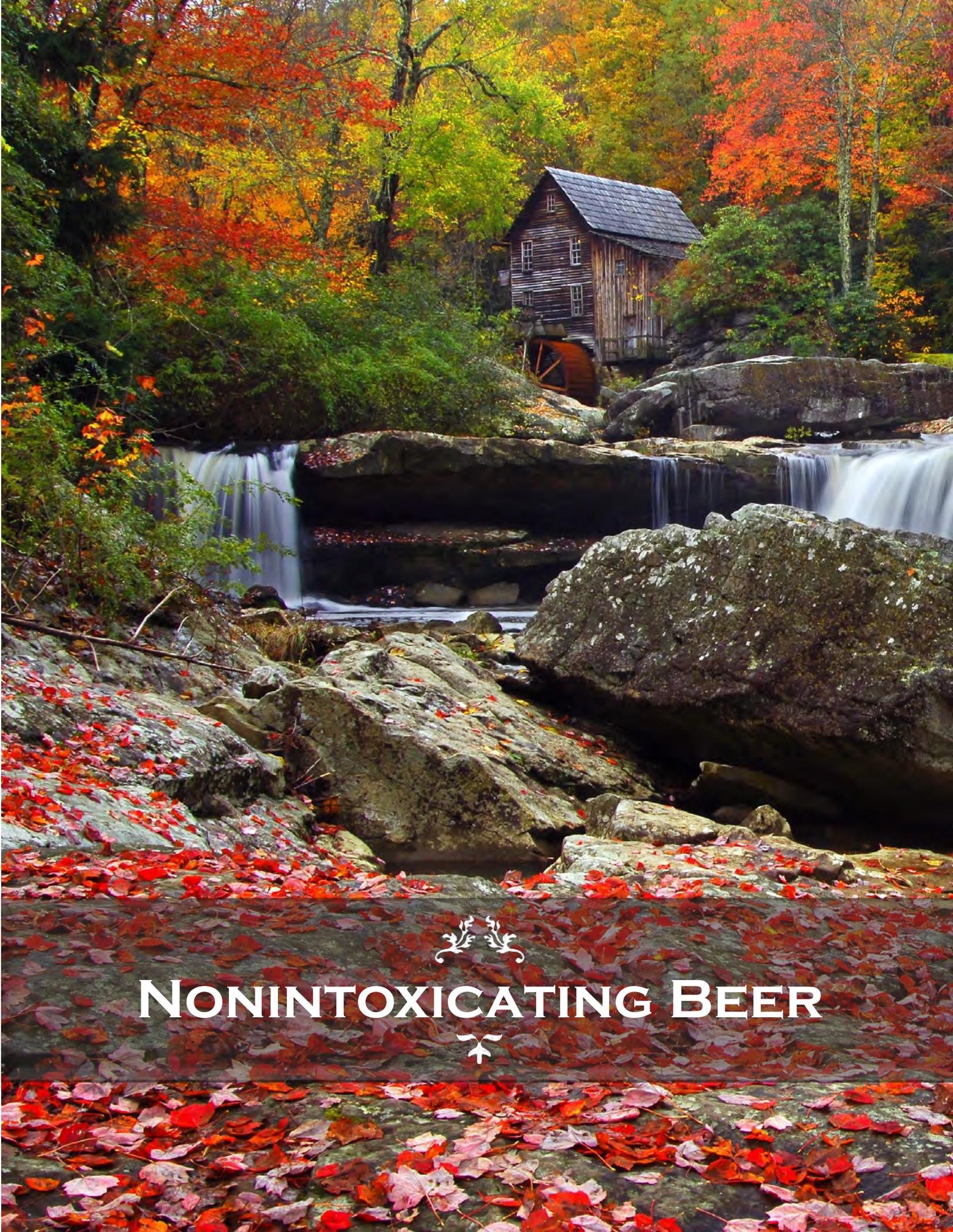
<b>Retail Liquor Outlet</b>	<b>Location</b>
CVS Pharmacy #6350	Kenova
CVS Pharmacy #7124	Hurricane
CVS Pharmacy #7604	Parkersburg
CVS Pharmacy # 6276	Parkersburg
CVS Pharmacy #6277	Moundsville
CVS Pharmacy #6278	Wheeling
D & D Beverages, Inc	Bluewell
East Fairmont Shop N Save	Fairmont
Gas-N-Goods Convenience	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 Db a 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. Db a Mt. Top Citgo	Thomas
Mini-giants, Inc	Parkersburg
New Cumberland Liquors Inc.	New Cumberland
Old White Club Corp	White Sulphur
Old White Corporation Db a Monroe Liquor	Union
Olde Towne Liquors, L.L.C.	Harpers Ferry
One Stop Beverage Mart	Bluefield

# Spirits & Wine Division- *continued*

<b>Retail Liquor Outlet</b>	<b>Location</b>
Par Mar Oil Co, Inc.	Sistersville
Par Mar Store #3	Parkersburg
Par Mar Store #45	Huttonsville
Premiere Liquors	Charleston
Rasi Discount Liquor & Tobacco, Inc	Beaver
Rite Aid	Charleston
Rite Aid	Cross Lanes
Rite aid	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 #1382	St Marys
Rite Aid #1408	Mannington
Rite Aid #141	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



<b>Retail Liquor Outlet</b>	<b>Location</b>
Sam's Club #6457	South Charleston
Shepherdstown Liquors	Shepherdstown
Shinnston Shop-n-save	Shinnston
Shop-n-save	Weirton
Smoker Friendly	Hurricane
Smoker Friendly #1	Parkersburg
Smoker Friendly #16	Dunbar
Smoker Friendly #21	Wheeling
Smoker Friendly #23	Elkins
Smoker Friendly #33	Philippi
Smoker Friendly #38	Pt. Pleasant
Smoker Friendly #41	Wheeling
Smoker Friendly #8	Scott Depot
Smoker Friendly Big Apple Liquors	Inwood
Smoker Friendly Liquor Express	Inwood
Smoker Friendly Penn Liquors	Martinsburg
Smoker Friendly's Liquor Plus #43	Glenville
South Fairmont Shop N Save	Fairmont
Spencer Spirits, Inc	Spencer
Spirit Shoppe (The)	Nutter Fort
Stadium Spirits Inc.	Huntington
The Liquor Lair	Man
The Liquor Store	Princeton
The Loft	Lewisburg
The Loft	Lewisburg
Top Shelf Liquors	Berkley Springs
Trails End Souvenirs, Inc.	Gilbert
Tri-state Disc. Liq.	Weirton
Tri-state Discount Liquor	Chester
Tyler's Hatfield-mccoy Liquor	Matewan
Video Palace, Inc.	Montgomery
Walmart Supercenter #2036	South Charleston
Walmart Supercenter #2576	Nitro
Walmart Supercenter #2684	New Martinsville
Welch Bantam Market	Welch
Wild Vine & Spirits	Sutton
Zeek Enterprise's	Kermit

