



*Control – Service – Revenue:  
Achieving the Balance*



Virginia Department of Alcoholic Beverage Control 2005 Annual Report



# *Control – Service – Revenue:*

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*Visit [www.abc.virginia.gov](http://www.abc.virginia.gov) for a copy of the complete online 2005 Annual Report that contains financial information for Fiscal Year 2005 and a downloadable, printable version of this entire report.*

# *Achieving the Balance*

VIRGINIA DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL 2005 ANNUAL REPORT

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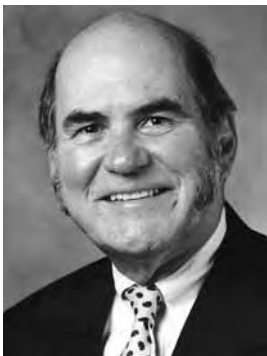
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# *Achieving the Balance*

## LETTER FROM THE CHAIRMAN



ABC had a remarkable seventh record breaking year by reaching \$532.7 million in annual gross sales in the ABC retail stores, exceeding half a billion dollars for the first time in history and last year's sales by 8 percent. Total contributions from ABC to the Commonwealth totaled

\$268 million. In addition, selected ABC stores were open on Sunday for the first time in ABC's history. Legislation passed by the General Assembly now allows ABC to open stores in Northern Virginia and Tidewater on Sundays for limited hours. In Fiscal Year 2005, the 50 stores open on Sunday generated \$6.8 million in sales.

Increased efforts by licensees and ABC to avoid sales of alcoholic beverages to underage persons is paying off with licensees achieving an 89 percent compliance rate and ABC retail stores achieving 98 percent. Improving these rates is a constant challenge, but one that our agency and its Bureau of Law Enforcement Office are actively addressing.

The Education Section continues to develop progressive prevention and education programs to combat underage drinking and irresponsible consumption by those of age. A new prevention taskforce was formed to target adult providers of alcohol in addition to enhancing the successful Sticker Shock Campaign, adopted in 2002 to address these providers.

In the summer of 2004, ABC introduced Responsible Sellers and Servers: Virginia's Program (RSVP), a popular new training program to help sellers and servers become more responsible and to better understand ABC laws and regulations. The classes were conducted throughout the state for nearly 2,550 clerks, wait staff and other "front line" employees by teams of ABC special agents.

The Wholesale/Retail Division has implemented a major multi-million dollar project to enhance warehouse operations and increase productivity. Since the old system was taxed in its ability to supply merchandise to the existing 301 stores, the new system is necessary to bring improved efficiency for the demands of an ever-growing network of stores, which is projected to reach 325 by June 2006. With the updated structure, the warehouse is able to handle 1,200 additional products and 9,000 more cases in an eight-hour shift.

Each product is scanned electronically and entered into a database, which means improved shipping accuracy. The system is ergonomically friendly, making the product handling easier and more efficient. As a result of the implementation of this new system, the agency will benefit through an increase in productivity and reduction in work-related injuries and ABC customers will benefit through the availability of more products and improved service, another step toward achieving the next record year.

A handwritten signature in black ink that reads "Vernon M. Danielsen". The signature is written in a cursive style with a long, sweeping underline.

Vernon M. Danielsen, Chairman

## ABC VISION

To enhance the quality of life for Virginia's citizens by balancing service, revenue and control in the distribution, sale and consumption of alcoholic beverages.

## ABC MISSION

To control the distribution of alcoholic beverages; operate efficient, conveniently located retail outlets; enforce the laws of the Commonwealth pertaining to alcoholic beverages and youth access to tobacco products; and provide excellent customer service, a reliable source of revenue, and effective public safety.

## EXECUTIVE INFORMATION

### GOVERNOR

Mark R. Warner

### ABC BOARD FISCAL YEAR 2005

Vernon M. Danielsen, *Chairman*

Esther H. Vassar, *Member*

Warren E. Barry, *Member*

### EXECUTIVE STAFF

W. Curtis Coleburn, III, *Chief Operating Officer;  
Secretary to the Board*

Ronald K. Layne, *Chief Financial Officer*

John W. Wszelaki, *Internal Audit Director*

### DIVISION DIRECTORS

Virginia A. Adams, *Wholesale/Retail Operations*

S. Christopher Curtis, *Bureau of Law Enforcement*

Robert S. O'Neal, *Hearings, Appeals and Board  
Administration*

J. Craig Vanderland, *Policy, Analysis and Support  
Services*

Charles R. Moore, *Information Technology Services*

Nancy A. Murphy, *Financial Management Services*

Janet L. Lawson, *Human Resources*

Robert W. Southall, *Property Management Services*

Rebecca V. Gettings, *Public Affairs*



(Top) Governor Mark R. Warner

(Bottom) ABC Board: Vernon Danielsen (*left*), Chairman,  
Esther Vassar (*seated*), Member, and Warren Barry, Member

## ABC DIVISIONS PARTNER TO PROVIDE CONTROL – SERVICE – REVENUE

Throughout the Commonwealth, ABC employees are partnering to carry out the mission of the agency. All divisions of the ABC team provide necessary functions for the agency to provide excellence in all areas of control, service and revenue, and to achieve the balance.

### WHOLESALE RETAIL OPERATIONS

Manages staff and administration of over 300 state-operated stores that sell packaged distilled spirits to the public and to almost 4,000 mixed beverage licensees for sale/consumption in their restaurants throughout the state. Oversees warehouse operations, shipping over three million cases each year.

### BUREAU OF LAW ENFORCEMENT

ABC special agents based out of eight regions across the state have full police powers with a diverse range of duties – from enforcing criminal and ABC laws in more than 14,000 licensed establishments, to detecting illegal distilleries, to investigating license applications. Illegal activities may lead to criminal charges, administrative charges against the establishment's license(s), or both. ABC agents also work with and provide compliance training to interested licensees.

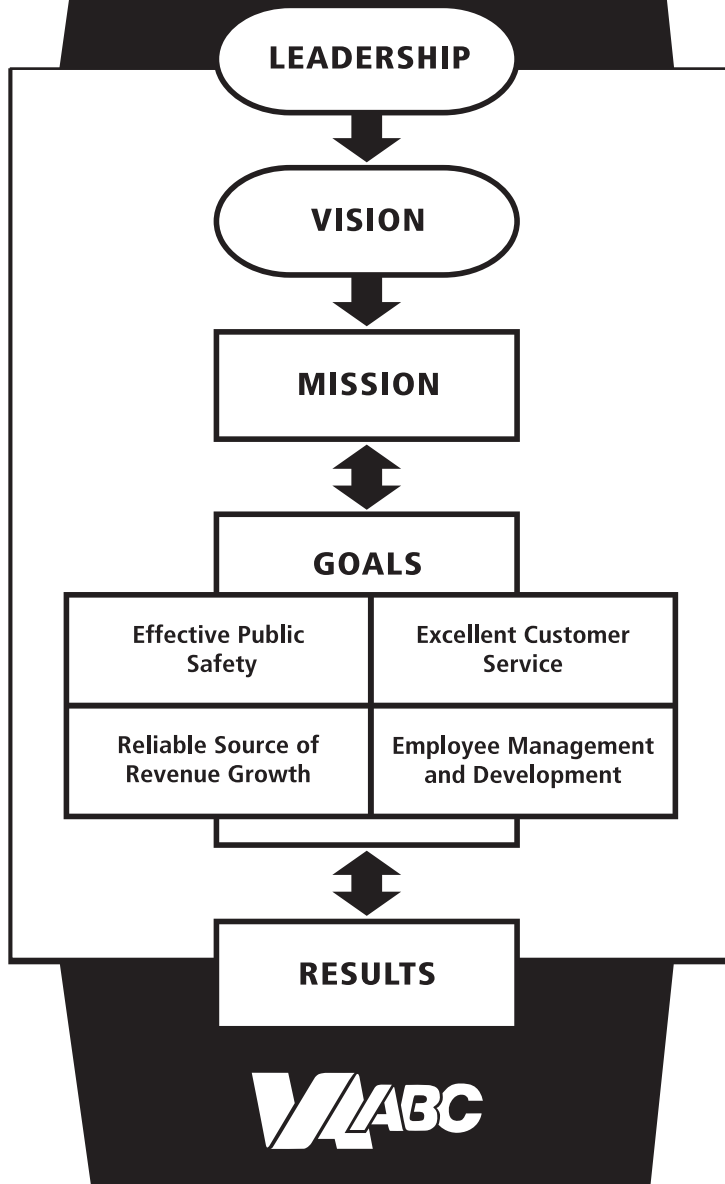
### *Alcohol Education Prevention Section*

Develops training and materials to promote compliance with ABC laws and responsible consumption by those of legal age and zero tolerance for underage con-

*(continued)*



**Virginia Department of  
Alcoholic Beverage Control  
Strategic Plan, 2006–2008**



In Fiscal Year 2005, the Policy, Analysis, and Support Services Division continued to guide the ABC leadership team in revising the Virginia ABC strategic plan. The 2006–2008 strategic plan has four major goals as outlined in this chart.

## ABC DIVISIONS PARTNER TO PROVIDE CONTROL – SERVICE – REVENUE (CONTINUED)

sumption. Provides thousands of dollars in grant funding to enhance community and university coalitions.

### *Tax Management Section*

Collects the wholesale wine and malt beverage taxes for all wine and beer sold in the Commonwealth.

### *License Records Management Section*

Maintains records for thousands of licensed establishments in the Commonwealth.

## HEARINGS, APPEALS AND BOARD ADMINISTRATION

Dockets administrative hearings for licensed establishments charged with ABC violations. Opposing sides introduce evidence in support of their case before a hearing officer who weighs the evidence presented and issues a decision a short time later. Once a decision is issued, either party has 30 days to appeal to the ABC Board.

## POLICY, ANALYSIS AND SUPPORT SERVICES

Provides program and decision support service to internal and external customers. Manages the procurement of goods and coordinates the analysis, development and maintenance of agency policies. Leads the agency in developing, updating and reviewing its strategic plan.

## INTERNAL AUDIT

Identifies risk, assists management in developing a proper internal control environment and offers recommendations for creative business solutions to enhance agency business practices and policies. Investigates state hotline complaints.

## INFORMATION TECHNOLOGY SERVICES

Offers support to all agency divisions by providing sound technology solutions. Implementing new computer-based systems to provide the agency with Internet-based transactions.

## FINANCIAL MANAGEMENT SERVICES

Oversees all fiscal functions of the agency including payroll, budgeting, cash receipts, cash disbursements

and financial reporting. The Sales Audit Section receives nightly information from all ABC stores and balances and reports daily store activity to include sales, cash, credit card transactions, taxes and cost of goods sold.

## HUMAN RESOURCES

Provides support to employees and managers to ensure a positive working environment.

### *Employment and Compensation Section*

Screens thousands of applications and consults with managers who are hiring staff to fill vacancies that further enhance the agency's workforce. Manages the compensation and performance evaluation processes.

### *Benefits and Employee Relations Section*

Administers statewide benefit programs to include health insurance, life insurance, retirements, leaves of absence, and Workers' Compensation. Partners with employees and managers to provide guidance and resolve issues in a positive manner.

### *Training and Development Section*

Offers ABC employees the opportunity to attend training programs to increase their professional development, management development and technical skills.

## PROPERTY MANAGEMENT SERVICES

Maintains rented and owned properties including the Central Office, Warehouse, Regional Enforcement Offices and ABC stores. Performs renovations and repairs for the properties, negotiates leases for all agency-leased space and takes the lead in preparing contracts for work that is outsourced.

## PUBLIC AFFAIRS

Disseminates information internally and externally and serves as agency spokespersons to the news media. Writes and distributes news releases, produces two agency newsletters, produces multiple brochures and the annual report. Provides writing, graphics, marketing and photographic support to agency divisions.





April 2005

The Wholesale/Retail Division was busier than ever during Fiscal Year 2005, directing a major multi-million dollar project to enhance the warehouse operation. ABC's current system handles approximately 2,300 products and processes nearly 15,000 cases in an eight-hour shift. Although these numbers are impressive and allowed the agency to supply items to 301 stores, the new system will bring enhanced efficiency for the demands of an ever-growing network of stores.

## MULTI-MILLION DOLLAR WAREHOUSE PROJECT



With the new automated system, each product will be scanned electronically and entered into a database, which means improved shipping accuracy. A conveyor system has been installed for efficient flow of items from arrival at the warehouse to delivery to the trucks for shipment. The system is ergonomically friendly, making product handling easier on warehouse employees. After completion, ABC customers, including licensees, will benefit through more products and improved service, and the agency will benefit through an increase in productivity and reduction in work-related injuries.

With the updated structure, the warehouse will be able to process approximately 20,000 cases in an eight-hour shift, an increase of 9,000 cases. The warehouse will also accommodate over 3,500 different products, 1,200 more than the current system. Offering this greater selection satisfies an ABC goal of providing excellent customer service.

Concepting and design for the project began over a year ago and much has been accomplished in Fiscal Year 2005. The project is broken down into three basic phases:

- (1) renovate and upgrade the old bulk storage area and install the conveyor and racks;
- (2) enclose the dock areas; and
- (3) renovate and upgrade the old floor picking area.

The phases will overlap for a significant amount of time during project development.

The final conveyor and racking design were completed during the fiscal year. Building modifications in the old bulk storage were well underway, with walls coming down and going up throughout the warehouse.

The bulk inventory was moved to the satellite warehouse, which is about 11 miles away from the Central Office. Some staff will continue working from the temporary warehouse until the project is finished and fully operational. Ten to 12 tractor-trailer loads of merchandise are being transported from the satellite warehouse to the central warehouse each day.

Much has been accomplished this fiscal year, but construction and refinements will continue next year. When the project is completed, the increased efficiency will enable the agency to achieve a milestone in service excellence.

# CONTROL

## CONTROL PERFORMANCE MEASURES

Measure	2002	2003	Baseline FY04*	2005 Year End	Desired Trend or Target
<b>UNDERAGE BUYER PROGRAM COMPLIANCE RATES</b>					
Alcohol compliance rate alcohol licensees	77%	85%	91%	89%	93% FY08
Alcohol compliance rate in ABC stores	90%	95%	97%	98%	97% FY08
Compliance rate tobacco (Synar)**	89%	90%	87%	90%	90% FY08
<b>EXTERNAL ALCOHOL EDUCATION</b>					
No. of speakers bureau presentations	n/a	n/a	n/a	54	Increase
No. of participants in ABC-sponsored training events	n/a	n/a	n/a	2,969	Increase
No. of education and prevention materials distributed	n/a	n/a	n/a	258,422	Increase

\*Baseline 2004 was utilized to set targets for 2008.

\*\*The Synar program is part of a substance abuse prevention and treatment block grant from the federal government to the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services. ABC's Tobacco Underage Buyer program receives some funding from this grant and from the Virginia Tobacco Settlement Foundation.



Controlling the distribution of alcoholic beverages and enforcing the laws of the Commonwealth pertaining to alcoholic beverages and youth access to tobacco products is a huge part of providing effective public safety. In addition, we are committed to partnering with licensees, working toward improved compliance by offering training in selling and serving responsibly. We are also committed to working with coalitions, communities, universities and others in providing grants, conferences, brochures and other alcohol education/prevention materials to control the illegal and/or irresponsible use of alcohol in Virginia.

## CONTROL – HIGHLIGHTS FOR FISCAL YEAR 2005

### ENFORCEMENT

During Fiscal Year 2005, special agents and staff of the ABC Bureau of Law Enforcement:

- Conducted 15,651 criminal investigations
- Made 1,916 arrests
- Conducted 20 illegal still investigations
- Collected \$80,906,936 in wine and beer taxes and license fees
- Issued 1,823 new retail, wholesale and special permit licenses
- Issued 13,932 one-day banquet and special event licenses
- Conducted 20,151 inspections of licensed establishments
- Issued 1,856 written warnings and violation reports
- Conducted 2,082 public and licensee training presentations

### LICENSEES

ABC licensees include 10,861 private or corporate owners of 14,306 establishments, holding approximately 15,025 ABC licenses allowing sales and/or consumption of beer and wine or mixed beverages on- or off-premise. During Fiscal Year 2005, 102 special agents from the agency's Bureau of Law Enforcement monitored these establishments and serviced licensees. ABC agents conducted 122 Responsible Sellers and Servers: Virginia's Program (RSVP) classes this fiscal year, training 2,536 seller/server/owner participants.

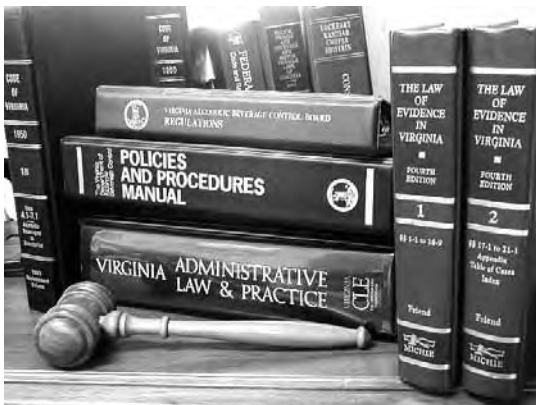
### ALCOHOL EDUCATION

ABC continues to lead the Commonwealth in alcohol prevention and community education initiatives. Dedicated to decreasing the illegal use of alcohol, ABC promotes responsible distribution of alcoholic beverages by licensees, responsible consumption by those of legal age and zero tolerance for underage consumption. In Fiscal Year 2005, ABC distributed 258,422 education and prevention pieces for use by licensees and various agencies and communities around the Commonwealth. In addition, the agency awarded \$47,243 in Operation Undergrad grants to Virginia colleges for addressing school alcohol consumption concerns, and \$62,713 in Community Coalition grants to support local alcohol education and prevention initiatives.

### HEARINGS AND APPEALS

In Fiscal Year 2005, 1,234 cases were received in Hearings, Appeals and Board Administration for processing, including 1,144 violation reports, 71 contested license applications, 13 contested banquet applications and six franchise rights cases. The division provided dispositions on 1,184 cases, including conducting hearings on 737 administrative violation reports, prepared for 45 board appeal hearings, and processed 398 consent settlements or offers-in-compromise for the board.

**HEARINGS, APPEALS AND BOARD ADMINISTRATION DIVISION  
ANNUAL ACTIVITY SUMMARY, JULY 1, 2004–JUNE 30, 2005**



**Cases Referred for Hearings**

Case Activity	Count
Violation / disciplinary reports	1,144
Contested applications	71
Approved:	47
Denied:	6
Withdrawn before hearing:	18
Banquet applications	13
Approved:	8
Denied:	5
Wine and beer franchise cases	6
<b>Total hearings requested</b>	<b>1,234</b>

**Hearings Dispositions**

Case Activity	Count
Settled by consent settlement offer	265 (21.5%) <sup>1</sup>
Heard by ABC hearing officer <sup>2</sup>	737 (59.7%) <sup>1</sup>
Settled by offer in compromise	133 (10.8%) <sup>1</sup>
Withdrawn or dismissed prior to hearing	49 (4.0%) <sup>1</sup>
<b>Total hearings dispositions</b>	<b>1,184<sup>3</sup></b>

<sup>1</sup>Percentage of total cases received.

<sup>2</sup>534 hearings were held on 737 charges filed for hearings; licensees with multiple charges had hearings combined for efficiency.

<sup>3</sup>50 pending hearings on 6/30/05.

**Case Decisions Appealed**

Activity	Count
Initial decision of hearing officer to ABC Board	45 (3.6%) <sup>1</sup>
Final decision of ABC Board to circuit court	19 (39.6%) <sup>2</sup>

<sup>1</sup>Percentage of all cases referred

<sup>2</sup>Percentage of all appealed cases

**Penalties**

Activity	Count
Civil penalties collected	\$1,771,900
Average civil penalty per case <sup>1</sup>	\$2,360
Average suspension period per case <sup>1</sup>	23.3 days

<sup>1</sup>Most ABC case decisions provide for a civil penalty or suspension period. This average reflects the results of all civil penalties collected or suspension time levied from all case decisions, consent settlement offers, and offers-in-compromise for Fiscal Year 2005. When allowed by the Board order, licensees may choose which penalty they prefer to accept. Some penalties contain both mandatory suspension periods and civil penalties.

**Administrative Violations Contested Applications**

Activity	Average Case Turn-Around Time		
	FY03	FY04	FY05
Admin. violations	157 days	146 days	129 days
Contested applications	108 days	113 days	105 days



## *BEBA CON RESPONSABILIDAD*

In addition to two prevention brochures currently translated into Spanish, ABC is proud to offer bookmarks and posters for the Hispanic population within the Commonwealth. ABC realizes the Hispanic population in Virginia is growing and has produced these materials in Fiscal Year 2005 to better serve this vital group of citizens.

ABC reached out to community health and recreational organizations serving Hispanic citizens and they are assisting with the distribution of the materials.

The bookmarks and posters urge those who decide to drink alcoholic beverages to do so in a responsible manner for themselves as well as for their families. The pieces also remind parents and guardians to set a good example because their children may follow their lead. The Zero Tolerance for underage purchase, possession or consumption of alcohol is also a focus. Finally, the materials stress the importance of not driving while under the influence of alcohol.

### **ABC Offers Additional Educational Materials in Spanish**



# SERVICE

## CUSTOMER SERVICE PERFORMANCE MEASURES

Measure	2002	2003	Baseline 2004	2005 Year End	Desired Trend or Target
<b>PRODUCTS CARRIED IN STORES</b>					
No. of standard products carried (distilled spirits and mixers)	1,778	1,912	1,926	2,090	Increase
No. of special order catalog items (distilled spirits)	n/a	n/a	243	247	Increase
<b>RETAIL STORE NETWORK</b>					
New ABC stores opened	11	19	17	10	24 FY06
ABC store relocated	7	7	9	4	
ABC store modernized	4	3	7	11	Increase
No. of ABC stores	260	276	293	301	325 FY06
<b>PRODUCT SERVICE LEVEL</b>					
Average product service levels in stores	n/a	n/a	n/a	97.2%	97% FY08
<b>POPULATION SERVED</b>					
Population served per ABC store	27,645	26,418	25,209	24,788	23,000 FY08
<b>PROCESSING TIME FOR LICENSING</b>					
Avg. processing time for new ABC license <sup>1</sup>	77 days	72 days	64 days	84 days	60 days FY08
<b>PROCESSING TIME FOR ADMINISTRATIVE CASES</b>					
Avg. processing time for administrative violations <sup>1</sup>	n/a	157 days	146 days	129 days <sup>2</sup>	Decrease
Avg. processing time for contested applications <sup>1</sup>	n/a	108 days	113 days	105 days	Decrease

<sup>1</sup>Processing time given as the average number of days.