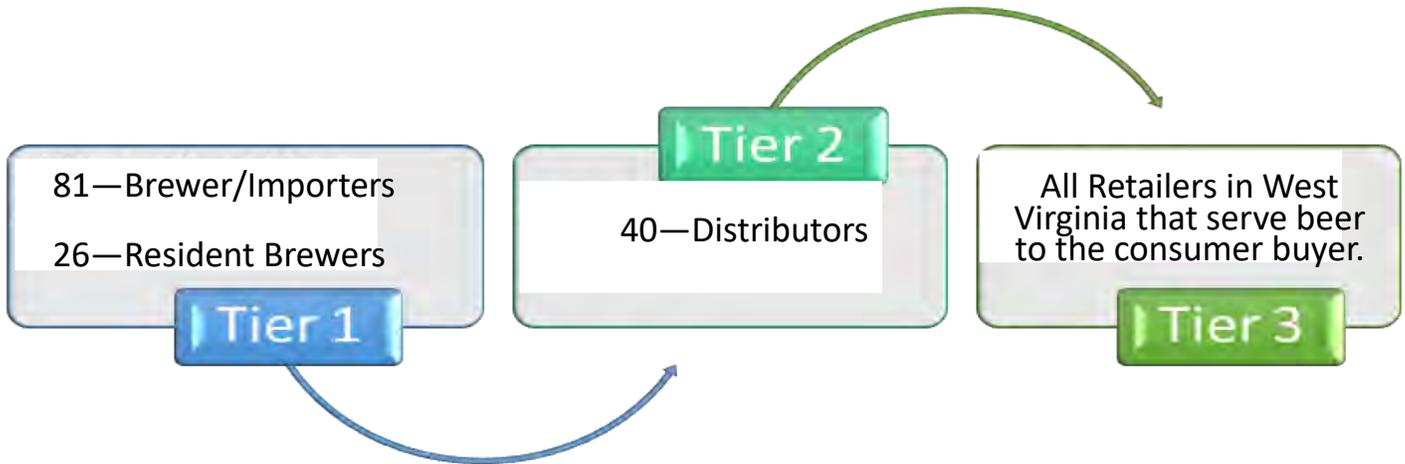


# NONINTOXICATING BEER



# Nonintoxicating Beer

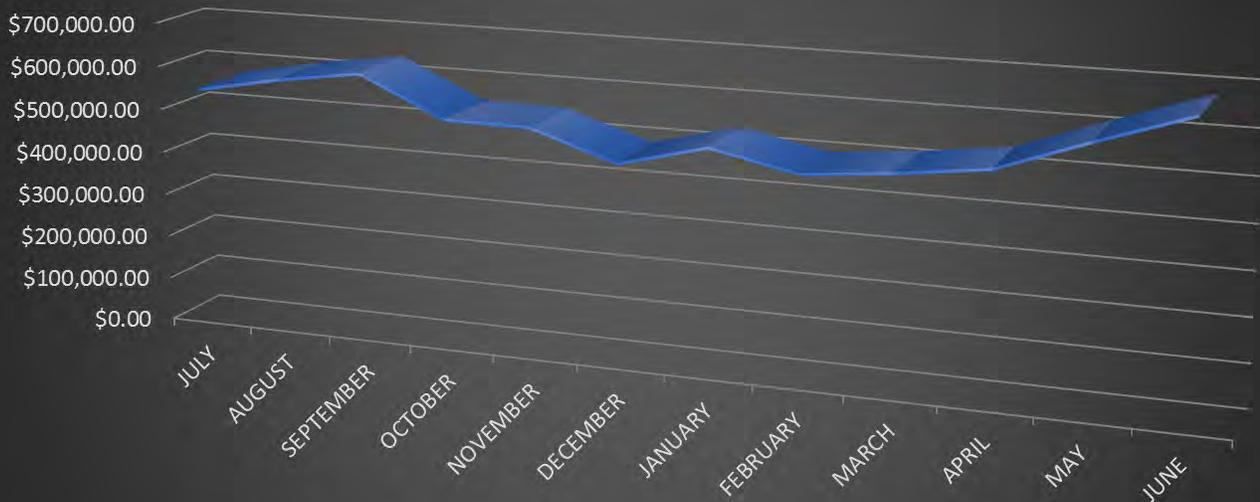
## Current Nonintoxicating Numbers by Tier



Fiscal Year 2018 Beer Barrel Excise Tax records are illustrated in the graph below. The Beer Barrel Excise Tax is a production tax on Non-intoxicating beer and collected by the State Tax Commissioner. The Beer Barrel Excise Tax totaled to \$6,525,011.01

JULY	\$552,619.51
AUGUST	\$589,086.15
SEPTEMBER	\$616,990.74
OCTOBER	\$528,067.68
NOVEMBER	\$525,928.68
DECEMBER	\$462,796.58
JANUARY	\$514,266.58
FEBRUARY	\$473,881.06
MARCH	\$492,599.86
APRIL	\$518,310.49
MAY	\$591,247.75
JUNE	\$659,215.93

### Beer Excise Tax Collection Trend FY 2018

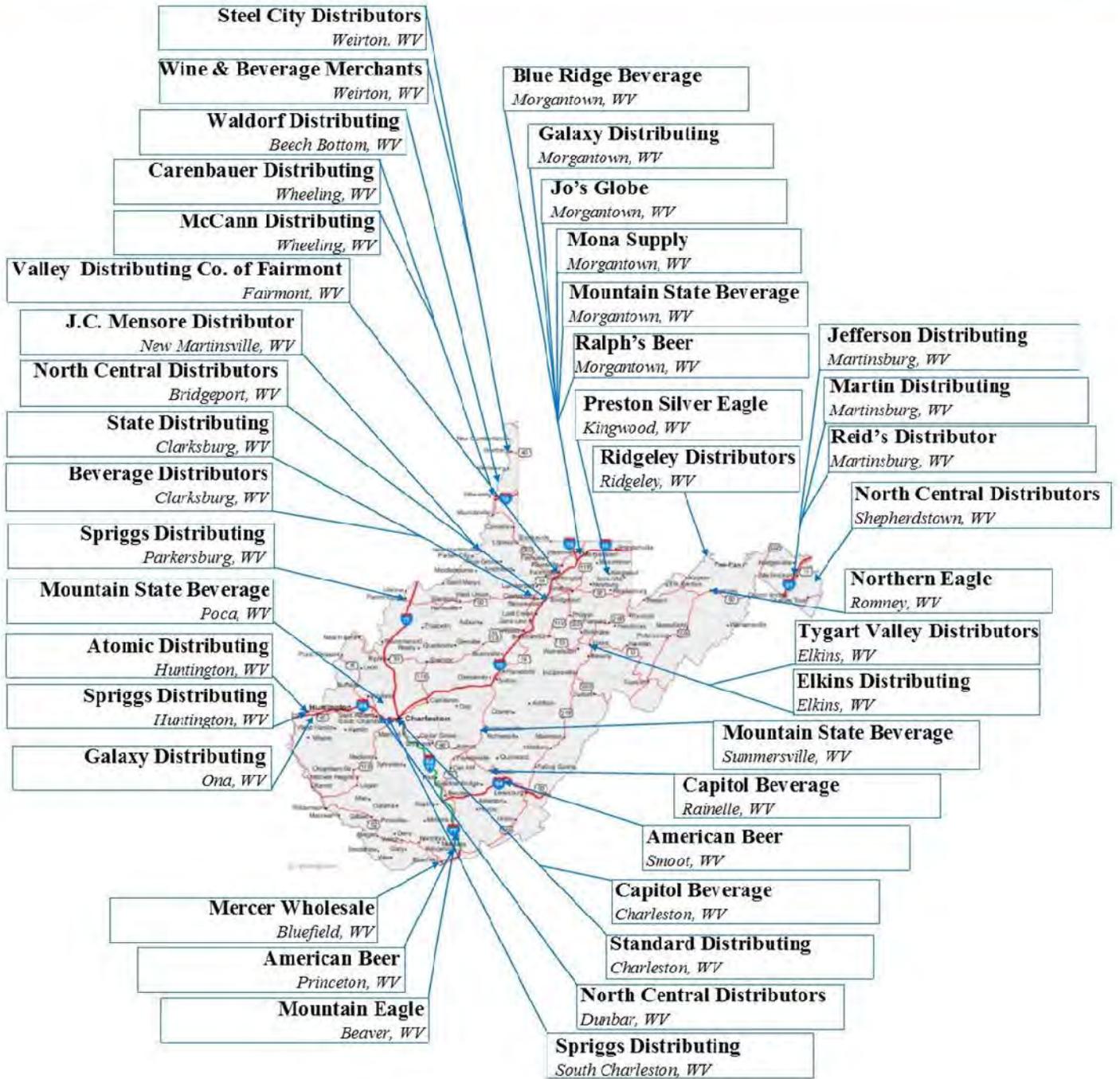


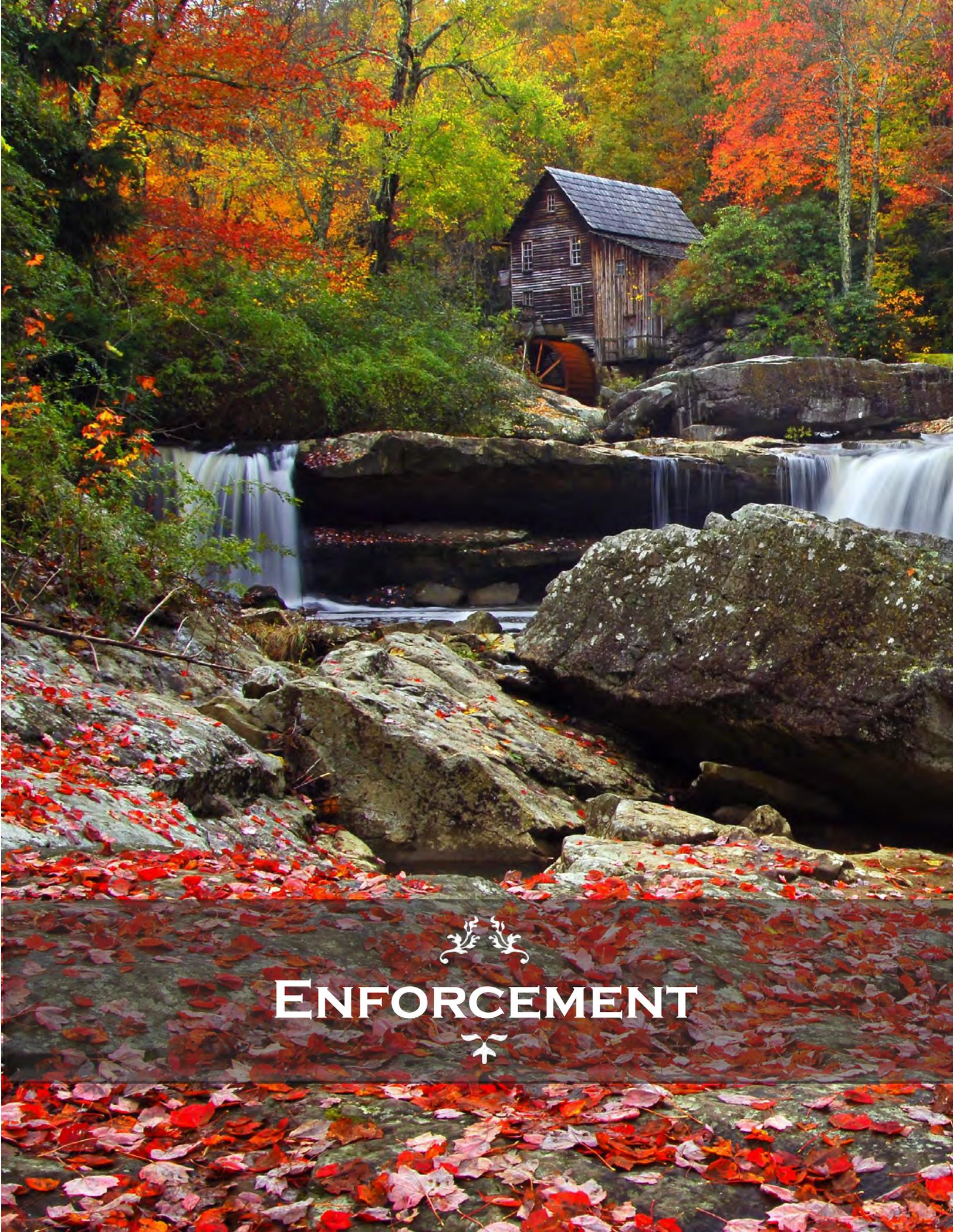
## WEST VIRGINIA RESIDENT BREWERS

\* Denotes Brew Pub



## WEST VIRGINIA NONINTOXICATING BEER DISTRIBUTORS





# ENFORCEMENT



# Enforcement

The mission of the WVABCA Enforcement Division is to ensure adherence to West Virginia State Code and Rules. Protecting patrons and communities while working with Licensees is a daily task. The Enforcement Division's personnel live and work in the communities they serve.

The duties and responsibilities of the field staff include: initial inspections (IIR) for new applicants, inspections for floor plan extensions, other Licensee modifications and the dissemination of educational material such as our in-house carding video, Blood Alcohol Content (BAC) poster, Fetal Alcohol Syndrome (FASD) poster and the Human Trafficking poster. In addition, the WVABCA is able to employ various forms of compliance activities such as underage compliance checks with law enforcement, carding sweeps, undercover details, investigations into hidden ownership and source investigations to determine "place of last drink" when there has been an alcohol related car crash.

Great strides in the use of technology to promote operational efficiencies in the field have occurred with the deployment of iPads, laptop computers and other equipment. In 2017, a pilot program using a mobile app to scan ID's was implemented across the state with a focus in the college communities. This led to the total deployment of the mobile Intellicheck Age ID application in 2018. As a result, over 2,249 ID's have been scanned.



## Duties and Responsibilities

The Enforcement Division is committed to enforcing state laws pertaining to the sale, purchase, transportation, manufacture, consumption, and possession of alcoholic beverages. Some of the duties of the Enforcement Division are illustrated below. These duties performed by the Enforcement Division are crucial to protect the public, patrons, and Licensees. Licensed locations are visited a minimum of two times per year by the Enforcement Division.

### Initial Inspection

- Performs initial inspections for new applicants
- Special Events
- Revised Floor Plans

### Background Checks

- To identify criminal history of applicant
- To ensure applicant is of good moral character

### Inspections

- Performs inspections of Class A and Class B licensed establishments to ensure compliance with rules and regulations

### Responding to Complaints

- Allegations received from an individual, group, or entity
- Allegations received from law enforcement

### Compliance Checks

- 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 (DUI Death)

### Undercover Details

- Undercover operations are conducted to help protect the public by ensuring establishments are following rules and procedures

## Training

The Enforcement Division conducts regional trainings throughout the year in order to keep up-to-date with administrative laws, policies and receive the most recent safety methods and procedures. In addition, an annual training for the entire Enforcement Division was held at Chief Logan State Park. Training topics covered: Naloxone Safety Course, Cyber Security, Unified Judicial Application (UJA) Inquiry, Alcohol and other Drug Use Awareness, Social Media for Open Source Investigations, Underage Drinking Issues, West Virginia Ethics, Sexual Harassment and Discrimination.

The WVABCA utilized grant funding from the Governor's Highway Safety Program to offset some of the training costs.

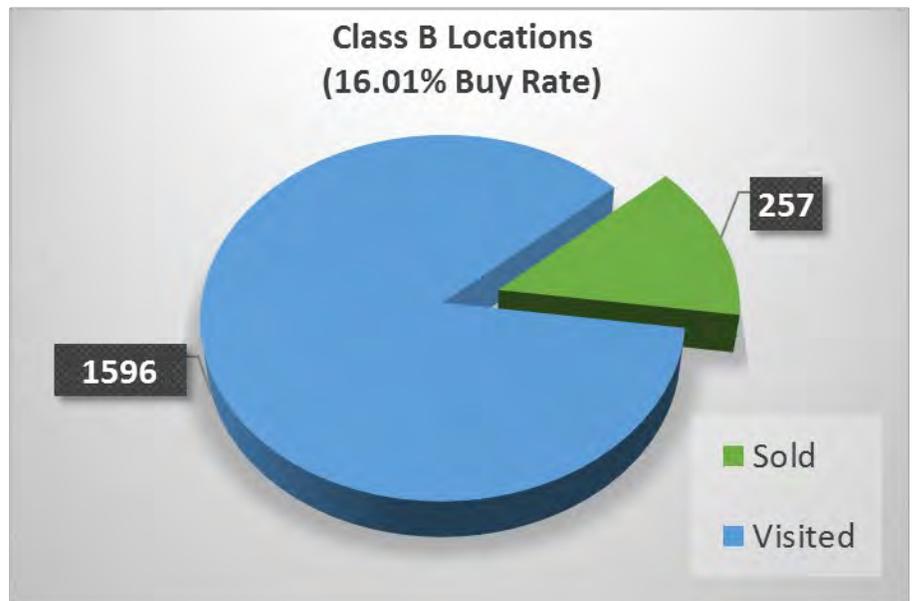
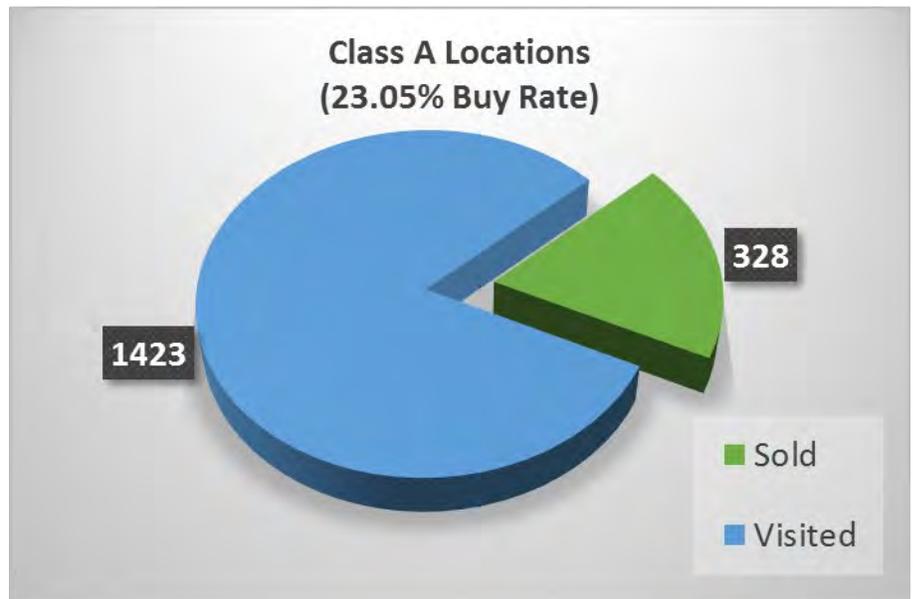
## Compliance Checks

Compliance checks are a necessary and valuable approach to address underage access to alcohol. The WVABCA works with the WV State Police, county sheriff's and city police departments across the state to conduct these operations.

The chart to the right illustrates the total number of compliance checks conducted at Class A On Premises Licensees (Private clubs and Taverns).