<sup>2</sup>2005 average is 182 days, including enforcement time.

Excellent customer service means listening to our customers and stakeholders, providing what they need and working diligently to exceed their expectations. ABC is committed to operating efficient, conveniently located retail outlets with pleasant shopping environments. We are committed to maintaining excellent product service levels in our stores, and handling requests for additional products in a timely manner. Customer service excellence is achieved as we continue to reduce processing time for administrative violations and contested applications. We are striving to reduce the time it takes to process new ABC licenses and other processes and services provided by the agency.

## CUSTOMER SERVICE – HIGHLIGHTS FOR FISCAL YEAR 2005

### ABC STORES

Employees at ABC stores earned excellent ratings in the most recent customer survey evaluating store service standards. The survey revealed that 91 percent of ABC store shoppers are very satisfied with the overall customer service provided at ABC stores. According to ABC customers: 95 percent of ABC store employees give prompt service; 93 percent of ABC store employees are never too busy to answer questions and 91 percent have the knowledge to answer questions.

### MEASURING SERVICE

Customer service, internal and external, is paramount as employees commit to carrying out the agency mission. Performance measures are used to chart agency progress in many areas, including service. Customer service measures being charted, some of them benchmarking with Fiscal Year 2005 figures, include: new ABC stores opened; average product service levels in

stores; population served per ABC store; percent of Virginians within 10 minutes of an ABC store; customer comment card analysis; service standards compliance rates based on the Mystery Shopper program; processing time for new ABC licensees; processing time for administrative violations and processing time for contested applications.

### WEB FRIENDLY

Virginia ABC's Web site, [www.abc.virginia.gov](http://www.abc.virginia.gov), has a refreshing new look and a restructured navigation system to make it more user friendly. The site has been revamped with copy and photo updates as well as some design improvements.

One of the biggest changes was adding the Licensee Resources Section, which is a clearinghouse of information for one of our major customer groups. Before, the information needed by licensees was scattered throughout the Web, and now it's all in one area. Plus, new services were added such as "ABC Agents Services." There is also more developed information on checking IDs and other compliance issues.





Commitment to providing a reliable source of revenue for the Commonwealth is evident as the agency reports a seventh record year in gross sales and contributions. We all benefit from ABC contributions to Virginia, totaling \$1 billion in the last five years. ABC revenue sources include: sales from ABC stores; taxes collected on alcoholic beverages; violation penalties; and license fees. ABC funds are distributed to: the Department of Mental Health, Mental Retardation and Substance Abuse Services and other state agencies; Virginia's General Fund; and localities for education, police, fire, rescue, public works and other projects.

## REVENUE – HIGHLIGHTS FOR FISCAL YEAR 2005

### ANNUAL SALES INFORMATION

At the close of Fiscal Year 2005, ABC carried 2,090 active items on our price list with an additional 376 items that have been de-listed. De-listed items remain on the price list until all inventory has been depleted. Our Special Order Catalog contains an additional 247 items with 2,065 cases purchased in Fiscal Year 2005, resulting in \$593,840 in revenue. There were 5,625 special order cases sold through individual people or licensees asking for non-stock items, resulting in revenue of \$735,974.

The 301 ABC retail stores were responsible for over \$532 million in gross sales and the sale of 3,311,162 cases of distilled spirits, Virginia wines and assorted mixers. The ABC warehouse received 3,015,030 cases and shipped 2,987,651 cases during the fiscal year.

### RECORD YEAR

ABC celebrates Fiscal Year 2005 as its seventh record year with gross sales of \$532.7 million and \$268 million in contributions to Virginia state agencies, the General Fund and localities.

### BILLION DOLLARS IN CONTRIBUTIONS

ABC has contributed more than one billion dollars to the Commonwealth of Virginia in the last five years.

### 300<sup>TH</sup> ABC STORE MILESTONE

ABC opened its 300th store in the Fair Lakes Shopping Center, Fairfax. The March 2, 2005 opening was a milestone for the agency. Comments from Secretary of Public Safety John Marshall and the ABC Board enhanced the grand opening, which also included refreshments, decorations and vendor giveaways.



# REVENUE

## REVENUE PERFORMANCE MEASURES

Measure	2002	2003	Baseline 2004	2005 Year End	Desired Trend or Target
Return on assets	91.1%	102.8%	125.7%	137.5%	Increase
Net profit margin (taxes and profits)	27.1%	28.5%	31.2%	33%	Increase
No. of times that inventory turns over	7.85	8.15	7.48	8.06	7.6 FY08
Operating expense to revenue	18.8%	18.3%	17.9%	18.2%	Decrease
Sunday sales as a percentage of gross sales	—	—	—	1%	Increase
Sales per ABC store square footage	\$480	\$495.11	\$535	\$561	Increase

## STORE ACTIVITIES: JULY 1, 2004 THROUGH JUNE 30, 2005

Store No.	Location	Activity	Opened	Closed	Total
169	Richmond	Modernization	07-23-04		293
357	Reston	Modernization	08-05-04		293
057	Staunton	New self-service	08-04-04		294
180	Richmond	Modernization	08-06-04		294
197	Richlands	Relocation	09-07-04		294
152	Farmville	Relocation	09-09-04		294
273	Lorton	Temporarily closed		09-25-04	293
304	Goochland	Relocation	10-07-04		293
096	Galax	New self-service	10-23-04		294
055	Manassas	New self-service	11-01-04		295
088	Marshall	New self-service	12-03-04		296
097	Richmond	New self-service	12-15-04		297
077	Powhatan	New self-service	01-10-05		298
222	Kiln Creek	Modernization	01-14-05		298
064	Stafford County	New self-service	01-19-05		299
090	Fairfax	New self-service	03-02-05		300
348	Richmond	Modernization	03-07-05		300
138	Louisa	Modernization	03-21-05		300
271	Woodbridge	Modernization	04-01-05		300
053	Windsor	New self-service	03-11-05		301
356	Radford	Modernization	04-05-05		301
297	Alexandria	Temporarily closed		04-08-05	300
198	Tappahannock	Modernization	04-22-05		300
333	Mathews	Relocation	05-06-05		300
361	Portsmouth	Modernization	05-06-05		300
171	Richmond	Modernization	05-23-05		300
066	Bealton	New self-service	06-28-05		301




## ORGANIZATIONAL EXCELLENCE PERFORMANCE MEASURES

Measure	2002	2003	Baseline 2004	2005 Year End	Desired Trend or Target
<b>WORKFORCE SAFETY</b>					
No. of workforce accidents	n/a	124	120	143	Decrease
No. of employees receiving safety training	n/a	n/a	n/a	1,779	Increase
<b>EMPLOYEE TURNOVER</b>					
Classified employee turnover rate	n/a	9.77%	11.7%	9.68%	10% FY08
Wage employee turnover rate	n/a	50.3%	47.2%	53%	28% FY08
<b>EMPLOYEE INDICATORS<sup>1</sup></b>					
Average age	n/a	45	46	46	45 <sup>2</sup>
White	n/a	74%	72%	71%	68% <sup>2</sup>
Black	n/a	22%	23%	23%	29% <sup>2</sup>
Hispanic	n/a	1%	1%	2%	1% <sup>2</sup>
Asian	n/a	3%	3%	4%	2% <sup>2</sup>
American Indian and Alaskan Native	n/a	.6%	1%	0%	0% <sup>2</sup>
Male	n/a	61%	61%	59%	47% <sup>2</sup>
Female	n/a	39%	39%	41%	53% <sup>2</sup>
<b>AUDIT COMPLIANCE ISSUES</b>					
APA: No. of management points assessed	0 points	0 points	0 points	0 points	0 points
Prompt pay (accounting vouchers)	99.97%	99.92%	99.9%	99.9%	100%

<sup>1</sup>All the following statistics are given for classified employees.

<sup>2</sup>This percentage represents the statewide average. The desired trend is to meet the statewide average.



Standards for organizational excellence are imperative in achieving the balance with ABC's multifaceted control/service/revenue mission. Maintaining this balance requires high level planning that actively involves employees from throughout the agency. The current strategic plan is supported by 40 action teams working on strategies covering the six strategic goals that advocate excellence in carrying out the mission. As a two-time Senate Productivity Quality Award (SPQA) certificate winner, ABC has demonstrated that its approaches to excellence are on track and the key to improvement is to advance the depth of deployment of organizational excellence. The agency is committed to doing so.

## ORGANIZATIONAL EXCELLENCE – HIGHLIGHTS FOR FISCAL YEAR 2005

### PERFORMANCE MEASURES

Ultimately, ABC's goal is to create a culture of "management by fact" where key business results are collected and analyzed to enhance the accuracy of management decision-making. Aggressive use of performance measures along with comparative benchmarking with industry leaders provides ABC with the data to drive performance improvement. Performance measurement is essentially a method used to measure the progress of agency-wide programs/processes in achieving its strategic goals. The usage and frequency of performance reporting continues to grow at ABC. In Fiscal Year 2004, ABC developed a balanced scorecard of measures aligned with its strategic goals. By Fiscal Year 2005, quarterly and annual reporting of trend and baseline data was instituted agency wide. In Fiscal Year 2006, the performance reporting system will be refined to ensure results remain reflective of the agency's goals and objectives. Likewise, monthly results will be added to the performance reporting protocol to track key performance indicators such as outputs and quality measures to analyze needs, variances and abnormalities in agency performance on a more frequent basis.

### STRATEGIC PLANNING

Great accomplishments were realized with strategic planning in Fiscal Year 2005. The current strategic plan, in place since September 2003, was supported by 40 action teams working on 18 strategic issues and strategies covering the six strategic goals. Twenty of

the action teams have either completed their tasks or are very close to reaching their goal. Successful programs and activities resulting from strategic planning include: a mystery shopper program is in place evaluating 10 criteria of the shopping experience in ABC stores; a training program has been implemented for ABC licensees on preventing sales to underage and/or intoxicated persons; a store design committee is functioning to improve design and lighting of retail stores and a process improvement curriculum has been developed with trained teams deployed four times per year to improve business processes and the internal support processes of the agency.

### U.S. SENATE PRODUCTIVITY AND QUALITY AWARD

For the second year in a row, ABC earned the prestigious U.S. Senate Productivity and Quality Award (SPQA) Certificate for Commitment to Performance Excellence. The SPQA "certificate" recognition indicates an organization has sound approaches to performance excellence across the organization. As a certificate winner ABC has demonstrated that its approaches to excellence are on track and the key to further improvement and recognition is to advance the depth of deployment of organizational excellence. The SPQA is not about the award, it is about the journey. Each time ABC goes through this process, we receive complete feedback reports from a review committee of

*(continued)*

## ORGANIZATIONAL EXCELLENCE – HIGHLIGHTS FOR FISCAL YEAR 2005 (CONTINUED)

SPQA examiners on how to improve and offer better value to the citizens of Virginia.

### EMPLOYEE TRAINING

There were 1,082 training workshops and conferences offered to full-time ABC employees during Fiscal Year 2005, and 416 part-time ABC employees were trained in store operations through Retail 101. In addition, 12 employees were offered tuition assistance for continuing education.

### INFORMATION TECHNOLOGY

Throughout Fiscal Year 2005, the focus of the Information Technology Services Division (ITSD) remained on process improvement. Realizing that major efforts lie ahead in the areas of materials handling, Point of Sale (POS) upgrades, enforcement reporting and expansion of our extensive and highly flexible server environment, the division began an aggressive program of self-examination and process analysis. The change control process that ensued emphasizes requirements definitions, work breakdown structures and cost/benefit prioritization.

Other areas for improvement were addressed with changes in ITSD's structure. An area of significance included software quality assurance. The agency sought out and employed an experienced professional who reorganized the group and located the necessary training for employees. Division management insured that all projects passed through a quality review step, resulting in the delivery of software that presents few if any problems after its controlled deployment.

The reemphasized quality assurance protocols were put to good use as the division worked to deploy a new and potentially final build of the Triversity POS software used in the agency's 301 stores for customer and licensee transactions. Although much iteration was required, the successful release, now extensively and exhaustively tested, is being deployed in a measured fashion across the Commonwealth.

In other areas, ITSD personnel supported the warehouse modernization project by developing an innova-

tive, in-house interface between existing and purchased commercial systems. This gives the agency a flexible, cost-effective solution that will support the new warehouse for years to come. Retail operations received long-term help in the form of a new lease management system, PRISM. ITSD is assisting enforcement activities by providing incremental releases of a large Records Management System (RMS), including document imaging, which management will extend to a full Incident Based Reporting (IBR) tool. ITSD is continuing to support the strategic direction of the agency by extending and evolving a large data warehouse, which will become the source of future performance measurements for the agency.

### PUBLIC INFORMATION

Public Affairs responded to 917 media inquiries in Fiscal Year 2005, and 53 news releases were issued publicizing agency programs, initiatives and activities. The division fielded 780 calls on the public affairs phone line. Of these calls, 57 percent were Virginia citizens requesting information. The next largest percentage was licensees, making up 24 percent of the fiscal year callers. Licensees requested compliance or education information or materials.

### AGENCY PERSONNEL

The Human Resources Division screens thousands of applications and consults with managers who are hiring staff to fill vacancies that further enhance the agency's workforce. During the fiscal year, 124 classified and 865 part-time new employees joined ABC. In addition to managing the recruitment process, the Human Resources Division manages the compensation and performance evaluation processes, administers statewide benefit programs, oversees the Safety Program and Workers' Compensation, coordinates service awards and recognition programs, and partners with employees and managers to ensure a positive working environment.

The 2005 General Assembly dealt with a wide variety of alcoholic beverage issues, ranging from bills designed to help keep alcoholic beverages out of the hands of those below the legal drinking age to a bill allowing day spas to serve wine or beer to their customers. A bill was amended to classify flavored malt beverages for tax and place of sale purposes, and several bills defined local licensing privileges. Others addressed the ABC Board's dealings with its licensees regarding applicant background checks and investigations and one dealt with concealed weapon permit fee exemptions for qualifying retired ABC special agents.

## LEGISLATION – 2005 GENERAL ASSEMBLY



While Virginia law has long prohibited the possession of alcoholic beverages by those under the age of 21, the statute did not specifically outlaw *consumption* of such beverages by underage persons. Most judges had held that evidence of consumption constituted evidence of possession, but a few had refused to convict when the defendant was not found with any beverages in his possession, even if there was evidence that the person had taken a drink. There was also a law on the books making it a crime to purchase alcohol for an underage person, but did not outlaw otherwise giving or providing it. House Bill 2255 was intended to close these loopholes. It creates a Class 1 misdemeanor for someone under 21 to consume alcohol, and expands the purchasing for section to also outlaw giving, providing or assisting in the provision of alcoholic beverages to someone known to be less than 21 years of age.

House Bill 2791 also dealt with the problem of persons purchasing alcohol for those under the legal age. It added the possibility of a driver's license suspension to the punishment for this offense.

House Bill 1822 created a new license category, for "day spas," defined as any commercial establishment that offers to the public both massage therapy and barbering or cosmetology services performed by properly certified and licensed persons. Under the terms of the

new statute, a day spa may permit consumption of lawfully acquired wine or beer on the premises by bona fide customers, and may serve wine or beer to customers. Service is limited to no more than two five-ounce glasses of wine or one 12-ounce glass of beer per customer, and the licensee may not sell or otherwise charge a fee to the customer for the beverages. This bill was also amended at the veto session to bring Virginia law in line with the federal regulation classifying flavored malt beverages for tax and place of sale purposes. Flavored malt beverages, alcoholic beverages with a beer base to which various flavorings containing alcohol are added, were not contemplated when Virginia's laws classifying beverages were adopted, and a controversy arose as to whether such beverages were properly taxed and sold as distilled spirits or beer. The last-minute amendments provide that such beverages shall be taxed and sold as beer as long as no more than 49 percent of the alcohol content of the mixture comes from the flavoring for products of no more than 6 percent alcohol, and no more than 1.5 percent of the finished product consists of alcohol derived from flavoring for products having an alcohol content of more than 6 percent.

Three bills, two of them identical, carved out local licensing privileges. House Bill 2582 and its identical counterpart, Senate Bill 1151, both authorized mixed beverage licenses on two tracts of land being developed in Washington County, near the city of Bristol. House

*(continued)*

## LEGISLATION – 2005 GENERAL ASSEMBLY (CONTINUED)

Bill 2740 added the possibility of the licensing of an outdoor performing arts amphitheater in Henrico County.

Wine and beer manufacturers will get a license fee break under the provisions of House Bill 1721. Such manufacturers can obtain a special event license for the purpose of featuring and educating the consuming public about malt beverages or wine products up to four times per year. Prior to the new law, manufacturers taking advantage of this privilege were required to obtain a separate license and pay the license fee for each day of an event. Under the new law, a manufacturer need obtain only one license for an event lasting up to three consecutive days.

Two bills affect the Board's dealings with its licensees. Prior law required that the Board undertake back-

ground checks, including criminal history records searches, of all officers, directors, or members of applicant business organizations. Senate Bill 1309 gives the Board the discretion to waive, for good cause shown, the criminal history search for officers, directors, non-managing members, or limited partners of any applicant corporation, limited liability company, or limited partnership. House Bill 2710 requires that the Board provide notice to mixed beverage licensees on Board policies relative to the government stores from which they may purchase spirits for resale.

Finally, two identical bills, House Bill 2562 and Senate Bill 1026, provide an exemption from concealed handgun permit fees for any person who has retired from service as an ABC special agent after completing 15 years of service or after reaching age 55.



For the second year in a row, ABC earned the prestigious U.S. Senate Productivity and Quality Award (SPOA) Certificate for Commitment to Performance Excellence, indicating the agency has sound approaches to performance excellence across the organization. Standing proudly with the award are (left to right): Chief Operating Officer Curtis Coleburn; Chairman Vern Danielsen; Commissioner Esther Vassar; and Commissioner Warren Barry.

# PREVENT UNDERAGE DRINKING!

## PROJECT STICKER SHOCK

any person 21 or older

This sticker shock is not about buying a car . . . it's about buying alcohol and warning adults that it is illegal to purchase and provide it to underage persons. Youth participating in Project Sticker Shock visit participating stores and place stop sign stickers that display a warning message about the penalties for providing alcohol to anyone under 21 on beer cases, wine coolers and other alcohol products that might appeal to young drinkers. The project represents a partnership among youth, licensees, concerned parents and community members, prevention professionals and law enforcement officers.

Since its implementation in 2002, Project Sticker Shock has been revamped continuously in order to sustain its relevance and popularity in the commu-

nities of the Commonwealth. There have been numerous implementations of the program this fiscal year and just as many requests for training. The Sticker Shock program was featured in a free round seminar at this year's Youth Alcohol and Drug Abuse Prevention Project (YADAAP) Conference. New posters and brochures were developed in Fiscal Year 2005, enabling ABC to market the program statewide.

In the last two years, 206,000 stickers have been distributed through Project Sticker Shock, along with 500 posters and 200 cling-on decals. Also in the last two years, 180 retail outlets have participated by partnering with Sticker Shock groups and allowing them to hang posters and sticker the merchandise in their stores.

### Reducing Youth Access to Alcohol by Educating Adult Providers





# *Fiscal Year 2005 Reports*

## A MESSAGE FROM THE CHAIRMAN AND CHIEF OPERATING OFFICER

We are pleased to present the Fiscal Year 2005 annual report for the Virginia Department of Alcoholic Beverage Control. These facts and figures represent a seventh record-breaking year for retail sales by our agency. We stand behind these figures with pride in the accomplishments made possible by the hard working and dedicated employees of ABC. To the best of our knowledge, these figures accurately represent the operations of our agency during the fiscal year. The financial statements of the agency are audited annually by the Auditor of Public Accounts as required by the Code of Virginia.

Visit [www.abc.virginia.gov](http://www.abc.virginia.gov) for a copy of the complete online 2005 Annual Report that contains financial information for Fiscal Year 2005 and a downloadable, printable version of this entire report.



Chairman Vernon Danielsen (*right*) looks over annual figures with Chief Operating Officer Curtis Coleburn.

# We All Benefit

.....



**\$1 billion in contributions from ABC to the Commonwealth in the last five years**

*Virginia Department of Alcoholic Beverage Control (ABC) revenue sources:*

- Sales from ABC stores
- Taxes collected on alcoholic beverages
- Violation penalties
- License fees

*ABC funds distributed to:*

- Department of Mental Health, Mental Retardation and Substance Abuse Services
- Virginia's General Fund
- Localities for education, police, fire, rescue, public works and other projects

**We all benefit from ABC revenues and profits.**



[www.abc.virginia.gov](http://www.abc.virginia.gov)

## FINANCIAL HIGHLIGHTS – EXCELLENCE FOR THE COMMONWEALTH

Fiscal Year 2005 proved another record-breaking year for ABC. ABC store sales grossed \$532.7 million and the agency produced net profits of just under \$92 million. In addition, Virginia ABC collected \$87.8 million in excise taxes (state taxes on distilled spirits), \$24.9 in wine liter taxes, \$20.5 in general sales taxes and \$42.9 in malt beverage taxes for a total of \$268 million in contributions to Virginia state agencies, the General Fund and localities.

### RESULTS IN BRIEF

Revenue Source	FY 2005	Source – Financial Statements (see page 74)
ABC profit transfers (1)	\$91,990,552	Statement of Revenues, Expenses and Changes in Net Assets
State tax on distilled spirits (2)	87,779,860	Notes to Financial Statements 4.B. Receipts
Wine liter tax (3)	24,850,360	Notes to Financial Statements 4.B. Receipts
General sales tax (4)	20,532,854	Notes to Financial Statements 4.C. Collections
Malt beverage tax	42,906,624	Notes to Financial Statements 9. Collected
<b>Total</b>	<b>\$268,060,250</b>	

#### NOTES:

- (1) Profits are reported in accordance with generally accepted accounting principles. Profits include licensing fees and ABC's portion of the wine liter tax. \$4,150,000 of ABC profit is transferred to localities.
- (2) State tax on distilled spirits = 20% and 4% on wine sold in ABC stores
- (3) The non-ABC portion of the wine liter tax = \$.40 per liter. \$4,350,000 of the wine liter tax is transferred to localities. \$9,866,363 of the wine liter tax is transferred to the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services
- (4) General sales tax rate is 5%



## FISCAL YEAR 2005 – BUSINESS STATISTICS

### SALES OF ALL BEVERAGES – FISCAL YEAR 2005 (PRE-AUDIT)

#### State Store Sales

Product	Gallons*	Liters	Percent of Total Gallons	Gross Dollars	Percent of Gross Sales
Distilled Spirits	7,876,796	29,816,901	95.0%	\$525,167,599	98.6%
Virginia Wine	45,359	171,701	0.5%	\$2,188,828	0.4%
Vermouth	42,064	159,228	0.5%	\$1,357,650	0.3%
Egg Nog	24,212	91,651	0.3%	\$837,913	0.2%
Miscellaneous Mixers	29,971	113,451	0.4%	\$417,974	0.1%
Alcohol	156	589	0.0%	\$11,182	0.0%
Non-Alcoholic Mixers	275,986	1,044,720	3.3%	\$2,824,614	0.5%
Non Beverage Item	0	0	0.0%	\$45,763	0.0%
<b>Total</b>	<b>8,294,542</b>	<b>31,398,241</b>	<b>100.0%</b>	<b>\$532,851,522</b>	<b>100.0%</b>

#### Direct Sales from Wholesalers

Product	Gallons*	Liters	Percent of Total Gallons	Gross Dollars	Percent of Gross Sales
Wines (\$0.40 Liter) (1)	16,411,934	62,125,900	9.6%	\$24,850,360	36.7%
Beer (\$7.95 Barrel)	153,821,597	582,277,811	90.4%	\$42,906,624	63.3%
<b>Total</b>	<b>170,233,531</b>	<b>644,403,711</b>	<b>100.0%</b>	<b>\$67,756,984</b>	<b>100.0%</b>

#### NOTES:

\* excludes miscellaneous records and confiscated items.

(1) Gross Liter Tax for Wines after 12 percent allocated to ABC Revenue

SOURCE: Policy Analysis and Support Services

## COMPARISON OF PRODUCTS SOLD / MARKET SHARE

Products	Cases Sold		Market Share		FY05 v FY04
	2005	2004	2005	2004	% Chg
Total Vodka	824,082	771,162	24.9%	24.0%	6.9%
Domestic	567,536	546,196	17.1%	17.0%	3.9%
Imported	167,541	151,910	5.1%	4.7%	10.3%
Flavored	89,004	73,057	2.7%	2.3%	21.8%
Total Rum	360,351	342,268	10.9%	10.7%	5.3%
Domestic	317,317	301,488	9.6%	9.4%	5.3%
Imported	43,034	40,781	1.3%	1.3%	5.5%
Straight Bourbon Whiskey	350,578	337,313	10.6%	10.5%	3.9%
Total Cordials	349,120	337,029	10.5%	10.5%	3.6%
Imported	192,380	184,023	5.8%	5.7%	4.5%
Domestic	156,740	153,007	4.7%	4.8%	2.4%
Total Gin	251,286	254,802	7.6%	7.9%	(1.4%)
Domestic	191,417	196,045	5.8%	6.1%	(2.4%)
Imported	51,023	50,844	1.5%	1.6%	0.4%
Flavored	7,802	6,825	0.2%	0.2%	14.3%
Sloe	1,044	1,089	0.0%	0.0%	(4.1%)
Canadian Whiskey	175,774	171,395	5.3%	5.3%	2.6%
Brandy	160,004	159,136	4.8%	5.0%	0.5%
Grape	138,623	138,094	4.2%	4.3%	0.4%
Imp	10,074	9,707	0.3%	0.3%	3.8%
Blackberry	2,969	2,996	0.1%	0.1%	(0.9%)
Apricot	2,641	2,721	0.1%	0.1%	(2.9%)
Peach	2,681	2,615	0.1%	0.1%	2.5%
Apple	1,110	1,121	0.0%	0.0%	(1.0%)
Cherry	1,086	1,090	0.0%	0.0%	(0.4%)
Flavored	821	793	0.0%	0.0%	3.5%
Scotch Whiskey	142,732	143,280	4.3%	4.5%	(0.4%)
Total Cocktails	141,293	143,036	4.3%	4.5%	(1.2%)
Domestic	58,126	58,445	1.8%	1.8%	(0.5%)
Imported	14,619	14,605	0.4%	0.5%	0.1%
Cognac\Armagnac	68,549	69,986	2.1%	2.2%	(2.1%)
Tequila	134,699	123,417	4.1%	3.8%	9.1%
Tennessee Whiskey	93,585	90,814	2.8%	2.8%	3.1%
Blended Whiskey	80,836	81,851	2.4%	2.5%	(1.2%)
Domestic Whiskey	41,408	40,575	1.3%	1.3%	2.1%
Specialty Bottles	30,545	41,615	0.9%	1.3%	(26.6%)
Imported	25,013	28,045	0.8%	0.9%	(10.8%)
Domestic	5,532	13,570	0.2%	0.4%	(59.2%)
Miscellaneous Mixers	10,730	10,282	0.3%	0.3%	4.4%
Irish Whiskey	10,840	9,839	0.3%	0.3%	10.2%
Egg Nog	8,876	8,533	0.3%	0.3%	4.0%
Corn Whiskey	2,848	2,808	0.1%	0.1%	1.4%
Rock and Rye	1,411	1,299	0.0%	0.0%	8.6%
Bottled in Bond	1,458	1,805	0.0%	0.1%	(19.2%)
Straight Rye Whiskey	529	555	0.0%	0.0%	(4.7%)
Alcohol	58	46	0.0%	0.0%	24.8%
Vermouth	17,432	17,597	0.5%	0.5%	(0.9%)
Imported	10,056	10,138	0.3%	0.3%	(0.8%)
Domestic	7,377	7,460	0.2%	0.2%	(1.1%)
Virginia Wine	19,980	20,808	0.6%	0.6%	(4.0%)
Non-Alcoholic Mixers	90,167	90,293	2.7%	2.8%	(0.1%)
Non Beverage Item	10,539	9,640	0.3%	0.3%	9.3%
<b>Statewide Total</b>	<b>3,311,162</b>	<b>3,211,199</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.1%</b>

SOURCE: Wholesale/Retail Operations

## DISTRIBUTION OF PROFITS AND WINE TAXES TO CITIES

Cities	Total Profits FY2005	Total Profits FY2004	Wine Tax FY2005	Wine Tax FY2004
Alexandria	\$75,204.43	\$221,393.26	\$78,828.75	\$164,289.68
Bedford	3,692.72	10,870.94	3,870.68	8,067.02
Bristol	10,181.20	29,972.30	10,671.86	22,241.59
Buena Vista	3,722.03	10,957.23	3,901.40	8,131.05
Charlottesville	23,507.58	69,203.63	24,640.47	46,581.77
Chesapeake	116,769.33	343,755.57	122,396.77	255,091.29
Colonial Heights	9,905.67	29,161.16	10,383.05	21,639.67
Covington	3,695.06	10,877.83	3,873.14	8,072.13
Danville	28,380.39	83,548.64	29,748.12	61,999.07
Emporia	3,321.04	9,776.76	3,481.09	7,255.06
Fairfax	12,602.96	37,101.67	13,210.33	27,532.09
Falls Church	6,083.40	17,908.83	6,376.57	13,289.64
Franklin	4,892.75	14,403.70	5,128.54	10,688.56
Fredericksburg	11,302.09	33,272.06	11,846.77	24,690.26
Galax	4,008.11	11,799.42	4,201.27	8,756.02
Hampton	85,847.01	252,723.79	89,984.21	187,539.17
Harrisonburg	23,715.11	69,814.56	24,858.00	51,807.40
Hopewell	13,059.64	38,446.08	13,689.02	28,529.75
Lexington	4,025.70	11,851.20	4,219.71	8,794.45
Lynchburg	38,263.20	112,642.49	40,107.21	83,588.80
Manassas	20,597.49	60,636.66	21,590.14	44,996.75
Manassas Park	6,032.39	17,758.68	6,323.11	13,178.21
Martinsville	9,037.45	26,605.23	9,472.99	19,742.98
Newport News	105,931.54	311,691.78	111,036.67	231,079.70
Norfolk	137,416.07	404,537.20	144,038.53	300,195.60
Norton	2,288.68	6,737.60	2,398.97	4,999.78
Petersburg	19,779.69	58,229.14	20,732.93	43,210.20
Poquoson	6,780.43	19,960.82	7,107.20	14,812.36
Portsmouth	58,955.08	173,557.00	61,796.28	128,791.75
Radford	9,297.16	27,369.77	9,745.21	20,310.33
Richmond	115,952.11	341,349.77	121,540.17	253,306.01
Roanoke	55,640.48	163,799.23	58,321.95	121,550.77
Salem	14,507.64	42,708.84	15,206.81	31,693.03
Staunton	13,983.55	41,165.97	14,657.45	30,548.10
Suffolk	37,329.91	109,894.99	39,128.94	81,549.96
Virginia Beach	249,302.03	733,916.70	261,316.59	544,618.82
Waynesboro	11,443.38	33,687.99	11,994.86	24,998.90
Williamsburg	7,033.69	20,706.38	7,372.66	15,365.62
Winchester	13,826.44	40,703.45	14,492.77	30,204.87
<b>Total</b>	<b>\$1,377,314.63</b>	<b>\$4,054,498.32</b>	<b>\$1,443,691.19</b>	<b>\$3,003,738.21</b>

## DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS

Counties	Total Profits FY2005	Total Profits FY2004	Wine Tax FY2005	Wine Tax FY2004
Accomack	\$16,025.42	\$47,177.00	\$16,797.73	\$35,008.72
Accomac	320.67	944.02	336.13	700.53
Belle Haven	281.39	828.39	294.96	614.72
Bloxom	236.25	695.50	247.64	516.12
Chincoteague	2,530.79	7,450.36	2,652.76	5,528.70
Hallwood	170.01	500.48	178.20	371.41
Keller	101.42	298.56	106.31	221.56
Melfa	263.81	776.62	276.52	576.31
Onancock	894.01	2,631.87	937.10	1,953.04
Onley	290.77	856.00	304.79	635.22
Painter	144.21	424.55	151.16	315.05
Parksley	490.68	1,444.51	514.33	1,071.93
Saxis	197.56	581.60	207.08	431.59
Tangier	405.09	1,192.54	424.61	884.95
Wachapreague	138.35	407.29	145.02	302.24
<b>Subtotal</b>	<b>22,490.43</b>	<b>66,209.29</b>	<b>23,574.34</b>	<b>49,132.09</b>
Albermarle	49,042.37	144,375.14	51,405.86	111,908.98
Scottsville	325.36	957.83	341.04	710.77
<b>Subtotal</b>	<b>49,367.73</b>	<b>145,332.97</b>	<b>51,746.90</b>	<b>112,619.75</b>
Alleghany	7,340.88	21,610.71	7,694.66	16,036.69
Clifton Forge	2,514.38	7,402.04	2,635.55	5,492.84
Iron Gate	236.84	697.23	248.25	517.39
<b>Subtotal</b>	<b>10,092.10</b>	<b>29,709.98</b>	<b>10,578.46</b>	<b>22,046.92</b>
Amelia	6,683.12	19,674.34	7,005.20	14,599.77
<b>Subtotal</b>	<b>6,683.12</b>	<b>19,674.34</b>	<b>7,005.20</b>	<b>14,599.77</b>
Amherst	17,377.87	51,158.46	18,215.36	37,963.24
Amherst	1,319.62	3,884.81	1,383.22	2,882.82
<b>Subtotal</b>	<b>18,697.49</b>	<b>55,043.27</b>	<b>19,598.58</b>	<b>40,846.06</b>
Appomattox	6,889.47	20,281.82	7,221.50	15,050.57
Appomattox	1,032.37	3,039.17	1,082.12	2,255.28
Pamplin City	116.66	343.43	122.28	254.86
<b>Subtotal</b>	<b>8,038.50</b>	<b>23,664.42</b>	<b>8,425.90</b>	<b>17,560.71</b>
Arlington	111,064.64	326,961.63	116,417.16	242,628.97
<b>Subtotal</b>	<b>111,064.64</b>	<b>326,961.63</b>	<b>116,417.16</b>	<b>242,628.97</b>
Augusta	37,889.77	111,543.15	39,715.78	82,773.01
Craigsville	573.93	1,689.58	601.59	1,253.79
<b>Subtotal</b>	<b>38,463.70</b>	<b>113,232.73</b>	<b>40,317.37</b>	<b>84,026.80</b>
Bath	2,959.33	8,711.94	3,101.95	6,464.88
<b>Subtotal</b>	<b>2,959.33</b>	<b>8,711.94</b>	<b>3,101.95</b>	<b>6,464.88</b>
Bedford	35,391.80	104,189.43	37,097.43	77,316.03
<b>Subtotal</b>	<b>35,391.80</b>	<b>104,189.43</b>	<b>37,097.43</b>	<b>77,316.03</b>
Bland	4,028.04	11,858.10	4,222.17	8,799.56
<b>Subtotal</b>	<b>4,028.04</b>	<b>11,858.10</b>	<b>4,222.17</b>	<b>8,799.56</b>
Botetourt	16,691.38	49,137.52	17,495.79	36,463.57
Buchanan	722.83	2,127.94	757.67	1,579.08
Fincastle	210.46	619.57	220.60	459.77
Troutville	253.25	745.56	265.46	553.25
<b>Subtotal</b>	<b>17,877.92</b>	<b>52,630.59</b>	<b>18,739.52</b>	<b>39,055.67</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Brunswick	9,711.63	28,589.92	10,179.66	21,215.77
Alberta	179.39	528.10	188.03	391.88
Brodnax	185.84	547.09	194.79	405.97
Lawrenceville	747.45	2,200.41	783.48	1,632.87
<b>Subtotal</b>	<b>10,824.31</b>	<b>31,865.52</b>	<b>11,345.96</b>	<b>23,646.49</b>
Buchanan	15,167.75	44,652.12	15,898.72	33,135.08
Grundy	647.79	1,907.03	679.01	1,415.16
<b>Subtotal</b>	<b>15,815.54</b>	<b>46,559.15</b>	<b>16,577.73</b>	<b>34,550.24</b>
Buckingham	8,896.76	26,191.04	9,325.52	19,435.63
Dillwyn	262.05	771.44	274.68	572.47
<b>Subtotal</b>	<b>9,158.81</b>	<b>26,962.48</b>	<b>9,600.20</b>	<b>20,008.10</b>
Campbell	27,197.95	80,067.66	28,508.69	59,415.94
Altavista	2,007.87	5,910.94	2,104.63	4,386.34
Brookneal	738.07	2,172.80	773.64	1,612.38
<b>Subtotal</b>	<b>29,943.89</b>	<b>88,151.40</b>	<b>31,386.96</b>	<b>65,414.66</b>
Caroline	12,319.80	36,268.09	12,913.53	26,913.52
Bowling Green	548.72	1,615.36	575.16	1,198.72
Port Royal	99.66	293.38	104.46	217.72
<b>Subtotal</b>	<b>12,968.18</b>	<b>38,176.83</b>	<b>13,593.15</b>	<b>28,329.96</b>
Carroll	15,474.35	45,554.72	16,220.10	33,804.87
Hillsville	1,670.19	4,916.86	1,750.68	3,648.66
<b>Subtotal</b>	<b>17,144.54</b>	<b>50,471.58</b>	<b>17,970.78</b>	<b>37,453.53</b>
Charles City	4,060.29	11,953.03	4,255.96	8,870.00
<b>Subtotal</b>	<b>4,060.29</b>	<b>11,953.03</b>	<b>4,255.96</b>	<b>8,870.00</b>
Charlotte	6,147.88	18,098.66	6,444.17	13,430.51
Charlotte Court House	271.43	799.06	284.51	592.95
Drakes Branch	295.46	869.80	309.70	645.46
Keysville	478.96	1,410.00	502.04	1,046.32
Phenix	117.25	345.16	122.90	256.13
<b>Subtotal</b>	<b>7,310.98</b>	<b>21,522.68</b>	<b>7,663.32</b>	<b>15,971.37</b>
Chesterfield	152,365.15	448,545.58	159,708.05	332,852.99
<b>Subtotal</b>	<b>152,365.15</b>	<b>448,545.58</b>	<b>159,708.05</b>	<b>332,852.99</b>
Clarke	5,425.05	15,970.73	5,686.50	11,851.42
Berryville	1,742.30	5,129.14	1,826.27	3,806.19
Boyce	249.74	735.20	261.77	545.57
<b>Subtotal</b>	<b>7,417.09</b>	<b>21,835.07</b>	<b>7,774.54</b>	<b>16,203.18</b>
Craig	2,879.60	8,477.22	3,018.38	6,290.72
New Castle	104.94	308.92	109.99	229.24
<b>Subtotal</b>	<b>2,984.54</b>	<b>8,786.14</b>	<b>3,128.37</b>	<b>6,519.96</b>
Culpeper	14,420.29	42,451.70	15,115.25	31,502.20
Culpeper	5,665.41	16,678.31	5,938.44	12,376.51
<b>Subtotal</b>	<b>20,085.70</b>	<b>59,130.01</b>	<b>21,053.69</b>	<b>43,878.71</b>
Cumberland	5,006.48	14,738.50	5,247.75	10,937.01
<b>Subtotal</b>	<b>5,006.48</b>	<b>14,738.50</b>	<b>5,247.75</b>	<b>10,937.01</b>