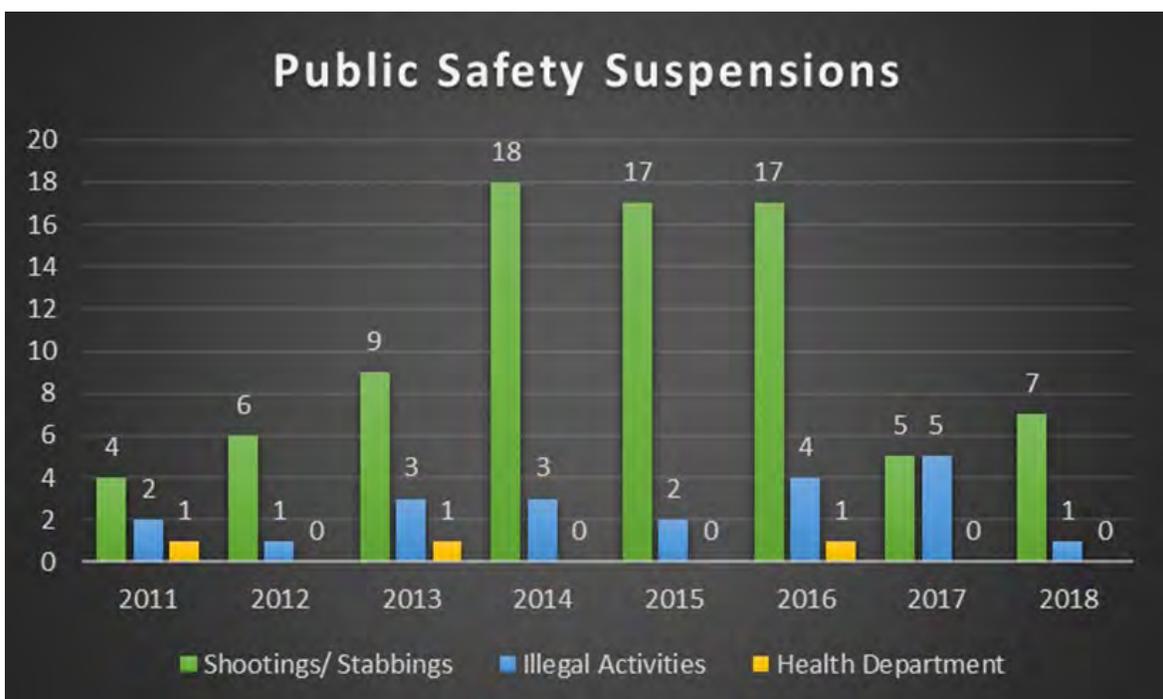
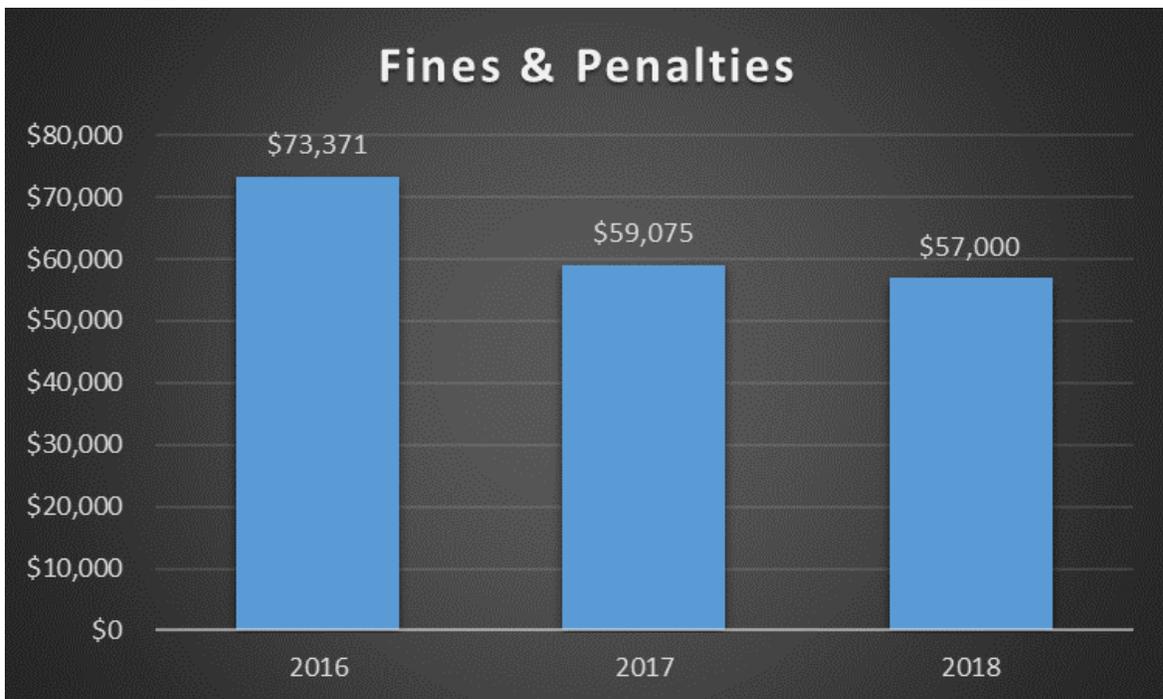
Class B Off Premises Licensees are (Carry Outs, Grocery Store's and Retail Liquor Outlets)

The buy rate indicates the number of Licensees that were not in compliance and sold alcohol to the person under the legal drinking age.



## Enforcement Fines & Penalties

The WVABCA Commissioner has the authority and responsibility to impose sanctions to achieve compliance with West Virginia State Code and Rules. These sanctions could include written warnings, improvement plans, restrictions, momentary penalties, probation, suspensions and possible revocations. Licensees that are deemed to be a threat to public safety are subject to immediate suspension of license privileges pending further investigation. However, if a Licensee has multiple violations or continues to violate the rules and regulations, the WVABCA Commissioner has the power, duty, and responsibility to levy fines to achieve compliance. Licensees that are deemed a public safety hazard or continue to violate West Virginia State Code may face suspension and/or revocation.



# Enforcement - *continued*

## Signage

In 2018, SB 110 was enacted by the WV Legislature to require WVABCA licensed private clubs to notify law enforcement or EMT's of life-threatening emergencies (see poster below). In addition, the WV Legislature enacted SB 4169 which required certain WVABCA establishments and other venues to display the human trafficking poster (see WVABCA and WV Division of Justice and Community Services websites).

While these bills were not initiated by the WVABCA, we recognize the importance of the public safety message that is provided. Therefore, the WVABCA makes both posters available to WVABCA Licensees. The Enforcement Division's field staff monitors Licensees to ensure they are aware of the new requirements and have the posters on display.

### **ALERT, ALERT ... TO ALL PRIVATE CLUBS ...**

Please take note of new EMS/Law Enforcement and WVABCA Notification Requirements under WV Law.



Please read and review **SB 110**, which passed the Legislature and was signed by the Governor to be effective June 4, 2018. Do not rely solely on this alert licensee's may wish to consult their own attorney.

A private club licensee shall notify emergency medical services or law enforcement (in a timely manner) if the licensee knows of a life-threatening emergency occurring on their premises or emanating from their premises.

If a life-threatening emergency occurs, a private club licensee shall notify the WVABCA (within 48 hours) of such occurrence. A private club licensee that fails to meet the notification requirements is subject to penalties such as revocation, suspension and monetary sanctions.

Life-threatening medical emergencies include (but are not limited to):

- Respiratory distress
- Cessation of breathing
- Severe chest pains
- Shock
- Uncontrolled bleeding
- Poisoning
- Prolonged unconsciousness
- Overdose



LICENSING



# 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.

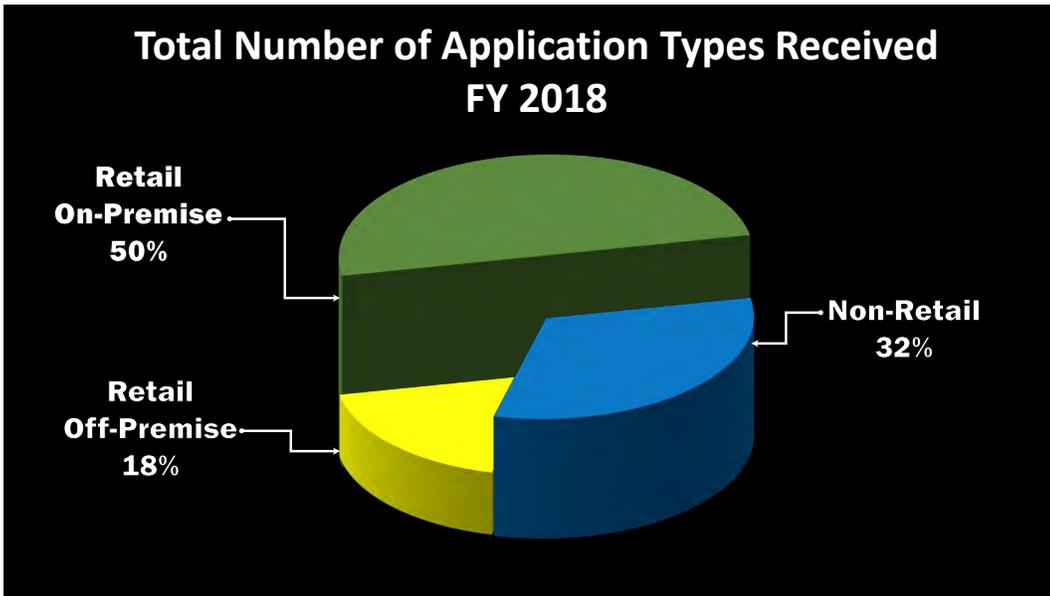
## OUR STAFF

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.

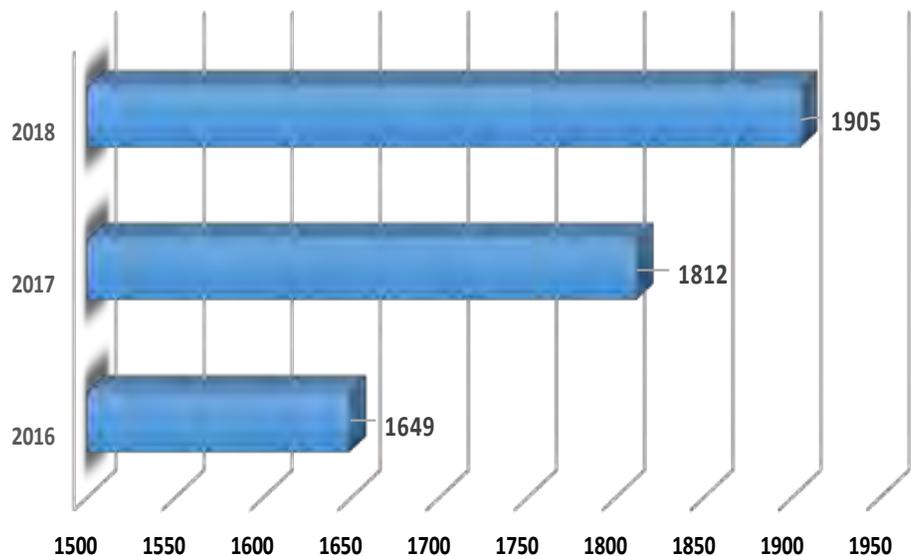
## Total Number of Application Types Received FY 2018



## Issued Licenses

The majority of retail licenses issued in West Virginia can be grouped into three types; Class A for On-Premises consumption, Class B for Off-Premises consumption, and Non-Retail for all other applications. As illustrated in the figure to the right, 1905 new applications were issued licenses in FY 2018. On-premise applications resulted in 51% of the new licenses issued during the FY 2018, whereas 15% of the licenses issued were Off-Premises. Non-Retail licenses made up 34% of the licenses issued in 2018. Non-Retail licenses span a variety of categories from Wine Distributors to Transportation Permits.