**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Dickenson	8,345.69	24,568.76	8,747.89	18,231.78
Clinchco	248.57	12,315.24	260.54	2,937.40
Clintwood	908.08	2,673.29	951.85	1,983.77
Haysi	109.04	321.00	114.30	238.21
<b>Subtotal</b>	<b>9,611.38</b>	<b>39,878.29</b>	<b>10,074.58</b>	<b>23,391.16</b>
Dinwiddie	14,099.62	41,507.68	14,779.12	30,801.67
McKenney	282.57	831.85	296.18	617.28
<b>Subtotal</b>	<b>14,382.19</b>	<b>42,339.53</b>	<b>15,075.30</b>	<b>31,418.95</b>
Essex	4,602.56	13,549.41	4,824.37	10,054.63
Tappahannock	1,253.38	3,689.80	1,313.78	2,738.10
<b>Subtotal</b>	<b>5,855.94</b>	<b>17,239.21</b>	<b>6,138.15</b>	<b>12,792.73</b>
Fairfax	547,227.85	1,610,976.30	573,600.28	1,195,459.92
Clifton	108.45	319.27	113.68	236.92
Herndon	12,694.99	37,372.61	13,306.80	27,733.16
Vienna	8,472.91	24,943.27	8,881.24	18,509.69
<b>Subtotal</b>	<b>568,504.20</b>	<b>1,673,611.45</b>	<b>595,902.00</b>	<b>1,241,939.69</b>
Fauquier	27,892.64	82,112.75	29,236.87	60,933.56
Remington	365.81	1,076.91	383.44	799.15
The Plains	155.94	459.07	163.45	340.66
Warrenton	3,910.21	11,511.21	4,098.65	8,542.14
<b>Subtotal</b>	<b>32,324.60</b>	<b>95,159.94</b>	<b>33,882.41</b>	<b>70,615.51</b>
Floyd	7,880.22	23,198.47	8,259.99	17,214.92
Floyd	253.25	745.56	265.46	553.25
<b>Subtotal</b>	<b>8,133.47</b>	<b>23,944.03</b>	<b>8,525.45</b>	<b>17,768.17</b>
Fluvanna	11,708.94	34,469.78	12,273.23	25,579.05
Columbia	28.73	84.57	30.11	62.75
<b>Subtotal</b>	<b>11,737.67</b>	<b>34,554.35</b>	<b>12,303.34</b>	<b>25,641.80</b>
Franklin	25,170.15	74,098.05	26,383.17	54,986.06
Boones Mill	167.08	491.86	175.13	364.99
Rocky Mount	2,383.65	7,017.19	2,498.52	5,207.25
<b>Subtotal</b>	<b>27,720.88</b>	<b>81,607.10</b>	<b>29,056.82</b>	<b>60,558.30</b>
Frederick	33,443.73	98,454.53	35,055.48	73,060.32
Middletown	595.03	1,751.71	623.71	1,299.90
Stephens City	671.83	1,977.79	704.21	1,467.66
<b>Subtotal</b>	<b>34,710.59</b>	<b>102,184.03</b>	<b>36,383.40</b>	<b>75,827.88</b>
Giles	5,784.42	17,028.67	6,063.18	12,636.49
Glen Lyn	88.52	260.60	92.79	193.38
Narrows	1,237.55	3,643.21	1,297.19	2,703.52
Pearisburg	1,599.84	4,709.76	1,676.95	3,494.98
Pembroke	664.79	1,957.08	696.83	1,452.30
Rich Creek	389.85	1,147.67	408.64	851.66
<b>Subtotal</b>	<b>9,764.97</b>	<b>28,746.99</b>	<b>10,235.58</b>	<b>21,332.33</b>
Gloucester	20,389.38	60,023.99	21,372.00	44,542.10
<b>Subtotal</b>	<b>20,389.38</b>	<b>60,023.99</b>	<b>21,372.00</b>	<b>44,542.10</b>
Goochland	9,885.74	29,102.49	10,362.16	21,596.13
<b>Subtotal</b>	<b>9,885.74</b>	<b>29,102.49</b>	<b>10,362.16</b>	<b>21,596.13</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Grayson	8,853.37	26,063.32	9,280.04	19,340.85
Fries	359.95	1,059.65	377.30	786.33
Independence	569.24	1,675.77	596.67	1,243.55
Troutdale	113.73	334.81	119.21	248.45
<b>Subtotal</b>	<b>9,896.29</b>	<b>29,133.55</b>	<b>10,373.22</b>	<b>21,619.18</b>
Greene	8,657.57	25,486.90	9,074.80	18,913.11
Stanardsville	279.05	821.49	292.50	609.60
<b>Subtotal</b>	<b>8,936.62</b>	<b>26,308.39</b>	<b>9,367.30</b>	<b>19,522.71</b>
Greensville	6,531.87	19,229.08	6,846.66	14,269.35
<b>Subtotal</b>	<b>6,531.87</b>	<b>19,229.08</b>	<b>6,846.66</b>	<b>14,269.35</b>
Halifax	15,919.89	46,866.34	16,687.12	34,778.19
Halifax	814.29	2,397.16	853.53	1,778.86
Scottsburg	90.87	267.51	95.25	198.51
South Boston	4,977.75	8,620.23	5,217.64	9,627.06
Virgilina	93.21	274.41	97.70	203.63
<b>Subtotal</b>	<b>21,896.01</b>	<b>58,425.65</b>	<b>22,951.24</b>	<b>46,586.25</b>
Hanover	46,723.80	137,549.51	48,975.54	102,071.60
Ashland	3,880.31	11,423.19	4,067.32	8,476.83
<b>Subtotal</b>	<b>50,604.11</b>	<b>148,972.70</b>	<b>53,042.86</b>	<b>110,548.43</b>
Henrico	153,770.36	452,682.37	161,180.98	335,922.78
<b>Subtotal</b>	<b>153,770.36</b>	<b>452,682.37</b>	<b>161,180.98</b>	<b>335,922.78</b>
Henry	33,477.15	98,552.91	35,090.51	73,133.32
Ridgeway	483.65	1,423.80	506.96	1,056.56
<b>Subtotal</b>	<b>33,960.80</b>	<b>99,976.71</b>	<b>35,597.47</b>	<b>74,189.88</b>
Highland	1,394.08	4,104.00	1,461.26	3,045.46
Monterey	92.63	272.69	97.09	202.35
<b>Subtotal</b>	<b>1,486.71</b>	<b>4,376.69</b>	<b>1,558.35</b>	<b>3,247.81</b>
Isle of Wight	12,344.42	36,340.57	12,939.34	26,967.31
Smithfield	3,707.37	10,914.08	3,886.04	8,099.04
Windsor	1,375.90	4,050.50	1,442.21	3,005.76
<b>Subtotal</b>	<b>17,427.69</b>	<b>51,305.15</b>	<b>18,267.59</b>	<b>38,072.11</b>
James City	28,199.24	83,015.35	29,558.24	61,603.35
<b>Subtotal</b>	<b>28,199.24</b>	<b>83,015.35</b>	<b>29,558.24</b>	<b>61,603.35</b>
King and Queen	3,886.76	11,442.18	4,074.08	8,490.92
<b>Subtotal</b>	<b>3,886.76</b>	<b>11,442.18</b>	<b>4,074.08</b>	<b>8,490.92</b>
King George	9,850.57	28,998.94	10,325.29	21,519.29
<b>Subtotal</b>	<b>9,850.57</b>	<b>28,998.94</b>	<b>10,325.29</b>	<b>21,519.29</b>
King William	6,026.53	17,741.42	6,316.97	13,165.41
West Point	1,680.16	4,946.20	1,761.13	3,670.44
<b>Subtotal</b>	<b>7,706.69</b>	<b>22,687.62</b>	<b>8,078.10</b>	<b>16,835.85</b>
Lancaster	5,475.47	16,119.15	5,739.35	11,961.57
Irvington	394.54	1,161.48	413.55	861.90
Kilmarnock	729.28	2,146.92	764.43	1,593.17
White Stone	209.87	617.84	219.99	458.49
<b>Subtotal</b>	<b>6,809.16</b>	<b>20,045.39</b>	<b>7,137.32</b>	<b>14,875.13</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Lee	12,108.17	35,645.07	12,691.70	26,451.19
Jonesville	583.31	1,717.19	611.42	1,274.28
Pennington Gap	1,044.09	3,073.69	1,094.41	2,280.89
Saint Charles	93.21	274.41	97.70	203.63
<b>Subtotal</b>	<b>13,828.78</b>	<b>40,710.36</b>	<b>14,495.23</b>	<b>30,209.99</b>
Loudoun	79,159.79	233,090.87	82,974.72	172,970.14
Hamilton	329.47	969.92	345.34	719.75
Hillsboro	56.28	165.68	58.99	122.94
Leesburg	16,597.00	48,859.67	17,396.85	36,257.37
Lovettsville	500.06	1,472.12	524.16	1,092.42
Middleburg	370.50	1,090.71	388.36	809.40
Purcellville	2,101.08	6,185.34	2,202.34	4,589.96
Round Hill	311.29	862.91	326.29	640.35
<b>Subtotal</b>	<b>99,425.47</b>	<b>292,697.22</b>	<b>104,217.05</b>	<b>217,202.33</b>
Louisa	13,947.20	41,058.96	14,619.35	30,468.69
Louisa	821.32	2,417.87	860.90	1,794.24
Mineral	248.57	731.75	260.54	543.01
<b>Subtotal</b>	<b>15,017.09</b>	<b>44,208.58</b>	<b>15,740.79</b>	<b>32,805.94</b>
Lunenburg	5,830.73	17,165.00	6,111.73	12,737.66
Kenbridge	808.42	2,379.90	847.38	1,766.07
Victoria	1,067.54	3,142.71	1,118.99	2,332.12
<b>Subtotal</b>	<b>7,706.69</b>	<b>22,687.61</b>	<b>8,078.10</b>	<b>16,835.85</b>
Madison	7,216.60	21,244.84	7,564.38	15,765.19
Madison	123.11	362.42	129.04	268.94
<b>Subtotal</b>	<b>7,339.71</b>	<b>21,607.26</b>	<b>7,693.42</b>	<b>16,034.13</b>
Mathews	5,397.50	15,889.62	5,657.62	11,791.24
<b>Subtotal</b>	<b>5,397.50</b>	<b>15,889.62</b>	<b>5,657.62</b>	<b>11,791.24</b>
Mecklenburg	13,513.38	39,781.86	14,164.63	29,520.99
Boydton	279.64	823.22	293.11	610.88
Chase City	1,440.39	4,240.33	1,509.80	3,146.64
Clarksville	779.11	2,293.61	816.66	1,702.02
LaCrosse	362.30	1,066.56	379.76	791.46
South Hill	2,581.21	7,598.79	2,705.60	5,638.85
<b>Subtotal</b>	<b>18,956.03</b>	<b>55,804.37</b>	<b>19,869.56</b>	<b>41,410.84</b>
Middlesex	5,504.19	16,203.71	5,769.46	12,024.32
Urbanna	318.33	937.12	333.67	695.41
<b>Subtotal</b>	<b>5,822.52</b>	<b>17,140.83</b>	<b>6,103.13</b>	<b>12,719.73</b>
Montgomery	15,891.17	46,784.07	16,657.01	34,717.26
Blacksburg	23,200.39	68,297.02	24,318.48	50,681.15
Christiansburg	9,934.98	29,247.46	10,413.78	21,703.70
<b>Subtotal</b>	<b>49,026.54</b>	<b>144,328.55</b>	<b>51,389.27</b>	<b>107,102.11</b>
Nelson	8,468.22	24,929.47	8,876.32	18,499.45
<b>Subtotal</b>	<b>8,468.22</b>	<b>24,929.47</b>	<b>8,876.32</b>	<b>18,499.45</b>
New Kent	7,891.94	23,232.98	8,272.28	17,240.53
<b>Subtotal</b>	<b>7,891.94</b>	<b>23,232.98</b>	<b>8,272.28</b>	<b>17,240.53</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Northampton	5,563.40	16,378.02	5,831.52	12,153.67
Cape Charles	664.79	1,957.08	696.83	1,452.30
Cheriton	292.53	861.18	306.63	639.06
Eastville	119.01	350.34	124.74	259.98
Exmore	665.97	1,960.54	698.06	1,454.86
Nassawadox	335.33	987.17	351.49	732.55
<b>Subtotal</b>	<b>7,641.03</b>	<b>22,494.33</b>	<b>8,009.27</b>	<b>16,692.42</b>
Northumberland	7,158.56	21,073.98	7,503.55	15,638.41
<b>Subtotal</b>	<b>7,158.56</b>	<b>21,073.98</b>	<b>7,503.55</b>	<b>15,638.41</b>
Nottoway	5,383.43	15,848.20	5,642.87	11,760.50
Blackstone	2,154.43	6,342.39	2,258.25	4,706.51
Burkeville	286.67	843.93	300.49	626.25
Crewe	1,394.08	4,104.00	1,461.26	3,045.46
<b>Subtotal</b>	<b>9,218.61</b>	<b>27,138.52</b>	<b>9,662.87</b>	<b>20,138.72</b>
Orange	11,883.64	34,984.08	12,456.35	25,960.70
Gordonsville	878.19	2,585.28	920.51	1,918.46
Orange	2,417.06	7,115.55	2,533.55	5,280.25
<b>Subtotal</b>	<b>15,178.89</b>	<b>44,684.91</b>	<b>15,910.41</b>	<b>33,159.41</b>
Page	8,853.37	26,063.32	9,280.04	19,340.85
Luray	2,855.57	8,406.46	2,993.19	6,238.20
Shenandoah	1,100.96	3,241.09	1,154.01	2,405.13
Stanley	777.35	2,288.44	814.82	1,698.18
<b>Subtotal</b>	<b>13,587.25</b>	<b>39,999.31</b>	<b>14,242.06</b>	<b>29,682.36</b>
Patrick	10,813.76	31,834.47	11,334.90	23,623.46
Stuart	563.38	1,658.52	590.53	1,230.73
<b>Subtotal</b>	<b>11,377.14</b>	<b>33,492.99</b>	<b>11,925.43</b>	<b>24,854.19</b>
Pittsylvania	33,927.97	99,880.06	35,563.05	74,118.17
Chatham	784.39	2,309.15	822.19	1,713.56
Gretna	736.90	2,169.35	772.42	1,609.81
Hurt	748.04	2,202.14	784.09	1,634.15
<b>Subtotal</b>	<b>36,197.30</b>	<b>106,560.70</b>	<b>37,941.75</b>	<b>79,075.69</b>
Powhatan	13,118.26	38,618.66	13,750.46	28,657.81
<b>Subtotal</b>	<b>13,118.26</b>	<b>38,618.66</b>	<b>13,750.46</b>	<b>28,657.81</b>
Prince Edward	7,823.35	23,031.06	8,200.38	17,090.70
Farmville	4,012.80	11,813.23	4,206.19	8,766.27
<b>Subtotal</b>	<b>11,836.15</b>	<b>34,844.29</b>	<b>12,406.57</b>	<b>25,856.97</b>
Prince George	19,418.56	57,166.04	20,354.40	42,421.30
<b>Subtotal</b>	<b>19,418.56</b>	<b>57,166.04</b>	<b>20,354.40</b>	<b>42,421.30</b>
Prince William	160,440.00	472,317.02	168,172.04	350,493.11
Dumfries	2,894.26	8,520.37	3,033.74	6,322.72
Haymarket	515.30	1,516.99	540.14	1,125.72
Occoquan	444.95	1,309.90	466.40	972.04
Quantico	328.88	968.19	344.73	718.46
<b>Subtotal</b>	<b>164,623.39</b>	<b>484,632.47</b>	<b>172,557.05</b>	<b>359,632.05</b>
Pulaski	13,698.05	40,325.49	14,358.20	29,924.41
Dublin	1,341.31	3,948.67	1,405.96	2,930.20
Pulaski	5,553.44	16,348.69	5,821.07	12,131.90
<b>Subtotal</b>	<b>20,592.80</b>	<b>60,622.85</b>	<b>21,585.23</b>	<b>44,986.51</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Rappahannock	3,986.42	11,735.57	4,178.54	8,708.64
Washington	107.28	315.82	112.45	234.36
<b>Subtotal</b>	<b>4,093.70</b>	<b>12,051.39</b>	<b>4,290.99</b>	<b>8,943.00</b>
Richmond	4,358.10	12,829.74	4,568.13	9,520.58
Warsaw	806.08	2,373.00	844.93	1,760.94
<b>Subtotal</b>	<b>5,164.18</b>	<b>15,202.74</b>	<b>5,413.06</b>	<b>11,281.52</b>
Roanoke	45,724.26	134,607.00	47,927.84	99,888.04
Vinton	4,562.11	13,430.33	4,781.97	9,966.27
<b>Subtotal</b>	<b>50,286.37</b>	<b>148,037.33</b>	<b>52,709.81</b>	<b>109,854.31</b>
Rockbridge	11,347.23	33,404.96	11,894.09	24,788.88
Glasgow	613.21	1,805.21	642.76	1,339.60
Goshen	238.01	700.68	249.48	519.96
<b>Subtotal</b>	<b>12,198.45</b>	<b>35,910.85</b>	<b>12,786.33</b>	<b>26,648.44</b>
Rockingham	30,914.12	91,085.67	32,403.95	67,609.24
Bridgewater	3,050.20	8,979.43	3,197.20	6,663.38
Broadway	1,323.14	3,829.59	1,386.91	2,841.84
Dayton	787.90	2,319.50	825.88	1,721.24
Elkton	1,197.10	3,524.12	1,254.79	2,615.15
Grottoes	1,239.31	3,648.39	1,299.03	2,707.36
Mount Crawford	167.66	484.31	175.74	346.64
Timberville	1,019.47	3,001.20	1,068.60	2,227.11
<b>Subtotal</b>	<b>39,698.90</b>	<b>116,872.21</b>	<b>41,612.10</b>	<b>86,731.96</b>
Russell	14,466.02	42,586.31	15,163.18	31,602.10
Castlewood	0.00	0.00	0.00	0.00
Cleveland	86.76	255.42	90.94	189.54
Honaker	554.00	1,630.90	580.69	1,210.25
Lebanon	1,918.76	5,648.61	2,011.23	4,191.67
<b>Subtotal</b>	<b>17,025.54</b>	<b>50,121.24</b>	<b>17,846.04</b>	<b>37,193.56</b>
Scott	11,142.64	32,802.65	11,679.63	24,341.92
Clinchport	45.14	132.88	47.32	98.61
Duffield	36.35	107.00	38.10	79.40
Dungannon	185.84	547.09	194.79	405.97
Gate City	1,265.69	3,726.04	1,326.69	2,764.99
Nickelsville	262.63	773.16	275.29	573.74
Weber City	781.46	2,300.52	819.12	1,707.15
<b>Subtotal</b>	<b>13,719.75</b>	<b>40,389.34</b>	<b>14,380.94</b>	<b>29,971.78</b>
Shenandoah	13,233.16	39,002.77	13,870.90	28,963.17
Edinburg	476.61	1,403.09	499.58	1,041.19
Mount Jackson	975.50	2,871.76	1,022.51	2,131.05
New Market	1,015.36	2,989.12	1,064.30	2,218.14
Strasburg	2,365.47	6,932.61	2,479.47	5,144.50
Toms Brook	149.49	440.09	156.70	326.58
Woodstock	2,346.71	6,893.67	2,459.81	5,095.28
<b>Subtotal</b>	<b>20,562.30</b>	<b>60,533.11</b>	<b>21,553.27</b>	<b>44,919.91</b>
Smyth	13,463.55	39,635.16	14,112.40	29,412.13
Chilhowie	1,071.06	3,153.07	1,122.67	2,339.81
Marion	3,722.03	10,957.23	3,901.40	8,131.05
Saltville	1,292.07	3,803.71	1,354.34	2,822.62
<b>Subtotal</b>	<b>19,548.71</b>	<b>57,549.17</b>	<b>20,490.81</b>	<b>42,705.61</b>

**DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)**

<b>Counties</b>	<b>Total Profits FY2005</b>	<b>Total Profits FY2004</b>	<b>Wine Tax FY2005</b>	<b>Wine Tax FY2004</b>
Southampton	8,610.67	25,348.83	9,025.64	18,810.64
Boykins	363.47	1,070.01	380.98	794.01
Branchville	72.11	212.28	75.58	157.53
Capron	101.42	298.56	106.31	221.56
Courtland	744.52	2,191.78	780.40	1,626.47
Ivor	187.60	552.27	196.64	409.81
Newsoms	168.84	497.04	176.97	368.84
<b>Subtotal</b>	<b>10,248.63</b>	<b>30,170.77</b>	<b>10,742.52</b>	<b>22,388.86</b>
Spotsylvania	52,993.03	156,005.43	55,546.91	115,767.21
<b>Subtotal</b>	<b>52,993.03</b>	<b>156,005.43</b>	<b>55,546.91</b>	<b>115,767.21</b>
Stafford	54,195.41	159,545.08	56,807.23	118,393.89
<b>Subtotal</b>	<b>54,195.41</b>	<b>159,545.08</b>	<b>56,807.23</b>	<b>118,393.89</b>
Surry	3,474.64	10,228.94	3,642.09	7,590.60
Claremont	201.08	591.96	210.77	439.28
Dendron	174.11	512.56	182.50	380.36
Surry	153.59	452.16	161.00	335.55
<b>Subtotal</b>	<b>4,003.42</b>	<b>11,785.62</b>	<b>4,196.36</b>	<b>8,745.79</b>
Sussex	5,149.52	15,159.60	5,397.69	11,249.51
Jarratt	345.29	1,016.51	361.94	754.31
Stony Creek	118.42	348.61	124.13	258.70
Wakefield	608.52	1,791.40	637.84	1,329.35
Waverly	1,353.62	3,984.91	1,418.86	2,957.09
<b>Subtotal</b>	<b>7,575.37</b>	<b>22,301.03</b>	<b>7,940.46</b>	<b>16,548.96</b>
Tazewell	17,378.45	51,160.18	18,215.97	37,964.53
Bluefield	2,976.92	8,763.71	3,120.39	6,503.31
Ceder Bluff	636.07	1,872.51	666.72	1,389.54
Pocahontas	258.53	761.09	270.99	564.78
Richlands	2,429.37	7,151.79	2,546.45	5,307.14
Tazewell	2,465.72	7,258.79	2,584.55	5,386.55
<b>Subtotal</b>	<b>26,145.06</b>	<b>76,968.07</b>	<b>27,405.07</b>	<b>57,115.85</b>
Warren	10,549.36	31,056.11	11,057.77	23,045.87
Front Royal	7,966.40	23,452.16	8,350.32	17,403.18
<b>Subtotal</b>	<b>18,515.76</b>	<b>54,508.27</b>	<b>19,408.09</b>	<b>40,449.05</b>
Washington	23,861.67	70,246.02	25,011.63	52,127.59
Abingdon	4,560.94	13,426.88	4,780.74	9,963.71
Damascus	575.10	1,693.03	602.82	1,256.34
Glade Spring	805.49	2,371.27	844.31	1,759.66
<b>Subtotal</b>	<b>29,803.20</b>	<b>87,737.20</b>	<b>31,239.50</b>	<b>65,107.30</b>
Westmoreland	7,723.69	22,737.66	8,095.92	16,872.98
Colonial Beach	1,892.38	5,570.94	1,983.58	4,134.04
Montross	184.67	543.64	193.56	403.42
<b>Subtotal</b>	<b>9,800.74</b>	<b>28,852.24</b>	<b>10,273.06</b>	<b>21,410.44</b>
Wise	16,027.76	47,183.90	16,800.18	35,013.84
Appalachia	1,078.09	3,173.78	1,130.05	2,355.18
Big Stone Gap	3,462.32	10,192.68	3,629.18	7,563.71
Coeburn	1,170.13	3,444.74	1,226.52	2,556.24
Pound	638.41	1,879.41	669.18	1,394.66
Saint Paul	586.24	1,725.82	614.49	1,280.68
Wise	1,908.21	5,617.54	2,000.17	4,168.63
<b>Subtotal</b>	<b>24,871.16</b>	<b>73,217.87</b>	<b>26,069.77</b>	<b>54,332.94</b>

DISTRIBUTION OF PROFITS AND WINE TAXES TO COUNTIES AND TOWNS (CONTINUED)

Counties	Total Profits FY2005	Total Profits FY2004	Wine Tax FY2005	Wine Tax FY2004
Wythe	10,813.17	31,832.74	11,334.29	23,622.17
Rural Retreat	791.42	2,329.86	829.56	1,728.92
Wytheville	4,575.01	13,468.30	4,795.49	9,994.44
<b>Subtotal</b>	<b>16,179.60</b>	<b>47,630.90</b>	<b>16,959.34</b>	<b>35,345.53</b>
York	33,003.47	97,158.44	34,594.00	72,098.53
Yorktown	0.00	608.83	0.00	125.85
<b>Subtotal</b>	<b>33,003.47</b>	<b>97,767.27</b>	<b>34,594.00</b>	<b>72,224.38</b>
<b>Total</b>	<b>\$2,772,685.37</b>	<b>\$8,168,630.86</b>	<b>\$2,906,308.81</b>	<b>\$6,063,189.47</b>





## *RESPONSIBLE SELLERS AND SERVERS: VIRGINIA'S PROGRAM*

The selling and serving of alcoholic beverages is a business that is subject to higher legal and social accountability than almost any other industry. ABC realizes that retail restaurant, convenience and grocery store employees have stressful positions of responsibility and we are committed to offering training for these sellers and servers to make it easier for them to remain in compliance.

ABC has developed Responsible Sellers and Servers: Virginia's Program, better known as RSVP, and offers this training free of charge. ABC special agents teach the classes.

RSVP teaches employees how to prevent sales to minors and intoxicated customers, how to spot fake identifications, how to document alcohol-related incidents and much more. Participants learn about the laws and administrative regulations that govern alcohol sales and consumption in Virginia. Agents conducted 122 classes with 2,536 participants during Fiscal Year 2005.

**An ABC Compliance Training Program Offered Free of Charge**





## ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (PRE-AUDIT)

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales	
<b>Statewide Totals</b>			<b>7,975,102</b>	<b>\$532,692,501</b>	<b>\$87,882,975</b>	<b>\$444,809,526</b>	
	137	692 Hwy 58 East	Norton	16,916	\$1,037,269	\$171,759	\$865,511
	194	16427-E Wise St (Saint Paul)	Wise	7,463	\$436,749	\$72,588	\$364,161
	206	18 East 4th St, North (Big Stone Gap)	Wise	9,694	\$578,564	\$95,923	\$482,641
	218	Main St, Rt 23 South (Gate City)	Scott	9,326	\$517,459	\$85,828	\$431,631
	<b>Far Southwest</b>		<b>44,309</b>	<b>\$2,570,041</b>	<b>\$426,098</b>	<b>\$2,143,943</b>	
	87	4027 College Ave. (Bluefield)	Tazewell	11,671	\$721,832	\$119,509	\$602,322
	174	One Plaza Dr. (Grundy)	Buchanan	7,460	\$462,533	\$75,894	\$386,638
R	197	2004 Second St. (Richlands)	Tazewell	12,896	\$724,337	\$119,673	\$604,664
	230	722 East Riverside	Tazewell	8,242	\$473,377	\$78,106	\$395,271
	365	Food City Shp. Ctr.	Dickenson	6,475	\$358,411	\$59,311	\$299,101
	<b>Southwest</b>		<b>46,744</b>	<b>\$2,740,489</b>	<b>\$452,493</b>	<b>\$2,287,996</b>	
	58	3002 Lee Hwy	Bristol	19,753	\$1,284,795	\$212,030	\$1,072,766
NS	96	974 East Stuart Dr.	Galax	11,377	\$617,841	\$102,363	\$515,478
	135	1173 North Main St. (Marion)	Smyth	21,075	\$1,176,684	\$194,642	\$982,042
	141	441 West Stuart Dr. (Hillsville)	Carroll	16,379	\$858,127	\$141,474	\$716,652
	153	325 West Main St. (Wytheville)	Wythe	19,631	\$1,155,025	\$190,116	\$964,908
	201	545 West Main St. (Abingdon)	Washington	32,939	\$2,012,900	\$332,161	\$1,680,739
	343	2123 Euclid Ave.	Bristol	23,261	\$1,331,188	\$219,684	\$1,111,503
	<b>Wytheville/Hillsville</b>		<b>144,416</b>	<b>\$8,436,559</b>	<b>\$1,392,470</b>	<b>\$7,044,089</b>	
	67	290 Peppers Ferry Rd. (Christiansburg)	Montgomery	20,905	\$1,334,663	\$218,659	\$1,116,005
	195	100 North Franklin St. (Christiansburg)	Montgomery	23,425	\$1,352,804	\$223,629	\$1,129,175
	199	3745 Virginia Ave. (Pearisburg)	Giles	12,159	\$643,656	\$106,700	\$536,956
	327	1300 South Main St. (Blacksburg)	Montgomery	67,200	\$4,254,870	\$703,860	\$3,551,010
	345	1072 Memorial Square Dr.	Pulaski	17,515	\$933,639	\$154,624	\$779,015
	356	97 Walker St.	Radford	32,690	\$1,877,318	\$310,325	\$1,566,992
	<b>Radford/Blacksburg</b>		<b>173,893</b>	<b>\$10,396,949</b>	<b>\$1,717,796</b>	<b>\$8,679,153</b>	
	115	1423 Williamson Rd. NE	Roanoke	53,999	\$3,617,300	\$598,822	\$3,018,478
	123	531 Main St.	Clifton Forge	6,226	\$349,337	\$57,782	\$291,555
	124	123 West Main St.	Covington	13,440	\$755,254	\$125,322	\$629,933
	186	1483 West Main St.	Salem	35,772	\$2,075,017	\$342,208	\$1,732,809
	229	3434 Orange Ave. NE	Roanoke	12,508	\$710,913	\$117,511	\$593,401
	259	1507 Hershberger Rd. NW	Roanoke	39,634	\$2,360,471	\$389,039	\$1,971,433
	269	602 Brandon Ave. SW	Roanoke	54,739	\$3,499,164	\$576,331	\$2,922,833
	289	3341 Melrose Ave. NW	Roanoke	26,657	\$1,657,501	\$274,945	\$1,382,555
	309	3901 Brambleton Ave. SW	Roanoke	45,480	\$2,693,158	\$442,630	\$2,250,528
	337	1113 Vinyard Rd. (Vinton)	Roanoke	26,807	\$1,465,953	\$242,047	\$1,223,906
	364	56 Kingston Dr. (Daleville)	Botetourt	18,165	\$1,080,406	\$178,067	\$902,339
	<b>Roanoke</b>		<b>333,429</b>	<b>\$20,264,475</b>	<b>\$3,344,705</b>	<b>\$16,919,770</b>	
NS	57	Harner Center Shp. Ctr.	Staunton	11,118	\$726,805	\$119,506	\$607,299
	68	1739 South High St. (Rockingham Sq)	Harrisonburg	20,912	\$1,229,258	\$201,980	\$1,027,277
	113	39 1/2 East Main St. (Hot Springs)	Bath	7,044	\$587,538	\$96,296	\$491,241
	122	201 State St.	Staunton	17,608	\$1,033,819	\$170,439	\$863,380
	140	445 East Nelson St.	Lexington	35,172	\$2,078,389	\$341,929	\$1,736,460
	145	398 North Main St.	Harrisonburg	27,462	\$1,583,743	\$262,092	\$1,321,651
	147	Water St., PO Box 111 (Monterey)	Highland	2,482	\$138,746	\$22,540	\$116,205

**NOTES:**

- (1) Includes state taxes, but does not include general sales tax (4.5%).
- (2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.
- (3) Store expenses include miscellaneous revenue and net cash overages.
- (4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.
- (5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
<b>\$268,130,210</b>	<b>\$176,679,316</b>	<b>\$58,878,522</b>	<b>\$117,800,794</b>	<b>\$24,874,605</b>	<b>\$92,926,189</b>	<b>33.9%</b>
\$521,433	\$344,077	\$153,831	\$190,246	\$48,401	\$141,845	30.2%
\$218,502	\$145,658	\$83,038	\$62,620	\$20,365	\$42,256	26.3%
\$291,303	\$191,338	\$91,712	\$99,627	\$26,990	\$72,636	29.1%
\$260,860	\$170,770	\$89,221	\$81,550	\$24,138	\$57,412	27.7%
<b>\$1,292,099</b>	<b>\$851,844</b>	<b>\$417,801</b>	<b>\$434,043</b>	<b>\$119,893</b>	<b>\$314,150</b>	<b>28.8%</b>
\$364,213	\$238,109	\$127,229	\$110,880	\$33,683	\$77,197	27.3%
\$233,309	\$153,330	\$99,685	\$53,645	\$21,622	\$32,024	23.3%
\$363,731	\$240,934	\$136,382	\$104,551	\$33,814	\$70,737	26.3%
\$237,568	\$157,703	\$131,995	\$25,707	\$22,104	\$3,603	17.3%
\$179,663	\$119,438	\$94,428	\$25,010	\$16,726	\$8,283	18.9%
<b>\$1,378,483</b>	<b>\$909,513</b>	<b>\$589,719</b>	<b>\$319,794</b>	<b>\$127,949</b>	<b>\$191,845</b>	<b>23.5%</b>
\$646,521	\$426,245	\$153,310	\$272,935	\$59,991	\$212,944	33.1%
\$310,757	\$204,722	\$73,496	\$131,226	\$28,827	\$102,399	33.1%
\$592,359	\$389,683	\$145,359	\$244,325	\$54,918	\$189,407	32.6%
\$433,875	\$282,777	\$97,716	\$185,061	\$40,077	\$144,984	33.4%
\$581,260	\$383,648	\$109,104	\$274,544	\$53,960	\$220,585	35.6%
\$1,016,182	\$664,557	\$216,309	\$448,248	\$93,990	\$354,258	34.1%
\$671,639	\$439,864	\$167,815	\$272,049	\$62,157	\$209,891	32.3%
<b>\$4,252,593</b>	<b>\$2,791,496</b>	<b>\$963,108</b>	<b>\$1,828,388</b>	<b>\$393,919</b>	<b>\$1,434,469</b>	<b>33.5%</b>
\$673,414	\$442,591	\$185,605	\$256,986	\$62,409	\$194,577	31.0%
\$682,258	\$446,917	\$212,043	\$234,874	\$63,146	\$171,728	29.2%
\$324,530	\$212,426	\$104,930	\$107,496	\$30,028	\$77,468	28.6%
\$2,139,486	\$1,411,524	\$290,174	\$1,121,350	\$198,579	\$922,770	38.2%
\$468,525	\$310,490	\$165,183	\$145,307	\$43,564	\$101,743	27.5%
\$943,302	\$623,690	\$166,601	\$457,089	\$87,629	\$369,460	36.2%
<b>\$5,231,516</b>	<b>\$3,447,638</b>	<b>\$1,124,536</b>	<b>\$2,323,102</b>	<b>\$485,355</b>	<b>\$1,837,747</b>	<b>34.2%</b>
\$1,810,263	\$1,208,214	\$220,536	\$987,679	\$168,799	\$818,880	39.2%
\$175,824	\$115,731	\$93,469	\$22,262	\$16,304	\$5,957	18.2%
\$380,172	\$249,761	\$99,563	\$150,198	\$35,227	\$114,971	31.8%
\$1,044,682	\$688,127	\$219,556	\$468,571	\$96,902	\$371,669	34.4%
\$358,461	\$234,941	\$97,332	\$137,609	\$33,184	\$104,425	31.2%
\$1,190,224	\$781,209	\$242,576	\$538,633	\$110,246	\$428,386	34.6%
\$1,765,581	\$1,157,252	\$343,229	\$814,022	\$163,450	\$650,572	35.1%
\$830,878	\$551,677	\$198,472	\$353,205	\$77,315	\$275,890	33.2%
\$1,362,436	\$888,092	\$232,981	\$655,111	\$125,854	\$529,258	36.1%
\$738,874	\$485,032	\$165,934	\$319,098	\$68,443	\$250,655	33.6%
\$546,289	\$356,050	\$139,926	\$216,123	\$50,461	\$165,663	31.8%
<b>\$10,203,685</b>	<b>\$6,716,085</b>	<b>\$2,053,574</b>	<b>\$4,662,511</b>	<b>\$946,186</b>	<b>\$3,716,325</b>	<b>34.8%</b>
\$366,120	\$241,180	\$173,870	\$67,310	\$33,961	\$33,348	21.0%
\$618,732	\$408,545	\$140,799	\$267,747	\$57,447	\$210,299	33.5%
\$296,859	\$194,382	\$99,454	\$94,928	\$27,471	\$67,457	27.9%
\$521,792	\$341,588	\$93,163	\$248,425	\$48,282	\$200,143	35.8%
\$1,048,517	\$687,942	\$206,704	\$481,238	\$97,106	\$384,132	34.9%
\$796,335	\$525,316	\$220,177	\$305,139	\$73,909	\$231,230	31.1%
\$70,829	\$45,376	\$40,190	\$5,186	\$6,498	(\$1,312)	15.3%

## ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales
184	2035 East Market St.	Rockingham	48,812	\$3,173,329	\$520,465	\$2,652,864
302	1331 Greenville Ave.	Staunton	23,653	\$1,396,927	\$228,984	\$1,167,943
338	801-B West Broad St.	Waynesboro	39,163	\$2,342,290	\$384,510	\$1,957,780
339	Augusta Plaza, Rt 612 (Verona)	Augusta	11,647	\$658,208	\$108,753	\$549,454
<b>Staunton/Waynesboro</b>			<b>245,073</b>	<b>\$14,949,051</b>	<b>\$2,457,495</b>	<b>\$12,491,555</b>
52	786 Shopping Center Rd.	Shenandoah	11,346	\$676,524	\$112,014	\$564,511
56	182 Delco Plaza	Frederick	24,678	\$1,630,887	\$268,923	\$1,361,964
139	235 Sunnyside Circle	Frederick	29,074	\$1,847,859	\$303,952	\$1,543,907
142	411-F South St. (Front Royal)	Warren	38,341	\$2,360,054	\$389,200	\$1,970,855
167	21 Crowe St. (Berryville)	Clarke	11,499	\$715,971	\$118,161	\$597,810
173	14817 Spotswood Trail (Elkton)	Page	10,298	\$602,548	\$99,070	\$503,478
193	1412 West 211 Bypass (Luray)	Page	14,476	\$825,170	\$136,069	\$689,101
261	2218 Valley Ave.	Winchester	42,793	\$2,806,105	\$461,084	\$2,345,020
293	5814 Main St. (Mount Jackson)	Shenandoah	11,247	\$646,281	\$106,669	\$539,612
318	462 North Main St. (Woodstock)	Shenandoah	13,369	\$757,586	\$124,622	\$632,964
<b>Winchester / Front Royal</b>			<b>207,370</b>	<b>\$12,868,985</b>	<b>\$2,119,763</b>	<b>\$10,749,221</b>
NS	55 9528 Liberia Ave.	Manassas	14,765	\$1,104,004	\$181,697	\$922,307
	61 22330 Sterling Blvd. (Sterling)	Loudoun	22,155	\$1,645,145	\$271,140	\$1,374,005
	63 8951 Ox Rd.	Fairfax	11,766	\$878,206	\$144,475	\$733,731
	73 43150 Broadlands Shp. Ctr. Plaza	Loudoun	15,626	\$1,263,730	\$207,606	\$1,056,123
	76 1212 West Broad St.	Falls Church	16,994	\$1,296,229	\$212,378	\$1,083,851
	80 6206 Little River Tnpk	Alexandria	21,550	\$1,685,988	\$278,118	\$1,407,870
	81 6230 J North Kings Hwy	Alexandria	25,256	\$1,857,168	\$305,882	\$1,551,286
	82 46930 Cedar Lakes Plaza	Fairfax	34,751	\$2,721,201	\$447,493	\$2,273,708
	83 7263 Arlington Blvd.	Fairfax	12,584	\$979,409	\$160,397	\$819,012
	84 13053 East Jackson Hwy	Fairfax	19,467	\$1,519,772	\$249,961	\$1,269,811
	85 2928 Chain Bridge Rd.	Fairfax	21,198	\$1,623,737	\$267,414	\$1,356,323
NS	90 12965 Fair Lakes Shp. Ctr.	Fairfax	3,368	\$279,255	\$45,639	\$233,615
	109 1731 Wilson Blvd.	Arlington	21,441	\$1,750,861	\$283,717	\$1,467,144
	119 901 North St. Asaph St.	Alexandria	42,383	\$3,350,159	\$552,545	\$2,797,614
	120 5926 Kingstowne Center	Fairfax	41,240	\$3,167,237	\$521,674	\$2,645,563
	127 13300 Franklin Farm Rd. (Herndon)	Fairfax	14,067	\$1,054,218	\$173,341	\$880,876
	133 9130 Mathis Ave.	Manassas	47,777	\$3,384,955	\$560,053	\$2,824,902
	136 18 Fairfax St. SE (Leesburg)	Loudoun	30,827	\$2,222,592	\$366,809	\$1,855,783
	166 210 Fort Evans Rd. (Leesburg)	Loudoun	30,832	\$2,380,473	\$390,947	\$1,989,526
	168 1001 North Fillmore St.	Arlington	24,804	\$1,958,204	\$320,398	\$1,637,806
	170 1238 Elden St. (Herndon)	Fairfax	42,349	\$3,242,036	\$535,155	\$2,706,882
	181 106 Washington St. (Middleburg)	Loudoun	9,950	\$743,571	\$122,467	\$621,105
	203 3678 King St.	Alexandria	28,125	\$2,124,475	\$349,630	\$1,774,844
	208 44110 Ashburn Village Shp. Ctr., Unit 154	Loudoun	23,756	\$1,944,812	\$319,822	\$1,624,991
	212 167 Hillwood Ave.	Falls Church	13,543	\$930,163	\$152,053	\$778,110
	219 8520 Tyco Rd. (Vienna) (conv)	Fairfax	88,204	\$8,130,922	\$1,347,369	\$6,783,553
	224 13944 Lee Jackson Hwy	Fairfax	41,516	\$3,229,440	\$531,827	\$2,697,613
	228 1524 Belle View Blvd.	Fairfax	26,653	\$1,909,262	\$312,609	\$1,596,653
	231 436 East Maple Ave. (Vienna)	Fairfax	36,339	\$2,734,369	\$447,168	\$2,287,201
	234 9574 Old Keene Mill Rd.	Fairfax	26,629	\$1,905,005	\$313,362	\$1,591,643
	235 8628 Richmond Hwy	Fairfax	43,520	\$3,269,928	\$539,566	\$2,730,363
	236 7200 Little River Tnpk E	Fairfax	37,119	\$2,683,500	\$444,009	\$2,239,491
	241 11260 James Swart Circle	Fairfax	50,316	\$3,880,513	\$639,785	\$3,240,727
	248 4709 Lee Hwy	Arlington	35,236	\$2,597,805	\$424,909	\$2,172,897

**NOTES:**

- (1) Includes state taxes, but does not include general sales tax (4.5%).
- (2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.
- (3) Store expenses include miscellaneous revenue and net cash overages.
- (4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.
- (5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$1,601,244	\$1,051,620	\$280,489	\$771,131	\$148,353	\$622,778	36.0%
\$705,724	\$462,219	\$193,067	\$269,152	\$65,314	\$203,839	31.0%
\$1,181,619	\$776,161	\$243,111	\$533,050	\$109,483	\$423,567	34.5%
\$331,997	\$217,458	\$96,049	\$121,409	\$30,727	\$90,682	30.3%
<b>\$7,539,768</b>	<b>\$4,951,787</b>	<b>\$1,787,072</b>	<b>\$3,164,715</b>	<b>\$698,552</b>	<b>\$2,466,163</b>	<b>32.9%</b>
\$340,374	\$224,137	\$71,221	\$152,916	\$31,569	\$121,347	34.5%
\$821,017	\$540,947	\$140,118	\$400,829	\$76,164	\$324,665	36.4%
\$933,320	\$610,587	\$165,397	\$445,190	\$86,338	\$358,852	35.9%
\$1,191,568	\$779,286	\$277,120	\$502,166	\$110,214	\$391,952	33.1%
\$360,575	\$237,235	\$126,825	\$110,411	\$33,431	\$76,980	27.3%
\$304,055	\$199,423	\$75,047	\$124,375	\$28,155	\$96,220	32.4%
\$415,785	\$273,315	\$110,609	\$162,707	\$38,536	\$124,171	31.5%
\$1,414,723	\$930,298	\$219,973	\$710,324	\$131,138	\$579,186	37.1%
\$325,936	\$213,676	\$26,457	\$187,219	\$30,176	\$157,043	40.8%
\$382,583	\$250,381	\$99,121	\$151,259	\$35,397	\$115,863	31.7%
<b>\$6,489,936</b>	<b>\$4,259,285</b>	<b>\$1,311,889</b>	<b>\$2,947,396</b>	<b>\$601,117</b>	<b>\$2,346,279</b>	<b>34.7%</b>
\$561,919	\$360,388	\$184,430	\$175,958	\$51,577	\$124,381	27.7%
\$832,052	\$541,953	\$220,989	\$320,964	\$76,837	\$244,127	31.3%
\$444,286	\$289,444	\$217,101	\$72,343	\$41,032	\$31,311	20.0%
\$640,275	\$415,848	\$248,881	\$166,968	\$59,060	\$107,907	25.0%
\$656,134	\$427,717	\$276,842	\$150,875	\$60,611	\$90,264	23.3%
\$848,661	\$559,209	\$258,261	\$300,948	\$78,731	\$222,217	29.7%
\$934,817	\$616,469	\$217,067	\$399,403	\$86,751	\$312,652	33.3%
\$1,371,492	\$902,215	\$320,798	\$581,418	\$127,150	\$454,268	33.1%
\$495,314	\$323,698	\$208,731	\$114,967	\$45,801	\$69,167	23.4%
\$765,054	\$504,757	\$216,538	\$288,219	\$71,010	\$217,209	30.7%
\$819,902	\$536,421	\$291,239	\$245,182	\$75,848	\$169,334	26.9%
\$141,345	\$92,271	\$105,104	(\$12,833)	\$13,064	(\$25,897)	7.1%
\$885,196	\$581,948	\$269,950	\$311,997	\$82,045	\$229,952	29.3%
\$1,681,942	\$1,115,672	\$236,100	\$879,571	\$156,448	\$723,124	38.1%
\$1,595,097	\$1,050,467	\$310,315	\$740,152	\$147,945	\$592,207	35.2%
\$532,772	\$348,104	\$163,628	\$184,476	\$49,260	\$135,216	29.3%
\$1,702,427	\$1,122,475	\$282,113	\$840,362	\$157,974	\$682,388	36.7%
\$1,120,013	\$735,771	\$244,085	\$491,685	\$103,779	\$387,906	34.0%
\$1,201,431	\$788,095	\$250,716	\$537,379	\$111,258	\$426,121	34.3%
\$989,336	\$648,470	\$248,441	\$400,029	\$91,589	\$308,440	32.1%
\$1,629,236	\$1,077,646	\$310,551	\$767,095	\$151,374	\$615,721	35.5%
\$375,283	\$245,822	\$95,264	\$150,558	\$34,733	\$115,824	32.0%
\$1,071,539	\$703,306	\$303,533	\$399,773	\$99,253	\$300,520	30.6%
\$981,557	\$643,434	\$246,346	\$397,088	\$90,873	\$306,215	32.2%
\$469,606	\$308,504	\$222,249	\$86,255	\$43,513	\$42,741	20.9%
\$4,061,338	\$2,722,215	\$505,610	\$2,216,605	\$379,349	\$1,837,255	39.2%
\$1,628,044	\$1,069,569	\$321,669	\$747,900	\$150,856	\$597,044	35.0%
\$966,240	\$630,413	\$257,756	\$372,656	\$89,288	\$283,369	31.2%
\$1,385,145	\$902,057	\$367,209	\$534,848	\$127,905	\$406,943	31.2%
\$962,505	\$629,138	\$247,718	\$381,420	\$89,008	\$292,412	31.8%
\$1,644,679	\$1,085,683	\$458,558	\$627,126	\$152,687	\$474,439	31.0%
\$1,347,186	\$892,306	\$229,078	\$663,228	\$125,237	\$537,992	36.6%
\$1,954,402	\$1,286,326	\$322,614	\$963,712	\$181,228	\$782,484	36.7%
\$1,313,588	\$859,309	\$312,351	\$546,957	\$121,513	\$425,445	32.7%

**ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)**

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales
260	6198 Arlington Blvd.	Fairfax	24,004	\$1,826,542	\$300,646	\$1,525,896
264	16661 Rivers Ridge Blvd. (Dumfries)	Prince William	25,230	\$1,803,513	\$298,386	\$1,505,127
267	1446 Chain Bridge Rd.	Fairfax	44,998	\$3,610,435	\$592,904	\$3,017,531
268	6400 Springfield Plaza	Fairfax	49,042	\$3,578,669	\$590,751	\$2,987,919
271	13586 Jefferson Davis Hwy	Prince William	43,213	\$3,179,341	\$526,252	\$2,653,089
closed 273	7778 Gunston Plaza	Fairfax	3,477	\$240,390	\$39,622	\$200,768
286	7555 New Linton Hall Rd., Gateway Shp. Ctr.	Prince William	39,538	\$2,928,823	\$480,699	\$2,448,124
294	3556-E South Jefferson St.	Fairfax	33,732	\$2,554,505	\$420,066	\$2,134,439
295	8095 Sudley Rd.	Prince William	64,084	\$4,696,688	\$775,576	\$3,921,112
296	8966 Burke Lake Rd.	Fairfax	26,399	\$1,776,995	\$293,017	\$1,483,978
297	4647 Duke St.	Alexandria	18,132	\$1,294,450	\$213,567	\$1,080,883
301	4220 Merchants Plaza	Prince William	39,758	\$2,849,762	\$468,339	\$2,381,423
316	5123 Waterway Dr.	Prince William	11,463	\$811,642	\$133,190	\$678,452
317	9512 Main St.	Fairfax	33,421	\$2,390,102	\$393,971	\$1,996,130
322	14151 Germain Dr.	Fairfax	54,962	\$4,214,429	\$695,231	\$3,519,198
323	609 O East Main St. (Purcellville)	Loudoun	20,867	\$1,526,358	\$251,305	\$1,275,053
346	8105 Lee Hwy	Fairfax	28,153	\$2,126,180	\$349,691	\$1,776,489
352	2555 John Milton Dr. (Herndon)	Fairfax	25,907	\$1,945,138	\$320,588	\$1,624,550
353	4255 Cheshire Plaza	Prince William	55,456	\$3,998,703	\$659,831	\$3,338,872
357	1454 North Point Village Shp. Ctr. (Reston)	Fairfax	41,668	\$3,367,861	\$554,223	\$2,813,638
358	2201 North Pershing Dr. (conv)	Arlington	121,550	\$9,929,894	\$1,643,893	\$8,286,000
362	100 Edds Lane	Loudoun	32,915	\$2,550,073	\$417,493	\$2,132,580
368	10308 Willard Way	Fairfax	16,253	\$1,138,850	\$187,310	\$951,540
369	Barcroft Plaza Shp. Ctr.	Falls Church	16,808	\$1,197,517	\$197,235	\$1,000,282
371	5739 Burke Centre Pkwy	Fairfax	23,546	\$1,671,057	\$275,789	\$1,395,267
372	3161 Duke St.	Alexandria	18,031	\$1,374,228	\$226,480	\$1,147,748
374	2955-A South Glebe Rd.	Arlington	32,004	\$2,324,271	\$387,710	\$1,936,561
<b>Northern Virginia</b>			<b>1,920,714</b>	<b>\$146,354,759</b>	<b>\$24,115,178</b>	<b>\$122,239,581</b>
51	265 Turkey Sag Trail	Fluvanna	13,157	\$799,959	\$131,149	\$668,810
NS 66	11083-E Marsh Rd.	Fauquier	61	\$3,836	\$631	\$3,205
72	5309 A Lyndon Dr. (Locust Grove)	Orange	18,201	\$1,105,263	\$181,175	\$924,088
NS 88	4199-B Winchester Rd.	Fauquier	5,527	\$374,832	\$61,717	\$313,115
163	583 North Madison Rd.	Orange	13,303	\$787,458	\$130,047	\$657,411
227	South Main St. (Gordonsville)	Orange	7,682	\$444,601	\$73,235	\$371,366
274	28 Madison Plaza Dr.	Madison	9,269	\$563,938	\$92,632	\$471,306
303	175 Lee Hwy (Warrenton)	Fauquier	62,325	\$4,192,866	\$689,152	\$3,503,713
329	185 Southgate Shp. Ctr.	Culpeper	39,286	\$2,472,449	\$408,201	\$2,064,249
<b>Warrenton/Culpeper</b>			<b>168,810</b>	<b>\$10,745,201</b>	<b>\$1,767,937</b>	<b>\$8,977,264</b>
70	8875 Seminole Trail	Greene	11,579	\$685,980	\$112,887	\$573,092
125	304 Pantops Center	Albemarle	35,952	\$2,275,766	\$375,435	\$1,900,331
126	Rt 151 (Nellysford)	Nelson	8,064	\$580,348	\$93,185	\$487,163
138	Rts 22 and 23	Louisa	20,388	\$1,111,742	\$183,503	\$928,239
185	500 West Main St.	Charlottesville	28,387	\$1,919,486	\$317,879	\$1,601,607
189	Scottsville Shp. Ctr. (Scottsville)	Albemarle	8,118	\$474,900	\$78,434	\$396,466
253	1147 Emmet St.	Charlottesville	91,528	\$6,533,306	\$1,078,087	\$5,455,219
321	85 Calloway Dr. (Lovingston)	Nelson	8,057	\$458,760	\$75,974	\$382,786
359	1653 Seminole Trail	Albemarle	41,658	\$2,700,925	\$443,333	\$2,257,593
<b>Charlottesville</b>			<b>253,732</b>	<b>\$16,741,214</b>	<b>\$2,758,716</b>	<b>\$13,982,498</b>

**NOTES:**

- (1) Includes state taxes, but does not include general sales tax (4.5%).
- (2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.
- (3) Store expenses include miscellaneous revenue and net cash overages.
- (4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.
- (5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$920,859	\$605,037	\$258,395	\$346,643	\$85,331	\$261,311	30.8%
\$904,810	\$600,317	\$208,754	\$391,562	\$84,170	\$307,393	33.6%
\$1,825,801	\$1,191,729	\$338,700	\$853,030	\$168,746	\$684,284	35.4%
\$1,804,462	\$1,183,457	\$337,750	\$845,707	\$167,090	\$678,616	35.5%
\$1,596,907	\$1,056,181	\$323,424	\$732,758	\$148,366	\$584,392	34.9%
\$121,589	\$79,179	\$61,582	\$17,597	\$11,227	\$6,370	19.1%
\$1,477,307	\$970,817	\$265,640	\$705,177	\$136,904	\$568,273	35.8%
\$1,284,762	\$849,677	\$409,073	\$440,604	\$119,362	\$321,242	29.0%
\$2,360,452	\$1,560,661	\$434,031	\$1,126,630	\$219,276	\$907,354	35.8%
\$896,755	\$587,223	\$257,652	\$329,572	\$82,987	\$246,585	30.4%
\$652,369	\$428,515	\$303,975	\$124,540	\$60,445	\$64,095	21.5%
\$1,436,036	\$945,387	\$318,298	\$627,089	\$133,174	\$493,915	33.8%
\$409,386	\$269,067	\$158,875	\$110,192	\$37,940	\$72,252	25.3%
\$1,203,494	\$792,637	\$312,916	\$479,721	\$111,627	\$368,093	31.9%
\$2,123,569	\$1,395,629	\$412,919	\$982,710	\$196,800	\$785,910	35.1%
\$771,288	\$503,765	\$208,151	\$295,614	\$71,303	\$224,310	31.2%
\$1,071,768	\$704,721	\$283,497	\$421,224	\$99,345	\$321,880	31.6%
\$982,416	\$642,135	\$255,373	\$386,761	\$90,848	\$295,913	31.7%
\$2,012,624	\$1,326,248	\$445,282	\$880,965	\$186,716	\$694,249	33.9%
\$1,698,871	\$1,114,767	\$361,510	\$753,257	\$157,344	\$595,913	34.2%
\$4,956,029	\$3,329,972	\$488,098	\$2,841,874	\$463,369	\$2,378,505	40.5%
\$1,286,515	\$846,064	\$309,468	\$536,597	\$119,258	\$417,339	32.7%
\$576,463	\$375,077	\$210,927	\$164,150	\$53,212	\$110,938	26.2%
\$603,372	\$396,910	\$217,693	\$179,217	\$55,938	\$123,279	26.8%
\$844,080	\$551,188	\$180,255	\$370,932	\$78,026	\$292,906	34.0%
\$691,331	\$456,417	\$246,046	\$210,371	\$64,184	\$146,187	27.1%
\$1,181,653	\$754,908	\$295,696	\$459,212	\$108,296	\$350,916	31.8%
<b>\$73,704,781</b>	<b>\$48,534,800</b>	<b>\$16,875,812</b>	<b>\$31,658,988</b>	<b>\$6,835,873</b>	<b>\$24,823,115</b>	<b>33.4%</b>
\$404,451	\$264,360	\$106,656	\$157,704	\$37,401	\$120,303	31.4%
\$1,927	\$1,278	\$12,099	(\$10,821)	\$179	(\$11,000)	(270.3%)
\$559,515	\$364,573	\$113,677	\$250,896	\$51,677	\$199,219	34.4%
\$189,648	\$123,467	\$63,892	\$59,575	\$17,510	\$42,065	27.7%
\$396,446	\$260,965	\$110,811	\$150,154	\$36,764	\$113,391	30.9%
\$223,966	\$147,400	\$79,195	\$68,205	\$20,768	\$47,438	27.1%
\$284,709	\$186,597	\$106,425	\$80,172	\$26,356	\$53,816	26.0%
\$2,117,340	\$1,386,373	\$299,469	\$1,086,904	\$195,934	\$890,970	37.7%
\$1,243,937	\$820,312	\$248,195	\$572,117	\$115,437	\$456,680	35.0%
<b>\$5,421,938</b>	<b>\$3,555,326</b>	<b>\$1,140,419</b>	<b>\$2,414,908</b>	<b>\$502,026</b>	<b>\$1,912,882</b>	<b>34.3%</b>
\$346,154	\$226,938	\$88,523	\$138,415	\$32,048	\$106,367	32.0%
\$1,148,702	\$751,630	\$192,383	\$559,246	\$106,270	\$452,976	36.4%
\$296,610	\$190,553	\$102,260	\$88,293	\$27,243	\$61,050	26.6%
\$560,740	\$367,500	\$127,615	\$239,884	\$51,909	\$187,975	33.4%
\$960,224	\$641,383	\$205,099	\$436,285	\$89,565	\$346,720	34.6%
\$238,662	\$157,804	\$74,525	\$83,279	\$22,171	\$61,108	29.4%
\$3,295,826	\$2,159,393	\$507,680	\$1,651,713	\$305,066	\$1,346,647	37.1%
\$230,781	\$152,005	\$93,215	\$58,790	\$21,406	\$37,384	24.7%
\$1,365,471	\$892,121	\$273,608	\$618,513	\$126,249	\$492,264	34.6%
<b>\$8,443,170</b>	<b>\$5,539,327</b>	<b>\$1,664,908</b>	<b>\$3,874,419</b>	<b>\$781,928</b>	<b>\$3,092,491</b>	<b>35.0%</b>

## ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales	
117	309 Twelfth St.	Lynchburg	28,096	\$1,708,341	\$282,955	\$1,425,386	
160	1128 East Lynchburg Salem Tnpk	Bedford	21,637	\$1,213,242	\$200,211	\$1,013,030	
176	Hwys 501 and 40 S (Brookneal)	Campbell	7,764	\$425,612	\$70,737	\$354,874	
262	20401 Timberlake Rd.	Campbell	35,886	\$2,113,501	\$349,387	\$1,764,114	
266	2323 Memorial Dr., 3 The Plaza	Lynchburg	34,928	\$2,028,950	\$336,567	\$1,692,383	
279	18013 Forest Rd.	Bedford	27,057	\$1,701,435	\$280,522	\$1,420,913	
281	4049 South Amherst Hwy (Madison Heights)	Amherst	18,453	\$1,054,919	\$174,812	\$880,107	
285	Ambriar Shp. Ctr.	Amherst	10,002	\$578,513	\$95,528	\$482,985	
287	Boonsboro Shp. Ctr.	Lynchburg	18,662	\$1,192,747	\$196,068	\$996,679	
347	1301-I North Main St. (Altavista)	Campbell	15,918	\$917,617	\$152,014	\$765,604	
354	US Rt 460 W	Appomattox	13,028	\$715,141	\$118,580	\$596,561	
<b>Lynchburg</b>			<b>231,431</b>	<b>\$13,650,017</b>	<b>\$2,257,380</b>	<b>\$11,392,637</b>	
132	4960 Greenboro Rd. (Ridgeway)	Henry	17,716	\$1,012,715	\$167,616	\$845,099	
146	639 West Main St.	Danville	20,294	\$1,191,145	\$197,013	\$994,132	
154	235 North Union St.	Danville	10,038	\$522,037	\$86,667	\$435,369	
191	942 Tanyard Rd. (Rocky Mount)	Franklin	26,407	\$1,464,477	\$241,319	\$1,223,159	
213	12990 Booker T. Washington Hwy (Hardy)	Franklin	29,127	\$1,798,825	\$295,648	\$1,503,177	
276	221 Nor-Dan Dr.	Danville	24,800	\$1,524,176	\$252,136	\$1,272,040	
277	985 Fairystone Park Hwy (Bassett)	Henry	21,168	\$1,106,832	\$182,940	\$923,891	
283	Tightsqueeze Plaza (Chatham)	Pittsylvania	11,707	\$629,089	\$103,985	\$525,104	
291	243 West Commonwealth Blvd.	Martinsville	36,541	\$2,152,264	\$354,355	\$1,797,910	
324	301 South Main St. (Stuart)	Patrick	8,221	\$436,689	\$72,218	\$364,471	
373	3308 Riverside Dr.	Danville	19,821	\$1,251,894	\$205,779	\$1,046,115	
<b>Danville/Martinsville</b>			<b>225,842</b>	<b>\$13,090,142</b>	<b>\$2,159,676</b>	<b>\$10,930,466</b>	
59	3136 Halifax Rd.	Halifax	33,733	\$1,900,880	\$314,727	\$1,586,154	
143	812 East Atlantic St. (South Hill)	Mecklenburg	33,197	\$1,857,776	\$307,779	\$1,549,998	
157	302 New Hicks St. (Lawrenceville)	Brunswick	11,468	\$615,739	\$102,339	\$513,400	
172	112 North Main St. (Chase City)	Mecklenburg	10,421	\$531,484	\$88,453	\$443,031	
214	608 Virginia Ave. (Clarksville)	Mecklenburg	12,703	\$695,280	\$115,016	\$580,264	
<b>South Boston</b>			<b>101,522</b>	<b>\$5,601,159</b>	<b>\$928,314</b>	<b>\$4,672,846</b>	
R	152	1506 South Main St.	Prince Edward	35,569	\$2,051,415	\$339,581	\$1,711,834
	159	1805 Main St. (Victoria) (conv)	Lunenburg	6,286	\$324,636	\$53,983	\$270,653
	161	501 F Main St. (Kenbridge)	Lunenburg	4,890	\$250,032	\$41,647	\$208,385
	164	107 East Carolina Ave. (Crewe)	Nottoway	8,171	\$448,236	\$74,550	\$373,686
	178	Main St., PO Box 264 (Dillwyn)	Buckingham	8,648	\$470,011	\$78,204	\$391,807
	196	Main St. (Drakes Branch)	Charlotte	6,299	\$331,926	\$55,063	\$276,863
	275	1527 South Main St. (Blackstone)	Nottoway	14,130	\$791,293	\$131,597	\$659,696
	351	15127 Patrick Henry Hwy	Amelia	8,808	\$484,383	\$80,562	\$403,822
<b>Farmville</b>			<b>92,801</b>	<b>\$5,151,933</b>	<b>\$855,187</b>	<b>\$4,296,747</b>	
NS	77	1800 South Creek Dr.	Powhatan	3,521	\$213,046	\$35,168	\$177,878
	86	2610 Buford Rd.	Richmond	24,875	\$1,639,960	\$268,801	\$1,371,160
	89	34-A Broad St. Rd.	Goochland	15,573	\$1,034,768	\$170,378	\$864,390
NS	97	6504 Hull St.	Richmond	10,592	\$745,252	\$123,513	\$621,739
	101	3100-A West Broad St.	Richmond	28,827	\$1,969,026	\$325,327	\$1,643,699
	102	1901 West Main St.	Richmond	9,687	\$571,661	\$94,707	\$476,954
	104	6645 Lake Harbour Dr. (Midlothian)	Chesterfield	31,117	\$2,033,134	\$333,112	\$1,700,022
	108	10242 Staples Mill Rd.	Henrico	14,509	\$975,702	\$159,333	\$816,369
	116	12635 Jefferson Davis Hwy (Chester)	Chesterfield	44,324	\$2,829,776	\$462,468	\$2,367,308

**NOTES:**

- |   |  |   |
|---|--|---|
| <p>(1) Includes state taxes, but does not include general sales tax (4.5%).</p> <p>(2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.</p> | <p>(3) Store expenses include miscellaneous revenue and net cash overages.</p> <p>(4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.</p> | <p>(5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.</p> |
|---|--|---|

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$853,616	\$571,770	\$141,731	\$430,038	\$79,710	\$350,328	37.1%
\$611,400	\$401,631	\$156,624	\$245,007	\$56,651	\$188,356	32.0%
\$212,508	\$142,367	\$108,577	\$33,790	\$19,845	\$13,945	19.9%
\$1,063,970	\$700,144	\$200,409	\$499,735	\$98,653	\$401,082	35.5%
\$1,013,771	\$678,612	\$233,483	\$445,129	\$94,641	\$350,488	33.9%
\$859,389	\$561,524	\$174,433	\$387,090	\$79,460	\$307,630	34.6%
\$530,193	\$349,914	\$155,190	\$194,724	\$49,217	\$145,506	30.4%
\$291,098	\$191,887	\$101,588	\$90,299	\$27,009	\$63,290	27.5%
\$604,114	\$392,566	\$159,754	\$232,812	\$55,736	\$177,075	31.3%
\$460,118	\$305,486	\$130,407	\$175,079	\$42,814	\$132,265	31.0%
\$359,080	\$237,481	\$127,930	\$109,551	\$33,361	\$76,190	27.2%
<b>\$6,859,257</b>	<b>\$4,533,380</b>	<b>\$1,690,126</b>	<b>\$2,843,253</b>	<b>\$637,098</b>	<b>\$2,206,155</b>	<b>32.7%</b>
\$509,004	\$336,095	\$176,471	\$159,624	\$47,260	\$112,364	27.6%
\$598,912	\$395,219	\$208,020	\$187,199	\$55,594	\$131,605	27.6%
\$262,097	\$173,273	\$71,424	\$101,848	\$24,347	\$77,502	31.4%
\$736,728	\$486,431	\$159,696	\$326,735	\$68,401	\$258,334	34.1%
\$910,660	\$592,517	\$183,224	\$409,293	\$84,061	\$325,232	34.5%
\$763,733	\$508,307	\$172,148	\$336,159	\$71,135	\$265,024	33.9%
\$557,532	\$366,359	\$148,274	\$218,085	\$51,666	\$166,420	31.6%
\$316,147	\$208,957	\$112,140	\$96,817	\$29,365	\$67,452	27.3%
\$1,082,328	\$715,581	\$223,164	\$492,417	\$100,543	\$391,875	34.7%
\$219,807	\$144,664	\$63,766	\$80,898	\$20,382	\$60,516	30.4%
\$630,695	\$415,420	\$157,290	\$258,130	\$58,501	\$199,629	32.4%
<b>\$6,587,644</b>	<b>\$4,342,823</b>	<b>\$1,675,618</b>	<b>\$2,667,205</b>	<b>\$611,253</b>	<b>\$2,055,952</b>	<b>32.2%</b>
\$954,400	\$631,754	\$240,018	\$391,736	\$88,701	\$303,035	32.5%
\$935,779	\$614,219	\$159,407	\$454,811	\$86,679	\$368,132	36.4%
\$309,265	\$204,135	\$120,657	\$83,479	\$28,710	\$54,768	25.5%
\$265,620	\$177,410	\$127,945	\$49,466	\$24,775	\$24,690	21.3%
\$349,901	\$230,363	\$83,515	\$146,848	\$32,449	\$114,399	33.0%
<b>\$2,814,964</b>	<b>\$1,857,881</b>	<b>\$731,542</b>	<b>\$1,126,339</b>	<b>\$261,315</b>	<b>\$865,025</b>	<b>32.0%</b>
\$1,029,268	\$682,566	\$237,803	\$444,763	\$95,729	\$349,034	33.6%
\$162,413	\$108,241	\$80,975	\$27,266	\$15,135	\$12,131	20.4%
\$125,957	\$82,428	\$61,383	\$21,046	\$11,653	\$9,392	20.4%
\$224,765	\$148,921	\$94,634	\$54,287	\$20,897	\$33,389	24.1%
\$235,695	\$156,112	\$105,969	\$50,143	\$21,911	\$28,233	22.6%
\$166,480	\$110,383	\$96,775	\$13,608	\$15,483	(\$1,875)	16.0%
\$397,509	\$262,187	\$121,724	\$140,463	\$36,891	\$103,572	29.7%
\$242,875	\$160,946	\$102,918	\$58,028	\$22,582	\$35,446	23.9%
<b>\$2,584,962</b>	<b>\$1,711,785</b>	<b>\$902,181</b>	<b>\$809,604</b>	<b>\$240,282</b>	<b>\$569,322</b>	<b>27.6%</b>
\$107,584	\$70,294	\$53,857	\$16,437	\$9,947	\$6,490	19.6%
\$831,494	\$539,665	\$178,572	\$361,093	\$76,678	\$284,415	33.7%
\$521,714	\$342,676	\$135,430	\$207,246	\$48,338	\$158,908	31.8%
\$372,825	\$248,914	\$125,627	\$123,287	\$34,769	\$88,518	28.5%
\$989,744	\$653,955	\$278,568	\$375,386	\$91,919	\$283,468	30.9%
\$288,049	\$188,905	\$144,098	\$44,807	\$26,672	\$18,135	19.7%
\$1,025,494	\$674,528	\$237,291	\$437,237	\$95,069	\$342,168	33.2%
\$494,811	\$321,558	\$149,484	\$172,074	\$45,653	\$126,421	29.3%
\$1,425,378	\$941,931	\$257,585	\$684,345	\$132,384	\$551,961	35.8%



**ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)**

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales
150	5654 Brook Rd.	Henrico	25,195	\$1,669,482	\$275,181	\$1,394,301
169	10 North Thompson St.	Richmond	36,735	\$2,859,858	\$468,058	\$2,391,800
171	8700 West Broad St.	Henrico	34,582	\$2,410,407	\$398,469	\$2,011,938
180	500 Goddin St.	Henrico	6,039	\$361,192	\$60,060	\$301,132
182	1217 West Broad St.	Richmond	17,311	\$1,020,634	\$168,903	\$851,730
187	2421 Venable St. (conv)	Richmond	21,006	\$1,247,495	\$207,836	\$1,039,659
190	13121 Rittenhouse Dr.	Chesterfield	25,919	\$1,776,123	\$292,406	\$1,483,717
205	2288 John Rolfe Pkwy	Henrico	9,502	\$657,350	\$107,762	\$549,588
207	10106 Brook Rd. (Glen Allen)	Henrico	29,625	\$2,105,825	\$343,488	\$1,762,337
242	1601 Willow Lawn Dr.	Henrico	27,886	\$1,836,226	\$300,870	\$1,535,356
243	209 North Washington Hwy (Ashland)	Hanover	36,998	\$2,187,998	\$360,084	\$1,827,914
247	9685 West Broad St.	Henrico	23,422	\$1,616,638	\$264,904	\$1,351,735
251	2924 North Ave. (conv)	Richmond	12,851	\$772,153	\$128,603	\$643,551
252	618 West Southside Plaza	Richmond	44,135	\$2,954,270	\$491,265	\$2,463,004
254	7015 Three Chopt Rd.	Henrico	23,723	\$1,598,040	\$261,761	\$1,336,280
270	809 East Parham Rd.	Henrico	34,914	\$2,144,830	\$354,244	\$1,790,585
284	13214 Midlothian Tnpk (Midlothian)	Chesterfield	28,843	\$1,814,928	\$297,887	\$1,517,041
292	1521 Parham Rd.	Henrico	21,608	\$1,365,064	\$223,988	\$1,141,076
R 304	2734 Fairground Rd.	Goochland	11,125	\$649,431	\$107,283	\$542,148
305	3910 Mechanicsville Tnpk	Henrico	29,753	\$1,916,013	\$318,243	\$1,597,770
308	11252 Patterson Ave.	Henrico	10,289	\$652,815	\$106,896	\$545,919
314	4338 South Laburnum Ave.	Henrico	55,917	\$3,597,237	\$592,968	\$3,004,269
315	7048 Commons Plaza (Chester)	Chesterfield	23,942	\$1,515,657	\$249,766	\$1,265,890
326	2105 Academy Rd.	Powhatan	15,451	\$927,326	\$153,307	\$774,018
330	5722 Hopkins Rd.	Chesterfield	34,223	\$2,151,825	\$356,223	\$1,795,602
331	3406 Pump Rd. (Short Pump)	Henrico	43,467	\$3,380,267	\$552,744	\$2,827,523
332	4018 Glenside Dr.	Henrico	17,334	\$988,663	\$163,156	\$825,506
334	7057 Mechanicsville Tnpk (Mechanicsville)	Hanover	37,172	\$2,271,117	\$374,573	\$1,896,545
348	7036 Forest Hill Ave.	Richmond	33,657	\$2,172,872	\$357,127	\$1,815,745
350	11108 Midlothian Tnpk	Chesterfield	67,874	\$4,703,444	\$775,049	\$3,928,394
360	2901 Hermitage Rd. (conv)	Richmond	107,695	\$8,073,530	\$1,337,973	\$6,735,556
363	9949 Hull St.	Chesterfield	36,402	\$2,270,260	\$374,443	\$1,895,818
366	1370 Gaskins Rd., Gayton Crossing Shp. Ctr.	Henrico	27,679	\$1,912,754	\$311,793	\$1,600,961
	<b>Richmond</b>		<b>1,195,302</b>	<b>\$79,594,048</b>	<b>\$13,110,122</b>	<b>\$66,483,926</b>
62	1416 Carl D. Silver Pkwy	Fredericksburg	33,180	\$2,423,286	\$400,010	\$2,023,276
NS 64	43 Town and Country Dr.	Stafford	5,953	\$381,630	\$62,866	\$318,763
74	10857 and 10859 Tidewater Trail	Fredericksburg	10,848	\$711,530	\$116,975	\$594,555
103	6348 Jefferson Davis Hwy	Spotsylvania	19,444	\$1,202,995	\$197,887	\$1,005,108
121	507 William St.	Fredericksburg	30,269	\$2,022,161	\$333,794	\$1,688,366
183	736 Warrenton Rd., Ste. 114	Stafford	19,391	\$1,324,363	\$217,526	\$1,106,837
200	356 Garrisonville Rd.	Stafford	48,220	\$3,369,092	\$555,002	\$2,814,090
209	5055 Jefferson Davis Hwy	Spotsylvania	36,200	\$2,379,222	\$392,344	\$1,986,878
221	15423 Dahlgren Rd. (Dahlgren)	King George	6,468	\$400,222	\$66,127	\$334,096
239	320 West Broadus Ave. (Bowling Green)	Caroline	7,610	\$439,553	\$72,691	\$366,862
245	1271 Jefferson Davis Hwy	Fredericksburg	19,126	\$1,236,339	\$203,881	\$1,032,457
313	4189 Plank Rd. (Fredericksburg)	Spotsylvania	34,097	\$2,210,323	\$363,395	\$1,846,928
	<b>Fredericksburg</b>		<b>270,805</b>	<b>\$18,100,717</b>	<b>\$2,982,498</b>	<b>\$15,118,218</b>
130	Beachgate Shp. Ctr. (Colonial Beach)	Westmoreland	9,423	\$543,035	\$89,681	\$453,355
149	Times Square Shp. Ctr. (Warsaw)	Richmond	8,277	\$459,149	\$76,014	\$383,136
192	101 South Main St. (Kilmarnock)	Lancaster	35,768	\$2,043,894	\$337,477	\$1,706,417

**NOTES:**

- (1) Includes state taxes, but does not include general sales tax (4.5%).
- (2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.
- (3) Store expenses include miscellaneous revenue and net cash overages.
- (4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.
- (5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$838,270	\$556,031	\$240,456	\$315,575	\$77,972	\$237,603	30.7%
\$1,445,828	\$945,972	\$241,123	\$704,849	\$133,754	\$571,095	36.3%
\$1,210,521	\$801,417	\$235,656	\$565,761	\$112,511	\$453,249	35.3%
\$180,832	\$120,300	\$122,134	(\$1,834)	\$16,840	(\$18,674)	11.5%
\$512,314	\$339,416	\$151,655	\$187,761	\$47,630	\$140,130	30.3%
\$619,604	\$420,055	\$126,964	\$293,091	\$58,140	\$234,951	35.5%
\$897,383	\$586,334	\$203,127	\$383,207	\$82,972	\$300,235	33.4%
\$332,693	\$216,895	\$142,139	\$74,757	\$30,734	\$44,023	23.1%
\$1,061,011	\$701,326	\$206,585	\$494,741	\$98,553	\$396,188	35.1%
\$926,508	\$608,848	\$246,526	\$362,322	\$85,860	\$276,462	31.4%
\$1,104,110	\$723,804	\$187,005	\$536,799	\$102,220	\$434,578	36.3%
\$816,070	\$535,665	\$193,190	\$342,475	\$75,592	\$266,883	32.9%
\$383,428	\$260,122	\$126,236	\$133,886	\$35,989	\$97,898	29.3%
\$1,475,061	\$987,943	\$241,414	\$746,529	\$137,736	\$608,793	37.2%
\$810,280	\$526,000	\$199,664	\$326,336	\$74,727	\$251,608	32.1%
\$1,081,360	\$709,225	\$255,590	\$453,635	\$100,133	\$353,502	33.0%
\$917,708	\$599,333	\$180,949	\$418,384	\$84,836	\$333,548	34.8%
\$690,720	\$450,356	\$209,591	\$240,766	\$63,811	\$176,954	29.4%
\$327,516	\$214,632	\$123,878	\$90,755	\$30,318	\$60,437	25.8%
\$956,708	\$641,062	\$226,141	\$414,921	\$89,350	\$325,570	33.6%
\$331,271	\$214,648	\$107,982	\$106,666	\$30,529	\$76,137	28.0%
\$1,810,399	\$1,193,870	\$255,392	\$938,478	\$168,005	\$770,474	37.9%
\$764,850	\$501,041	\$191,179	\$309,861	\$70,791	\$239,070	32.3%
\$467,477	\$306,541	\$132,774	\$173,767	\$43,285	\$130,483	30.6%
\$1,081,778	\$713,824	\$215,005	\$498,819	\$100,414	\$398,406	35.1%
\$1,712,174	\$1,115,349	\$328,595	\$786,754	\$158,121	\$628,634	34.9%
\$498,619	\$326,887	\$134,692	\$192,194	\$46,164	\$146,031	31.3%
\$1,146,945	\$749,600	\$213,010	\$536,590	\$106,058	\$430,532	35.4%
\$1,094,322	\$721,423	\$239,003	\$482,420	\$101,540	\$380,880	34.0%
\$2,369,758	\$1,558,636	\$289,263	\$1,269,373	\$219,683	\$1,049,690	38.8%
\$4,028,991	\$2,706,565	\$235,916	\$2,470,649	\$376,665	\$2,093,984	42.5%
\$1,144,919	\$750,899	\$250,587	\$500,313	\$106,018	\$394,295	33.9%
\$971,300	\$629,661	\$270,612	\$359,049	\$89,529	\$269,520	30.4%
<b>\$40,067,820</b>	<b>\$26,416,106</b>	<b>\$8,284,544</b>	<b>\$18,131,562</b>	<b>\$3,717,909</b>	<b>\$14,413,653</b>	<b>34.6%</b>
\$1,215,509	\$807,767	\$234,164	\$573,604	\$113,146	\$460,458	35.5%
\$192,479	\$126,285	\$99,624	\$26,661	\$17,826	\$8,835	18.8%
\$357,840	\$236,715	\$146,035	\$90,680	\$33,249	\$57,432	24.5%
\$605,972	\$399,136	\$179,246	\$219,890	\$56,208	\$163,683	30.1%
\$1,017,696	\$670,670	\$183,643	\$487,027	\$94,417	\$392,610	35.9%
\$667,620	\$439,217	\$197,987	\$241,230	\$61,896	\$179,334	30.0%
\$1,697,367	\$1,116,724	\$261,330	\$855,393	\$157,369	\$698,024	37.2%
\$1,197,974	\$788,904	\$244,082	\$544,821	\$111,110	\$433,711	34.7%
\$201,866	\$132,229	\$63,464	\$68,765	\$18,683	\$50,082	29.0%
\$219,972	\$146,890	\$81,734	\$65,156	\$20,516	\$44,640	26.7%
\$623,303	\$409,154	\$211,596	\$197,558	\$57,737	\$139,821	27.8%
\$1,115,766	\$731,162	\$216,872	\$514,290	\$103,284	\$411,006	35.0%
<b>\$9,113,366</b>	<b>\$6,004,852</b>	<b>\$2,119,777</b>	<b>\$3,885,076</b>	<b>\$845,440</b>	<b>\$3,039,636</b>	<b>33.3%</b>
\$273,111	\$180,244	\$90,564	\$89,680	\$25,352	\$64,327	28.4%
\$230,925	\$152,211	\$120,612	\$31,599	\$21,426	\$10,173	18.8%
\$1,033,825	\$672,591	\$256,755	\$415,836	\$95,426	\$320,410	32.2%

**ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)**

ABC Stores by Planning District		Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales
220	109 East End Place (Montross)	Westmoreland	7,035	\$413,993	\$68,352	\$345,641
238	Rt 360 (Callao)	Northumberland	14,459	\$817,327	\$134,418	\$682,909
	<b>Northern Neck</b>		<b>74,963</b>	<b>\$4,277,398</b>	<b>\$705,942</b>	<b>\$3,571,457</b>
155	York River Shp. Ctr. (Hayes)	Gloucester	24,744	\$1,511,695	\$249,789	\$1,261,906
175	14th and Kirby St. (West Point)	King William	19,439	\$1,123,522	\$184,698	\$938,824
179	Virginia St., PO Box 238 (Urbanna)	Middlesex	13,937	\$774,005	\$127,930	\$646,075
198	Rappahannock Shp. Ctr. (Tappahannock)	Essex	16,341	\$937,832	\$154,984	\$782,848
233	Main St.	Gloucester	20,597	\$1,222,099	\$201,406	\$1,020,693
257	4915 Tappahannock Hwy	King William	10,333	\$586,632	\$96,543	\$490,088
R 333	Rt 198 (Gloucester Point)	Mathews	12,202	\$663,327	\$109,330	\$553,997
	<b>West Point / Mathews</b>		<b>117,594</b>	<b>\$6,819,113</b>	<b>\$1,124,679</b>	<b>\$5,694,433</b>
60	4330 Westgate Dr.	Dinwiddie	26,140	\$1,542,212	\$256,023	\$1,286,189
118	18 Washington St. W (conv)	Petersburg	21,259	\$1,365,226	\$227,329	\$1,137,897
144	301 Market Dr. Ste. H	Emporia	24,434	\$1,420,559	\$235,388	\$1,185,170
151	210 North Main St.	Hopewell	17,346	\$951,451	\$157,697	\$793,754
232	3107-3 Blvd.	Colonial Heights	33,339	\$2,008,556	\$330,137	\$1,678,419
240	Rt 460 (Waverly)	Sussex	11,674	\$636,880	\$105,648	\$531,232
255	3330 South Crater Rd.	Petersburg	31,760	\$1,963,723	\$325,055	\$1,638,668
310	5232 Oaklawn Blvd.	Prince George	30,506	\$1,915,397	\$317,988	\$1,597,408
	<b>Petersburg/Hopewell</b>		<b>196,458</b>	<b>\$11,804,002</b>	<b>\$1,955,265</b>	<b>\$9,848,737</b>
NS 53	11409 Windsor Blvd.	Isle of Wight	1,514	\$88,059	\$14,611	\$73,447
69	1620 Cedar Rd.	Chesapeake	19,186	\$1,246,517	\$205,862	\$1,040,655
71	213 Virginia Beach Blvd.	Virginia Beach	5,208	\$324,178	\$53,364	\$270,814
79	1437 Sam's Dr.	Chesapeake	28,068	\$1,951,765	\$322,373	\$1,629,392
106	2973 Shore Dr.	Virginia Beach	34,733	\$2,372,703	\$390,708	\$1,981,995
107	434 St. Paul's Blvd.	Norfolk	63,676	\$4,765,680	\$792,314	\$3,973,366
110	1136 London Blvd. (conv)	Portsmouth	12,983	\$840,094	\$139,752	\$700,343
128	159 West Ocean View Dr.	Norfolk	39,885	\$2,514,158	\$416,400	\$2,097,758
129	1615 General Booth Blvd.	Virginia Beach	25,519	\$1,676,875	\$276,173	\$1,400,702
134	2301 Colley Ave.	Norfolk	45,083	\$3,059,994	\$506,414	\$2,553,580
165	550 East Liberty St.	Chesapeake	18,572	\$1,148,505	\$191,058	\$957,447
188	4334 Holland Rd.	Virginia Beach	34,965	\$2,270,549	\$374,811	\$1,895,739
204	2420 Atlantic Ave.	Virginia Beach	3,390	\$264,056	\$42,792	\$221,265
211	6550 Town Point Rd.	Suffolk	14,293	\$957,656	\$158,010	\$799,647
216	1100 Armory Dr.	Franklin	28,313	\$1,630,452	\$270,582	\$1,359,870
225	405 30th St.	Virginia Beach	63,193	\$4,390,652	\$725,735	\$3,664,917
226	7525 Tidewater Dr.	Norfolk	58,890	\$3,760,140	\$623,409	\$3,136,731
237	3812 George Washington Hwy	Portsmouth	22,152	\$1,396,868	\$231,456	\$1,165,412
246	5020 Ferrell Pkwy	Virginia Beach	18,504	\$1,260,250	\$208,353	\$1,051,896
249	2350 East Little Creek Rd.	Norfolk	38,896	\$2,387,455	\$395,580	\$1,991,875
256	774 A Hilltop North Shp. Ctr.	Virginia Beach	132,647	\$9,694,803	\$1,607,570	\$8,087,233
263	5900 Virginia Beach Blvd.	Norfolk	47,396	\$3,257,333	\$539,714	\$2,717,619
278	3333 Virginia Beach Blvd.	Virginia Beach	80,728	\$5,460,841	\$902,090	\$4,558,751
280	1103 South Military Hwy	Chesapeake	89,713	\$6,233,787	\$1,032,165	\$5,201,622
288	5700 Churchland Blvd.	Portsmouth	31,749	\$2,064,388	\$340,989	\$1,723,399
298	821 West Constance Rd.	Suffolk	33,310	\$1,845,119	\$306,446	\$1,538,672
299	1917 South Church St. (Smithfield)	Isle of Wight	30,559	\$1,826,297	\$302,707	\$1,523,590
306	2085 Lynnhaven Pkwy	Virginia Beach	37,116	\$2,523,609	\$417,139	\$2,106,470
307	Fairfield Shp. Ctr.	Virginia Beach	32,890	\$2,167,812	\$357,724	\$1,810,087

**NOTES:**

- (1) Includes state taxes, but does not include general sales tax (4.5%).
- (2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.
- (3) Store expenses include miscellaneous revenue and net cash overages.
- (4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.
- (5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$208,248	\$137,394	\$57,358	\$80,036	\$19,329	\$60,707	31.2%
\$413,318	\$269,591	\$110,688	\$158,903	\$38,190	\$120,713	31.2%
<b>\$2,159,426</b>	<b>\$1,412,030</b>	<b>\$635,977</b>	<b>\$776,053</b>	<b>\$199,723</b>	<b>\$576,330</b>	<b>30.0%</b>
\$763,412	\$498,495	\$159,831	\$338,664	\$70,568	\$268,096	34.3%
\$568,296	\$370,529	\$178,243	\$192,286	\$52,501	\$139,785	28.9%
\$390,779	\$255,296	\$111,792	\$143,505	\$36,130	\$107,375	30.4%
\$471,372	\$311,476	\$165,289	\$146,188	\$43,778	\$102,409	27.4%
\$615,659	\$405,035	\$139,801	\$265,234	\$57,079	\$208,155	33.5%
\$296,501	\$193,587	\$79,680	\$113,907	\$27,407	\$86,500	31.2%
\$335,413	\$218,584	\$133,697	\$84,887	\$30,981	\$53,906	24.6%
<b>\$3,441,432</b>	<b>\$2,253,001</b>	<b>\$968,332</b>	<b>\$1,284,670</b>	<b>\$318,444</b>	<b>\$966,226</b>	<b>30.7%</b>
\$776,493	\$509,696	\$171,023	\$338,672	\$71,926	\$266,746	33.9%
\$681,595	\$456,302	\$200,028	\$256,274	\$63,633	\$192,640	30.8%
\$715,534	\$469,637	\$191,783	\$277,854	\$66,277	\$211,577	31.5%
\$478,474	\$315,280	\$104,227	\$211,053	\$44,388	\$166,665	34.1%
\$1,010,170	\$668,248	\$256,045	\$412,203	\$93,860	\$318,343	32.3%
\$321,432	\$209,800	\$104,224	\$105,576	\$29,708	\$75,868	28.5%
\$986,603	\$652,065	\$223,736	\$428,329	\$91,637	\$336,692	33.7%
\$963,140	\$634,268	\$214,973	\$419,295	\$89,330	\$329,965	33.8%
<b>\$5,933,441</b>	<b>\$3,915,296</b>	<b>\$1,466,041</b>	<b>\$2,449,256</b>	<b>\$550,760</b>	<b>\$1,898,495</b>	<b>32.6%</b>
\$44,277	\$29,170	\$28,320	\$851	\$4,107	(\$3,256)	12.9%
\$627,667	\$412,988	\$158,516	\$254,473	\$58,195	\$196,277	32.3%
\$162,642	\$108,172	\$72,125	\$36,047	\$15,144	\$20,903	22.9%
\$980,251	\$649,141	\$183,903	\$465,238	\$91,119	\$374,119	35.7%
\$1,201,891	\$780,103	\$224,922	\$555,181	\$110,837	\$444,344	35.2%
\$2,378,500	\$1,594,866	\$320,791	\$1,274,075	\$222,198	\$1,051,877	38.7%
\$419,791	\$280,552	\$163,185	\$117,366	\$39,165	\$78,202	25.9%
\$1,265,168	\$832,590	\$231,451	\$601,139	\$117,311	\$483,828	35.8%
\$845,503	\$555,200	\$187,974	\$367,225	\$78,330	\$288,895	33.7%
\$1,536,413	\$1,017,167	\$268,101	\$749,066	\$142,801	\$606,265	36.4%
\$574,829	\$382,619	\$144,435	\$238,183	\$53,542	\$184,641	32.7%
\$1,143,031	\$752,708	\$212,193	\$540,515	\$106,013	\$434,501	35.6%
\$134,498	\$86,767	\$103,846	(\$17,079)	\$12,374	(\$29,453)	5.1%
\$481,282	\$318,365	\$160,049	\$158,316	\$44,718	\$113,598	28.4%
\$821,963	\$537,907	\$173,443	\$364,464	\$76,047	\$288,417	34.3%
\$2,213,090	\$1,451,828	\$318,466	\$1,133,362	\$204,949	\$928,413	37.7%
\$1,879,554	\$1,257,177	\$302,105	\$955,072	\$175,412	\$779,660	37.3%
\$699,738	\$465,674	\$223,401	\$242,273	\$65,172	\$177,101	29.2%
\$633,208	\$418,689	\$165,256	\$253,433	\$58,824	\$194,609	32.0%
\$1,200,347	\$791,527	\$220,740	\$570,787	\$111,389	\$459,398	35.8%
\$4,860,678	\$3,226,555	\$488,385	\$2,738,171	\$452,254	\$2,285,917	40.2%
\$1,638,623	\$1,078,996	\$296,536	\$782,460	\$151,974	\$630,485	35.9%
\$2,745,013	\$1,813,738	\$395,648	\$1,418,090	\$254,934	\$1,163,156	37.8%
\$3,126,671	\$2,074,951	\$303,395	\$1,771,556	\$290,885	\$1,480,672	40.3%
\$1,037,201	\$686,198	\$222,514	\$463,684	\$96,376	\$367,308	34.3%
\$926,594	\$612,078	\$153,776	\$458,302	\$86,046	\$372,257	36.8%
\$919,924	\$603,666	\$172,526	\$431,140	\$85,202	\$345,938	35.5%
\$1,268,586	\$837,884	\$254,890	\$582,994	\$117,798	\$465,196	35.0%
\$1,092,391	\$717,697	\$215,077	\$502,619	\$101,224	\$401,396	35.0%