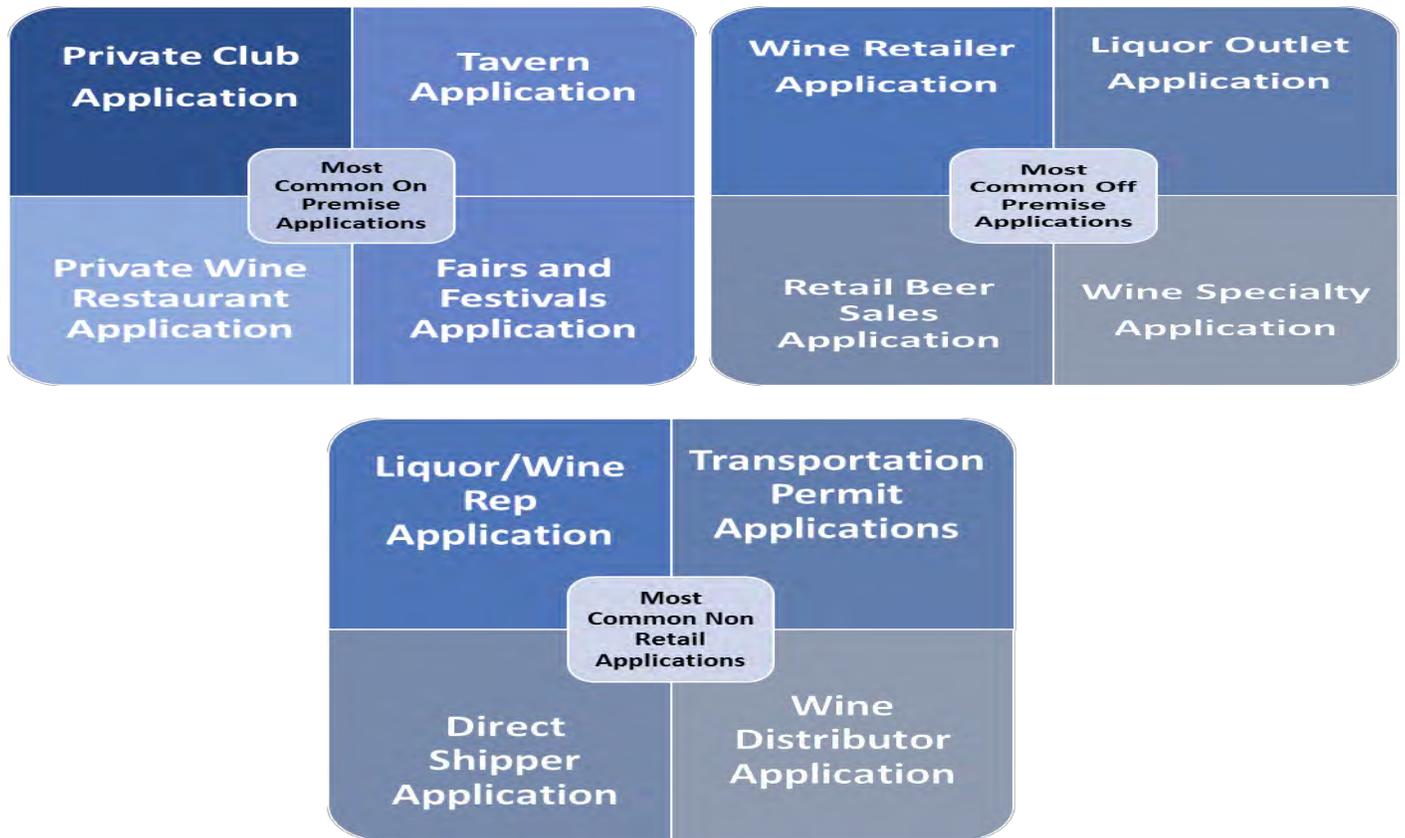
## Total Number of New Applications with Licenses Issued



# Licensing Division

## License Applications

The WVABCA Licensing Division has seen an increase in applications with licenses issued for Fiscal Year 2018 as illustrated in the previous figure. In order to process these applications, the WVABCA Licensing Division sources information from several entities, including the West Virginia Secretary of State's Office, Idemia Morpho Trust, Unemployment, Workers Comp., West Virginia Tax Department, and other entities. Once the application process has been completed and approved the applicant will receive and are required to post their license in their business location. The Licensee submits and completes a license renewal annually.



### Other Commonly Found Applications Used Across the State





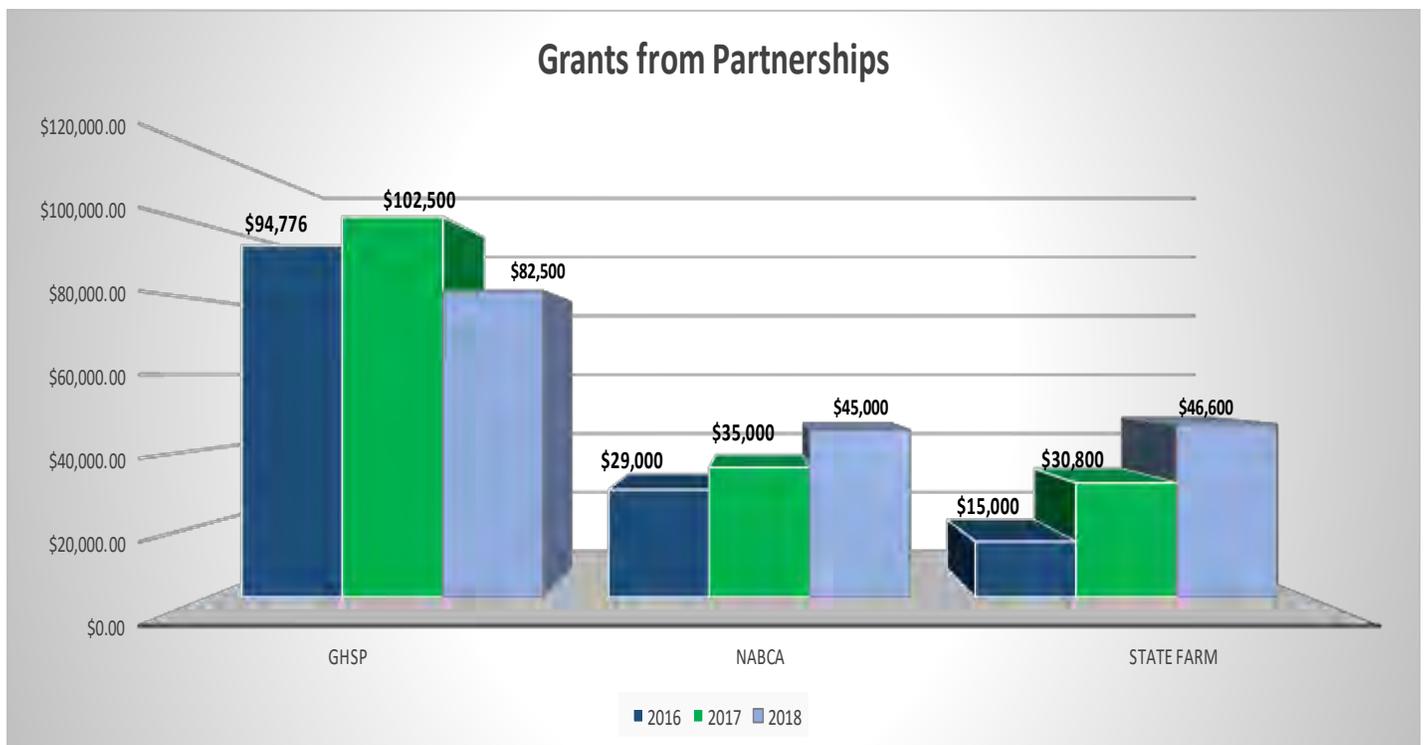
GRANTS



# Grants



The WVABCA has received \$174,100 in grant funding during Fiscal Year 2018. The grants were received from several partners of the WVABCA. The West Virginia Governor’s Highway Safety Program (GHSP) received funding from the National Highway Traffic Safety Administration and provided the WVABCA with \$82,500 in grant funding. This grant provided funding for the DUI Simulator program, enforcement activities, training, travel and the NO School Spirits PSA program. The National Alcohol Beverage Control Association (NABCA) also provided the WVABCA with two grants, (\$20,000 and \$25,000 respectfully). These grants supported the DUI Simulator Program and the NO School Spirits PSA program as did a \$46,600 grant from State Farm®.



## Grant Funding Activities

Public Health Education

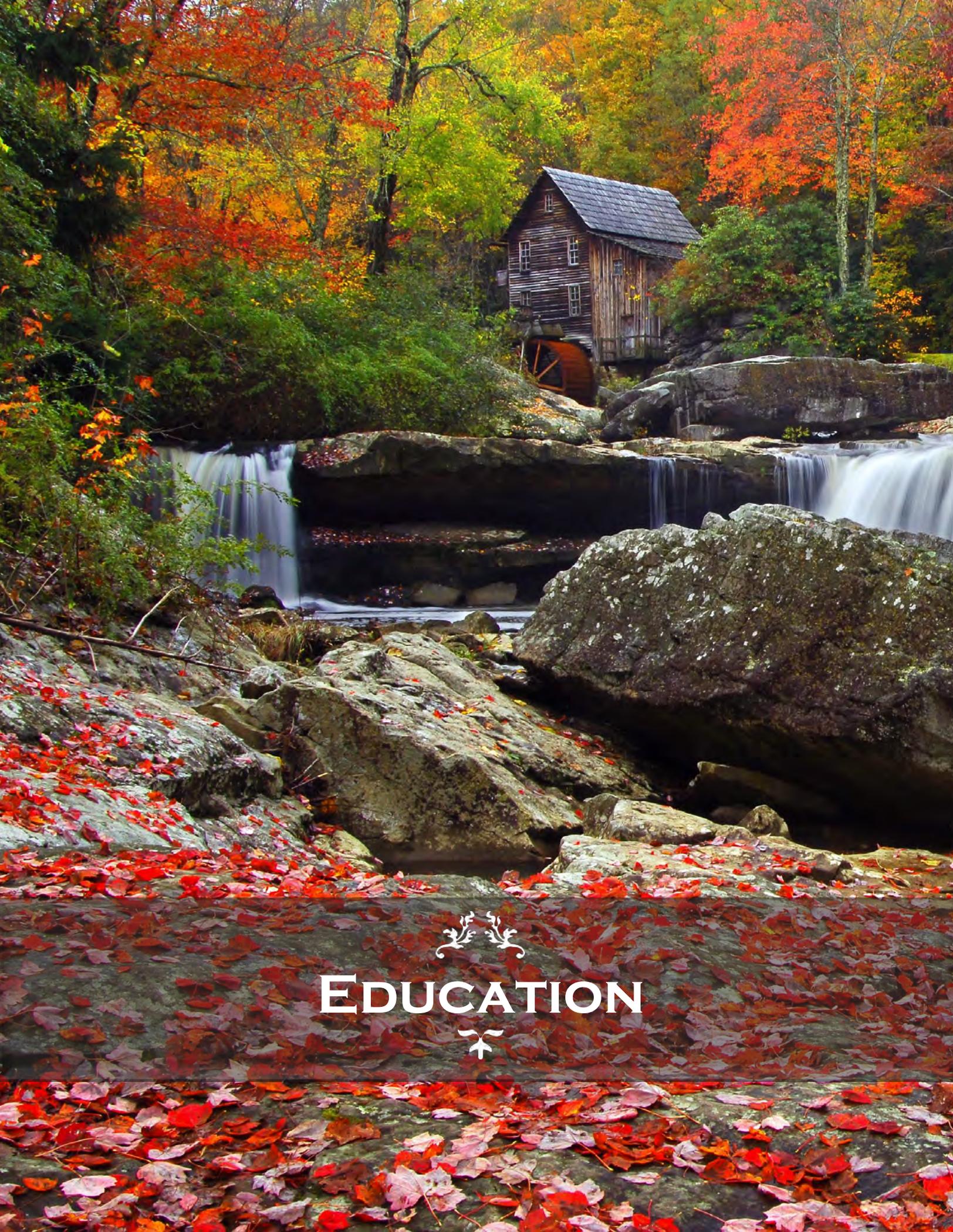
Retailer Education

Enforcement Education

Supplemental Enforcement Details

Technology and Equipment Enhancements

Facilitate Multiple Agency Community Outreach



# EDUCATION



## DUI Simulator

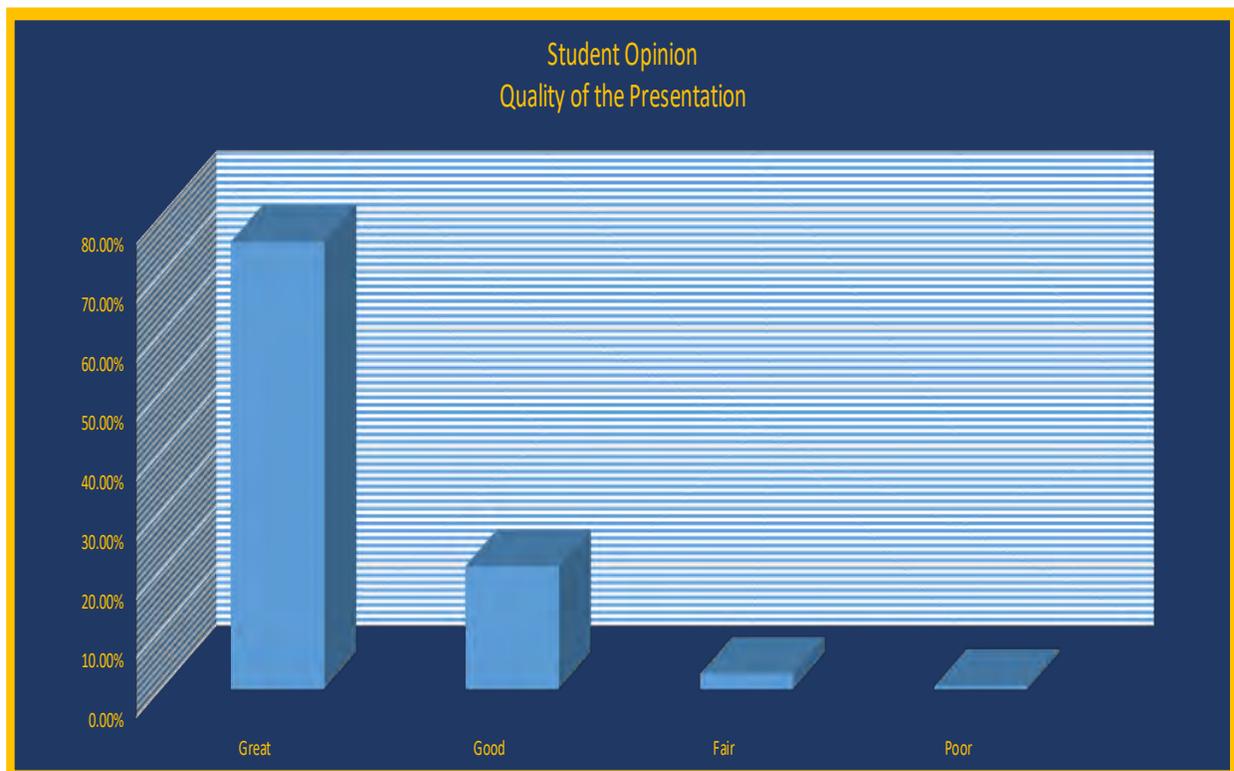
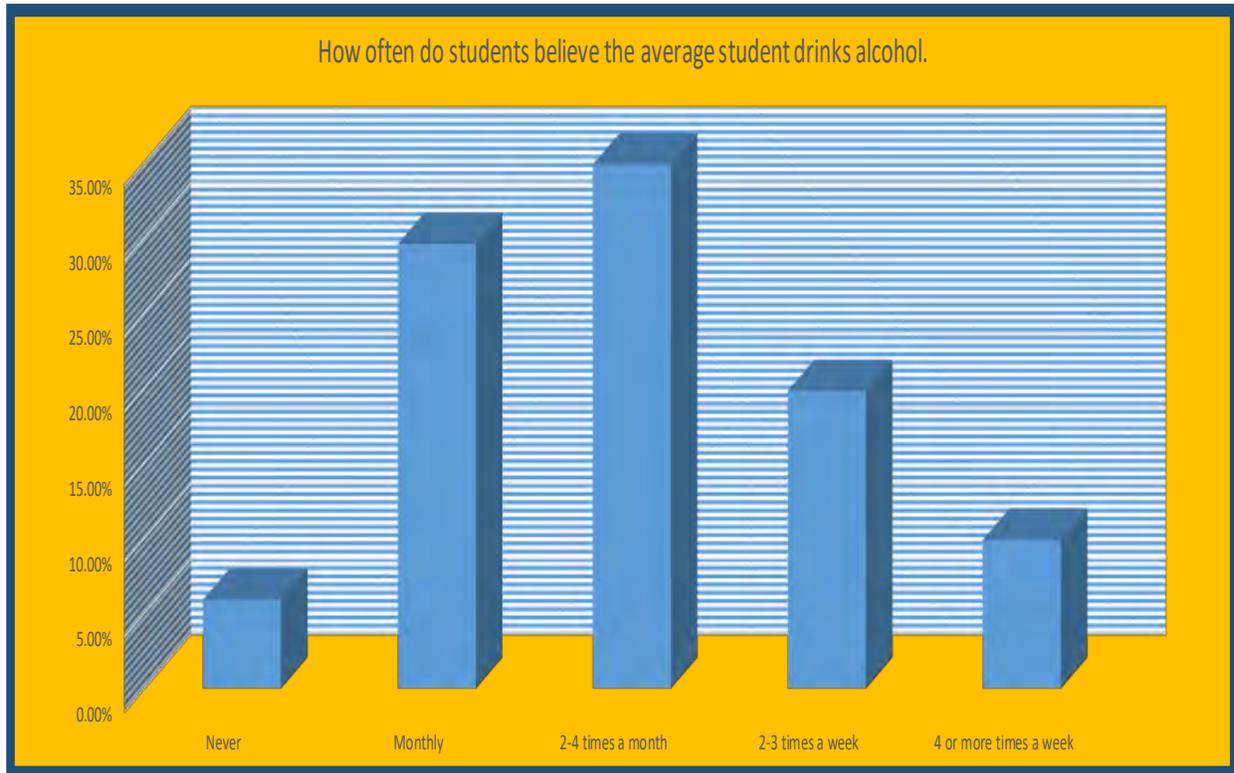


The WVABCA DUI Simulator program was launched in November 2010. The program travels the state visiting high schools, institutions of higher learning and other venues to educate our youth about the harmful effects of drinking and distractive driving. The program provides youth with the opportunity to 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. Student participation during the 2017-2018 school year increased our program total to 48,477 students.



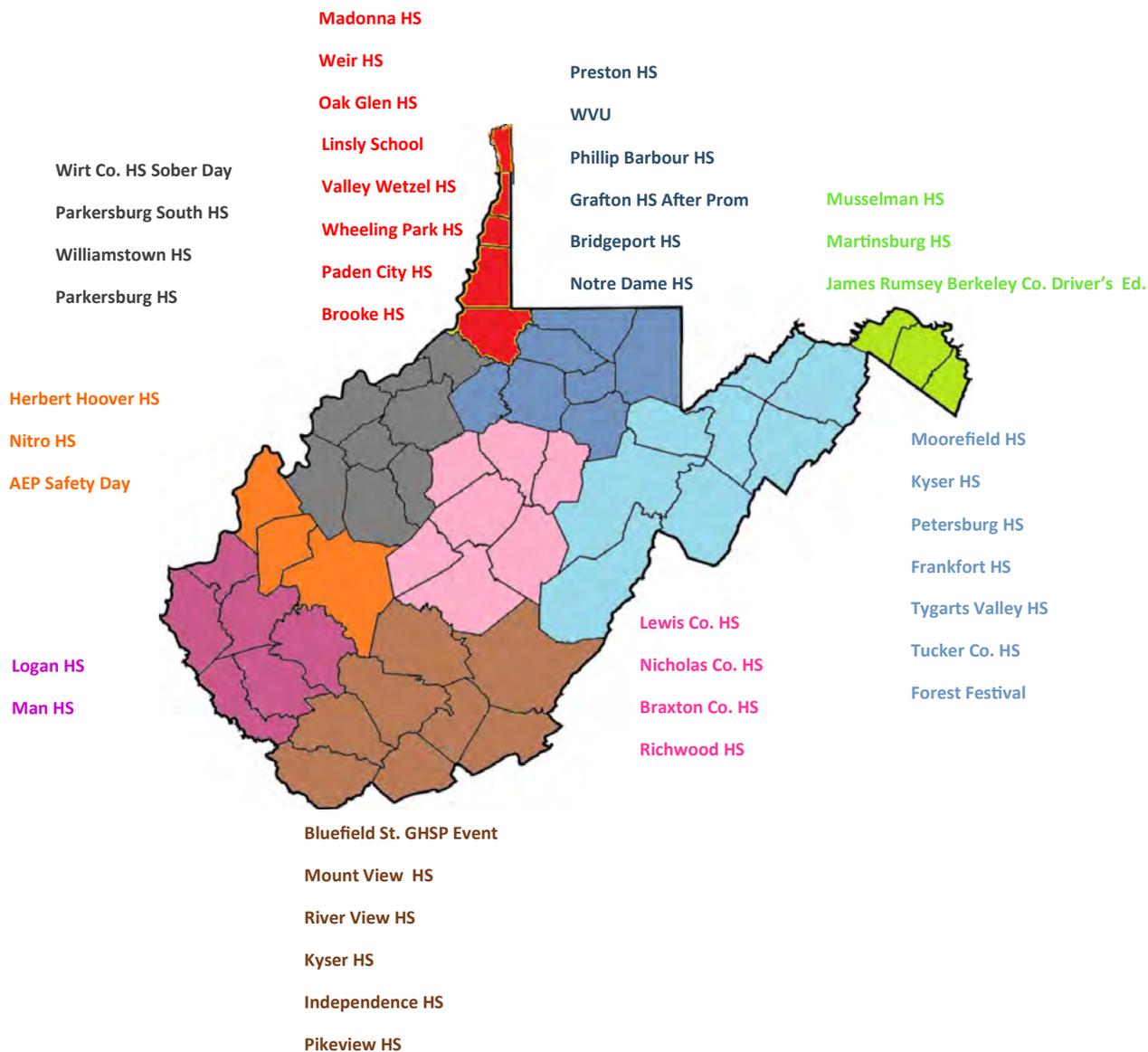
## Student Survey Data

The program also includes a classroom lecture and collects relevant statistical information (alcohol use, texting habits, seat belt usage) to aid in prevention programming.



# DUI Simulator Site Visits

## 2018 Spring and Fall School Semesters



## NO School Spirits PSA Contest

The NO School Spirits PSA program is a contest that seeks essay or video entries from high school students to address underage drinking or drinking and driving. The entries are judged, and the top three winners receive a monetary award that must be used for a school sanctioned event and/or school equipment. The first-place winning entry is developed into a PSA that is aired across the state during prom and graduation season.

### 1<sup>st</sup> Place Winners

- 2013-2014 • Capital High School
- 2014-2015 • Sissonville High School
- 2015-2016 • Bridgeport High School
- 2016-2017 • Ripley High School
- 2017-2018 • Herbert Hoover High School

**NO SCHOOL SPIRITS**

**STOP**  
GRAND PRIZE \$5,000  
2ND PLACE \$2,500  
3RD PLACE \$1,000  
PRIZES FUNDED BY STATE FARM

The West Virginia Alcohol Beverage Control Administration (WVABCA) is pleased to announce the 5th Annual NO School Spirits Public Service Announcement (PSA) contest.

High School students are invited to submit an essay or video about the dangers of drinking and driving or underage alcohol use. The winning school will be invited to help develop a PSA which will be broadcast across the state during the 2018 prom and graduation season. The prize money may be used for a school sanctioned event or for school material. All winning schools will be publicly recognized.

SPONSORED BY

**WVABCA**  
West Virginia Alcohol Beverage Control Administration

**State Farm**

**NABCA**  
NATIONAL ALCOHOL BEVERAGE CONTROL ASSOCIATION

**GHSPM**  
GORENBERG'S HIGHWAY SAFETY PROGRAM

For official rules and submission please visit [www.abca.wv.gov/dds](http://www.abca.wv.gov/dds) or scan the QR code below.

Questions may be emailed to: [NoSchoolSpirits@gmail.com](mailto:NoSchoolSpirits@gmail.com)

Find Us On

f t youtu

Selection and prize distribution will be determined by the WVABCA.

# Education - *continued*

The NO School Spirits PSA program is funded by the same sponsors of the DUI Simulator program. State Farm® provides funding for the prizes and helps to offset some administrative costs. The program awards \$5,000.00 for first-place, \$2,500.00 for second-place and \$1,000.00 for third-place. The WVABCA provided a grant for \$10,000.00 to place a statewide media buy during prom and graduation season and a smaller grant from the Governor's Highway Safety Program helps to offset other program expenditures.



**Herbert Hoover High School**  
**2017-2018 PSA Contest - 1st Place Winner**



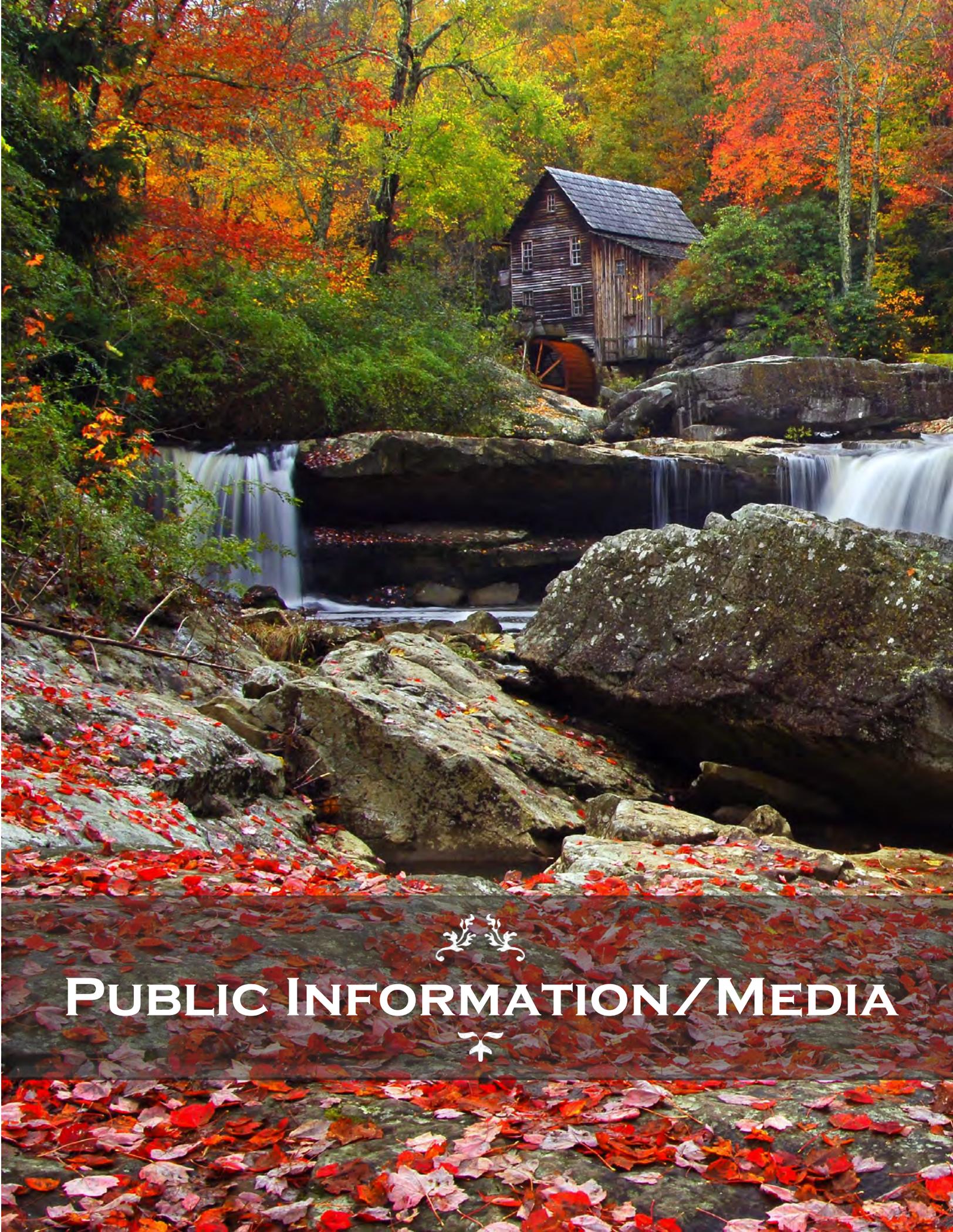
**Berkeley Springs High School**  
**2017-2018 PSA Contest**  
**2nd Place Winner**



**Webster County High School**  
**2017-2018 PSA Contest - 3rd Place Winner**



**South Charleston High School**  
**2017-2018 PSA Contest - 3rd Place Winner**



# PUBLIC INFORMATION/MEDIA



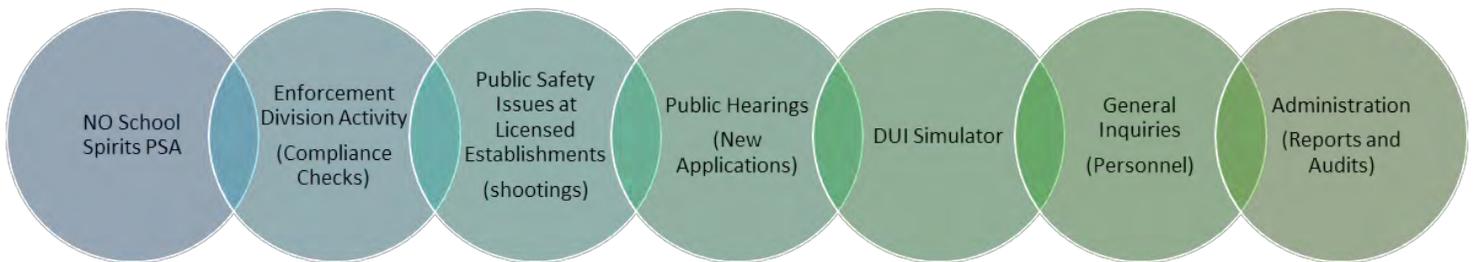
# Public Information/Media

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The WVABCA interacts with the public across every department by providing factual, relevant and current information regarding the duties of the WVABCA.

We coordinate, collect and distribute information to individuals and businesses within the private sector and work the public and sectors/agencies of government 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 be categorized into the following groups:



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Below is a sampling of a recent headline



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## **WVA: Herbert Hoover High School Wins Statewide Contest**

News Release WV Alcohol Beverage Control Administration March 28, 2018

Charleston, W.Va. – The West Virginia Alcohol Beverage Control Administration (WVABCA) is pleased to announce the winners of the 5th annual NO School Spirits PSA contest. WVABCA Commissioner Fred Wooton said, “This year’s contest is the biggest ever, with 375 students participating”. The contest invites high school students to submit a video or essay that deals with underage drinking or drinking and driving. Commissioner Wooton said, “The WVABCA received 211 entries, nearly quadrupling last year’s entries received.”

This year’s winners and the monetary prizes are:

- 1st place – Herbert Hoover High School - \$5,000.00
- 2nd place – Berkeley Springs High School - \$2,500.00
- 3rd place (tie) – Webster County High School - \$500.00 and
- 3rd place (tie) – South Charleston High School - \$500.00

The NO School Spirits PSA program receives grant funding from: State Farm®, National Alcohol Beverage Control Association, and the Governor’s Highway Safety Program.

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# Recent Headlines

## West Virginia Alcohol Beverage Control Administration



### The Intelligencer. Wheeling News-Register

#### Simulator at Wheeling Park High School Drives Home Dangers of DUI

More than 100 Wheeling Park High School students are taking part in the West Virginia Alcohol Beverage Control Administration DUI Simulator Program

### Charleston Gazette-Mail

A Pulitzer Prize-Winning Newspaper

#### Putnam stores cited for underage alcohol sales

Eight Putnam County convenience stores illegally sold alcohol to young people during a recent sting operation.

The compliance checks, conducted by the West Virginia Alcohol Beverage Control Administration and the Putnam County Sheriff's Department, targeted 22 stores earlier this month, police said.



#### New program helps teens understand the risks of alcohol

WHEELING, W.Va. (WTRF) - A West Virginia mother is teaming up with the state's Alcohol Beverage Control Administration to help fight underage drinking.

Together they're introducing a new program that helps teens and their families understand the risks of consuming alcohol.



#### Charleston club to close its doors after shooting

After a shooting that injured two people, a Charleston bar on Lee Street East is closing its doors for good.

A spokesman with the West Virginia Alcohol Beverage Control Administration tells WSAZ the owner of Chuck City Lounge voluntarily surrendered his license late Wednesday evening.

# The Journal



## In the driver's seat

Sophomore Stevie Bunting navigates down an icy mountain road on the West Virginia Alcohol Beverage Control Administration DUI Simulator Program which visited Musselman High School this week. The simulator offers the students an interactive experience on the dangers of drinking and distracted driving. The program has been in operation since 2010 and over 45,000 students have participated. It is sponsored by State Farm, Governor's Highway Safety Program and the National Alcohol beverage Control Association.

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The Herald-Dispatch  
**herald-dispatch.com**  
HUNTINGTON, WV

## Man dies after bar shooting

HUNTINGTON — Police are searching for a Charleston man connected to a shooting at a bar in downtown Huntington early Sunday morning that left one person dead.

Interim Huntington Police Chief Hank Dial said a warrant for first-degree murder has been issued for Daniel Marcus Battle 33, of Charleston.

Dial said police are actively searching for Battle and are hopeful that he will be apprehended soon. Police received reports of a shooting inside Rehmy's Lounge, 611 4th Ave, at 2:20 a.m. Sunday, Dial said.

## THE REGISTER-HERALD.

### Beckley Police, Raleigh Sheriff's Dept. conduct under age alcohol sting

Law enforcement officers from the Beckley Police Department and Raleigh County Sheriff's Office partnered with agents from the Alcoholic Beverage Control Administration (ABCA) to conduct an underage alcohol sting throughout Raleigh County on Thursday, Feb. 8.

Charleston  
**Gazette-Mail**  
A Pulitzer Prize-Winning Newspaper

### St. Albans starts "brunch bill"

Restaurants in St. Albans may soon be permitted to sell alcohol for Sunday brunch, thanks to an ordinance making its way through City Council.

 West Virginia  
**Public**  
Broadcasting

### West Virginia Agency Sponsors Contest on Alcohol Awareness

West Virginia high school students can submit entries in an annual state-sponsored contest on the dangers of drinking and driving and underage alcohol consumption.

The West Virginia Alcohol Beverage Control Administration is accepting essay or video entries for the NO School Spirits contest through Dec. 22.

### **DUI simulator shows students challenges of driving impaired**

KANAWHA COUNTY, W.Va. (WCHS/WVAH) — The driving under the influence simulator program stopped by Herbert Hoover High School Wednesday in Kanawha County to show students about the dangers of drinking and driving.

## **The Journal**

### **Police to conduct interviews about shooting**

INWOOD—Although no new information is currently available in the investigation of Saturday morning’s fatal shooting at the Coco Loco Night Club in Inwood, Berkeley County Sheriff Curtis Keller said the department will be conducting interviews related to the incident today.

## **The Weirton Daily Times**

### **NO School Spirits PSA contest expands**

Beverage Control Administration  
CHARLESTON — Approximately 9.3 million youth in the United States ages 12 to 20 reported drinking alcohol, according to the West Virginia Alcohol Beverage Control Administration.



### **Truck dumps load of beer in Lincoln County crash**

HAMLIN, W.Va. — It took several hours to clear dozens of cases of Coors beer from the side of state Route 3 in Lincoln County following a truck wreck Tuesday morning.



### **Morgantown Police Department working with Alcohol Beverage Control Administration to stop underage drinking**

Morgantown Police Department is trying to crack down on underage drinkers. In a press release from the MPD on Oct. 23, 23 students were charged for possessing and attempting to gain entry into ABC License establishments using fraudulent identification.

**Coming Soon!**  
**New DUI Simulator**  
**New DUI Simulator Trailer**  
**&**  
**New Desktop Simulator**

Current Simulator  
Accomplishments  
2010-2018

Traveled  
Nearly  
200,000  
Miles

570 Events

Nearly  
53,000  
Participants



**WEST VIRGINIA**  
ALCOHOL BEVERAGE CONTROL ADMINISTRATION

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

304-356-5500

1-800-642-8208 (TOLL FREE WITHIN WEST VIRGINIA)

[WWW.ABCA.WV.GOV](http://WWW.ABCA.WV.GOV)