**ANALYSIS OF STORE PERFORMANCE – FISCAL YEAR 2005 (CONTINUED)**

ABC Stores by Planning District	Locality	Gallons Sold	Gross Sales (1)	Spirit and Wine (2)	Net Sales	
311	4020 Victory Blvd.	Portsmouth	27,276	\$1,778,489	\$294,948	\$1,483,541
312	2815 G Godwin Blvd.	Suffolk	25,102	\$1,540,616	\$254,765	\$1,285,851
325	22718 Main St. (Courtland)	Southampton	7,011	\$352,478	\$58,567	\$293,911
328	836 Eden Way Lane	Chesapeake	25,047	\$1,718,486	\$283,917	\$1,434,569
336	1079 Independence Blvd.	Virginia Beach	51,354	\$3,288,119	\$543,709	\$2,744,410
349	237 South Battlefield Blvd.	Chesapeake	30,251	\$1,984,622	\$323,353	\$1,657,269
355	4300 Portsmouth Blvd.	Chesapeake	31,171	\$2,100,475	\$345,308	\$1,755,168
361	812 Airline Blvd.	Portsmouth	34,054	\$2,252,795	\$373,435	\$1,879,360
370	1169 Nimmo Pkwy	Virginia Beach	30,650	\$2,014,890	\$330,533	\$1,684,357
<b>Norfolk / Virginia Beach</b>			<b>1,355,049</b>	<b>\$90,411,566</b>	<b>\$14,958,834</b>	<b>\$75,452,732</b>
92	227 Fox Hill Rd.	Hampton	11,155	\$710,277	\$117,278	\$592,999
112	199 West Queen's Way	Hampton	21,632	\$1,435,921	\$238,203	\$1,197,719
148	4640-3 Monticello Ave.	James	55,072	\$3,801,705	\$623,372	\$3,178,332
158	3214 Jefferson Ave. (conv)	Newport News	23,718	\$1,569,208	\$261,037	\$1,308,171
217	619 Pilot House Dr.	Newport News	22,094	\$1,577,411	\$261,080	\$1,316,331
222	209 Village Ave. (Yorktown)	York	27,006	\$1,860,988	\$305,972	\$1,555,016
244	4909 West Mercury Blvd.	Hampton	41,438	\$2,678,908	\$445,005	\$2,233,903
250	2078 Nickerson Blvd.	Hampton	21,184	\$1,343,283	\$221,972	\$1,121,310
258	3831 Kecoughtan Rd.	Hampton	18,306	\$1,186,072	\$196,457	\$989,615
265	20 Towne Centre Way	Hampton	14,589	\$970,230	\$160,526	\$809,704
272	55 Hidenwood Shp. Ctr.	Newport News	18,313	\$1,145,736	\$189,362	\$956,374
282	1118 A and B West Mercury Blvd.	Hampton	49,628	\$3,643,053	\$601,003	\$3,042,049
290	5226 George Washington Hwy (Grafton)	York	26,372	\$1,636,480	\$269,963	\$1,366,516
320	1246 Richmond Rd.	Williamsburg	31,954	\$2,092,532	\$341,920	\$1,750,612
335	801 F Merrimac Trail	York	36,813	\$2,463,937	\$406,857	\$2,057,079
340	13002 Ste. A and B Warwick Blvd.	Newport News	29,659	\$2,000,729	\$330,623	\$1,670,106
341	12725 Jefferson Ave.	Newport News	46,138	\$3,214,606	\$530,474	\$2,684,132
342	10872 Warwick Blvd.	Newport News	21,733	\$1,402,161	\$231,856	\$1,170,305
<b>Newport News / Hampton</b>			<b>516,804</b>	<b>\$34,733,235</b>	<b>\$5,732,962</b>	<b>\$29,000,273</b>
156	22485 Lankford Hwy (Cape Charles)	Northampton	12,375	\$740,135	\$122,120	\$618,015
162	7107 Lankford Hwy	Accomack	6,515	\$399,483	\$65,749	\$333,734
177	6371 Pension St. (Chincoteague)	Accomack	8,594	\$540,591	\$88,458	\$452,133
223	4090-B Lankford Hwy (Exmore)	Northampton	13,455	\$709,892	\$117,123	\$592,768
344	Four Corners Plaza Shp. Ctr. (Onley)	Accomack	17,104	\$1,001,347	\$166,014	\$835,333
<b>Eastern Shore</b>			<b>58,044</b>	<b>\$3,391,448</b>	<b>\$559,463</b>	<b>\$2,831,985</b>
111	Inactive Store Number		0	\$0	\$0	\$0
131	309 Main St. (South Boston)	Halifax	0	\$0	\$0	\$0
300	Inactive Store Number		0	\$0	\$0	\$0
Other Expenses (111,131,300)						
<b>Statewide Totals</b>			<b>7,975,102</b>	<b>\$532,692,501</b>	<b>\$87,882,975</b>	<b>\$444,809,526</b>

**NOTES:**

- |   |  |   |
|---|--|---|
| <p>(1) Includes state taxes, but does not include general sales tax (4.5%).</p> <p>(2) State taxes on distilled spirits (20%) and wine (4%) sold in ABC stores.</p> | <p>(3) Store expenses include miscellaneous revenue and net cash overages.</p> <p>(4) Rate of return is calculated by adding adjusted net profits and state taxes, dividing result by gross sales.</p> | <p>(5) NS = New Store; R = Relocation. There were a total of 10 new stores opened in Fiscal Year 2005, 4 relocations and 11 modernizations. One store was closed. For details of store activity, see page 19.</p> |
|---|--|---|

Cost of Goods Sold	Gross Profit	Store Expenses (3)	Net Store Profit	Alloc. of Gen. and Admin. Expenses (4)	Adj. Net Store Profit	Rate of Return to Va.
\$896,265	\$587,275	\$203,486	\$383,790	\$82,962	\$300,827	33.5%
\$776,195	\$509,656	\$203,572	\$306,084	\$71,907	\$234,177	31.7%
\$177,918	\$115,993	\$55,907	\$60,085	\$16,436	\$43,649	29.0%
\$864,975	\$569,594	\$204,319	\$365,275	\$80,224	\$285,051	33.1%
\$1,653,765	\$1,090,645	\$239,003	\$851,642	\$153,473	\$698,170	37.8%
\$1,001,367	\$655,902	\$236,832	\$419,070	\$92,678	\$326,392	32.9%
\$1,061,674	\$693,494	\$172,088	\$521,406	\$98,152	\$423,253	36.6%
\$1,126,085	\$753,275	\$275,073	\$478,202	\$105,097	\$373,104	33.1%
\$1,021,143	\$663,214	\$202,880	\$460,334	\$94,193	\$366,142	34.6%
<b>\$45,438,713</b>	<b>\$30,014,019</b>	<b>\$8,159,129</b>	<b>\$21,854,890</b>	<b>\$4,219,462</b>	<b>\$17,635,428</b>	<b>36.1%</b>
\$357,741	\$235,258	\$141,879	\$93,379	\$33,162	\$60,217	25.0%
\$718,479	\$479,240	\$217,030	\$262,210	\$66,979	\$195,231	30.2%
\$1,922,310	\$1,256,022	\$333,713	\$922,310	\$177,738	\$744,571	36.0%
\$782,035	\$526,136	\$200,725	\$325,411	\$73,155	\$252,256	32.7%
\$791,662	\$524,668	\$157,373	\$367,295	\$73,612	\$293,683	35.2%
\$939,824	\$615,193	\$164,887	\$450,305	\$86,959	\$363,346	36.0%
\$1,342,852	\$891,050	\$193,818	\$697,232	\$124,924	\$572,308	38.0%
\$675,238	\$446,073	\$188,004	\$258,069	\$62,706	\$195,363	31.1%
\$594,069	\$395,546	\$170,487	\$225,059	\$55,341	\$169,718	30.9%
\$487,686	\$322,018	\$162,219	\$159,800	\$45,280	\$114,519	28.3%
\$577,350	\$379,024	\$159,226	\$219,798	\$53,482	\$166,316	31.0%
\$1,828,714	\$1,213,335	\$311,485	\$901,850	\$170,117	\$731,733	36.6%
\$828,400	\$538,117	\$175,727	\$362,390	\$76,418	\$285,972	34.0%
\$1,058,204	\$692,408	\$207,000	\$485,409	\$97,898	\$387,511	34.9%
\$1,238,864	\$818,216	\$230,282	\$587,934	\$115,036	\$472,898	35.7%
\$1,005,108	\$664,998	\$206,769	\$458,229	\$93,396	\$364,834	34.8%
\$1,609,902	\$1,074,230	\$278,677	\$795,552	\$150,102	\$645,450	36.6%
\$703,908	\$466,397	\$235,416	\$230,981	\$65,446	\$165,536	28.3%
<b>\$17,462,344</b>	<b>\$11,537,929</b>	<b>\$3,734,715</b>	<b>\$7,803,214</b>	<b>\$1,621,751</b>	<b>\$6,181,463</b>	<b>34.3%</b>
\$372,866	\$245,150	\$97,591	\$147,559	\$34,561	\$112,998	31.8%
\$201,067	\$132,667	\$116,591	\$16,076	\$18,663	(\$2,587)	15.8%
\$272,180	\$179,953	\$82,889	\$97,065	\$25,284	\$71,780	29.6%
\$360,210	\$232,558	\$120,326	\$112,233	\$33,149	\$79,084	27.6%
\$502,550	\$332,784	\$144,831	\$187,953	\$46,713	\$141,239	30.7%
<b>\$1,708,872</b>	<b>\$1,123,112</b>	<b>\$562,227</b>	<b>\$560,885</b>	<b>\$158,370</b>	<b>\$402,515</b>	<b>28.4%</b>
\$0	\$0	\$6,492	(\$6,492)	\$0	(\$6,492)	
\$0	\$0	\$365	(\$365)	\$0	(\$365)	
\$0	\$0	\$12,618	(\$12,618)	\$0	(\$12,618)	
		\$19,475	(\$19,475)	\$0	(\$19,475)	
<b>\$268,130,210</b>	<b>\$176,679,316</b>	<b>\$58,878,522</b>	<b>\$117,800,794</b>	<b>\$24,874,605</b>	<b>\$92,926,189</b>	<b>33.9%</b>

## 2005 ESTABLISHMENTS BY LICENSE CATEGORY – CITIES

Cities	Liquor by the Drink (1)	Bed and Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (2)	Restaurants (Beer and Wine)	Winery	All Others (3)	Grand Total (2)
Alexandria	wet	0	7	5	4	1	4	6	19	1	0	11	25	29	13	124	174	0	6	305
Bedford	wet	0	0	0	0	0	0	0	2	0	0	0	0	7	1	1	5	1	1	17
Bristol	wet	0	0	1	0	0	1	0	12	0	0	2	4	14	2	16	24	0	0	100
Buena Vista	wet	0	0	0	0	0	0	0	1	0	0	1	0	4	0	0	3	0	0	9
Charlottesville	wet	1	3	3	1	0	7	7	19	0	0	3	17	25	3	78	124	0	1	214
Chesapeake	wet	0	1	4	0	0	1	11	51	0	0	12	23	60	3	81	127	0	2	295
Colonial Heights	wet	0	0	0	0	0	0	2	8	0	0	2	0	8	1	16	25	0	1	47
Covington	wet	0	0	0	0	0	0	0	4	0	0	1	1	4	0	0	4	0	0	14
Danville	wet	0	0	1	0	0	2	8	26	0	0	3	2	41	1	21	40	0	1	125
Emporia	wet	0	0	0	0	0	0	0	11	0	0	2	0	5	0	2	3	0	1	22
Fairfax	wet	0	0	0	0	0	1	3	5	0	0	5	9	17	0	40	58	0	0	98
Falls Church	wet	0	0	0	0	0	0	1	3	0	0	3	0	11	0	13	34	0	0	52
Franklin	wet	0	0	0	0	0	0	1	3	0	0	1	0	4	0	4	8	0	0	17
Fredericksburg	wet	0	0	0	0	0	1	2	19	0	0	4	9	8	2	58	84	0	1	130
Galax	wet	0	0	0	0	0	0	2	2	0	0	1	1	5	0	5	7	0	0	18
Hampton	wet	1	0	1	2	1	2	19	34	0	0	8	7	49	4	57	99	0	8	235
Harrisonburg	wet	0	0	0	1	0	1	6	20	0	0	4	5	22	3	30	55	0	1	118
Hopewell	wet	0	0	0	0	0	0	6	14	0	0	1	1	10	0	12	18	0	0	50
Lexington	wet	1	0	0	0	0	2	0	0	0	0	1	5	1	1	7	13	0	3	27
Lynchburg	wet	1	0	5	0	0	2	7	17	1	0	4	8	32	4	48	74	1	3	159
Manassas	dry	0	0	0	0	1	0	2	10	0	0	2	3	13	0	19	27	0	0	58
Manassas Park	wet	0	0	0	0	0	0	0	4	0	0	0	0	1	0	0	5	0	0	10
Martinsville	wet	0	0	0	0	0	0	3	9	0	0	0	2	7	0	7	11	0	2	34
Newport News	wet	0	3	3	0	0	3	14	59	1	0	7	10	67	3	71	134	0	6	310
Norfolk	wet	2	2	3	0	4	7	33	43	1	0	11	19	84	10	165	235	0	13	467
Norton	wet	0	0	2	0	0	0	0	1	5	0	1	0	1	1	0	3	0	0	14
Petersburg	wet	0	2	2	0	0	1	9	34	0	0	2	0	20	1	9	26	0	0	97
Poquoson	wet	0	0	0	0	0	0	1	1	0	0	1	2	4	0	3	9	0	0	18
Portsmouth	wet	0	0	0	0	1	0	14	25	0	0	8	3	39	1	37	55	0	6	152
Radford	wet	0	0	0	0	0	1	1	4	1	0	1	3	9	0	8	12	0	2	34
Richmond	wet	1	7	8	2	1	11	26	100	7	1	15	18	83	10	206	282	0	8	580
Roanoke	wet	0	0	3	0	2	1	10	69	1	0	4	9	40	4	74	117	0	2	262
Salem	wet	0	0	0	0	0	1	5	24	0	0	3	3	6	1	16	34	0	3	80
Staunton	wet	0	0	0	2	0	2	3	7	1	0	2	3	14	3	11	18	0	0	55
Suffolk	wet	0	0	0	0	0	0	6	22	1	0	4	2	38	1	19	28	0	0	102
Virginia Beach	wet	1	1	2	1	2	4	16	70	3	0	24	55	124	13	375	509	0	15	840
Waynesboro	wet	0	0	0	0	0	0	2	8	0	0	1	3	13	0	9	18	0	0	45
Williamsburg	wet	6	0	0	0	0	3	0	5	0	0	2	3	4	9	39	52	0	3	87
Winchester	wet	1	4	2	0	0	1	6	8	2	0	2	4	19	1	29	45	0	1	96
<b>Grand Total</b>		<b>15</b>	<b>30</b>	<b>45</b>	<b>13</b>	<b>13</b>	<b>59</b>	<b>232</b>	<b>773</b>	<b>25</b>	<b>1</b>	<b>159</b>	<b>259</b>	<b>942</b>	<b>96</b>	<b>1,710</b>	<b>2,599</b>	<b>2</b>	<b>90</b>	<b>5,353</b>

**NOTES:**

- (1) "Liquor by the Drink": "Dry" – not approved for liquor by the drink; "Wet" – approved for liquor by the drink.
- (2) Restaurants (Mixed Beverage) represents the total number of wine and beer establishments also having mixed beverage licenses. These licenses are not in the grand total column and should not be counted if you desire the total number of establishments.
- (3) "All Others" includes hospitals, fire departments, rescue squads, performing arts facilities, gift shops, food concessions, etc. Does not include banquets.

SOURCE: CORE, July 2005

## 2005 ESTABLISHMENTS BY LICENSE CATEGORY – COUNTIES

Counties	Liquor by the Drink (1)	Bed abd Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (2)	Restaurants (Beer and Wine)	Winery	All Others (3)	Grand Total (2)
Accomack	wet	5	1	2	0	0	0	5	28	0	0	2	2	22	2	22	43	1	2	115
Albemarle	wet	6	3	3	2	0	2	7	24	0	1	2	16	39	5	37	68	10	4	192
Alleghany	wet	1	0	0	0	0	0	5	10	0	0	1	1	13	0	7	17	0	0	48
Amelia	wet	0	0	0	0	0	0	1	12	0	0	1	0	4	0	1	5	0	0	23
Amherst	wet	1	0	0	0	0	1	2	13	0	0	3	0	20	0	7	15	1	0	56
Appomattox	dry	0	0	0	0	0	0	2	4	0	0	0	1	13	0	0	6	1	0	27
Arlington	wet	0	3	2	2	5	1	6	44	1	0	20	22	44	23	192	262	0	0	435
Augusta	wet	0	0	3	0	0	0	3	21	0	0	2	2	35	2	7	17	0	0	85
Bath	dry	1	0	0	0	0	0	0	8	1	0	0	1	6	2	5	10	0	1	30
Bedford	wet	2	0	0	0	1	1	6	13	0	0	3	1	27	1	17	35	3	6	99
Bland	dry	0	0	0	0	0	0	0	1	0	0	0	0	7	0	0	1	0	0	9
Botetourt	wet	0	2	3	0	0	0	1	17	0	0	1	2	14	0	3	17	1	0	58
Brunswick	wet	1	0	1	0	0	0	1	16	0	0	1	0	8	1	5	12	0	1	42
Buchanan	dry	0	0	0	0	0	0	1	16	3	0	2	1	16	0	0	3	0	0	42
Buckingham	wet	0	0	0	0	0	0	1	6	1	0	0	0	14	0	1	2	0	1	25
Campbell	wet	0	0	0	0	0	0	3	34	1	0	2	1	30	1	4	17	0	0	89
Caroline	wet	0	0	0	0	0	0	1	22	0	0	1	0	11	1	2	13	1	1	51
Carroll	wet	0	0	0	0	0	0	1	16	0	0	0	0	12	1	4	6	0	0	36
Charles City	wet	2	0	0	0	0	1	0	1	0	0	0	0	5	0	1	3	0	0	12
Charlotte	dry	0	0	0	0	0	0	1	11	0	0	1	0	23	1	0	3	0	0	40
Chesterfield	wet	0	0	0	2	0	4	6	86	3	0	21	15	70	4	113	184	1	3	399
Clarke	wet	0	0	0	0	0	0	3	8	0	0	0	2	9	0	5	12	1	3	38
Craig	dry	0	0	0	0	0	0	0	3	0	0	0	0	3	0	0	0	0	0	6
Culpeper	wet	1	0	0	0	0	0	5	12	0	1	3	2	27	0	16	25	2	2	80
Cumberland	wet	0	0	0	0	0	0	0	5	0	0	0	0	4	0	0	3	0	0	12
Dickenson	wet	0	0	0	0	0	0	1	7	2	0	0	0	11	0	0	4	0	0	25
Dinwiddie	wet	0	0	0	0	0	0	1	19	0	0	1	0	16	0	1	5	0	2	44
Essex	wet	1	0	0	0	0	0	1	7	1	0	1	0	12	0	5	13	0	3	39
Fairfax	wet	0	55	44	2	0	11	30	68	7	0	57	112	146	32	533	784	0	14	1,362
Fauquier	wet	4	1	1	0	0	1	4	21	1	0	3	9	30	5	30	44	11	1	136
Floyd	dry	1	0	0	0	0	0	2	5	0	0	0	1	5	0	2	8	4	0	26
Fluvanna	wet	1	0	0	0	0	0	0	4	0	0	0	1	9	0	4	8	0	0	23
Franklin	wet	0	0	0	0	0	1	2	29	0	0	1	4	25	0	18	34	0	4	100
Frederick	wet	2	2	6	0	0	1	4	19	1	0	1	4	35	2	16	22	1	1	101
Giles	wet	1	0	0	0	0	0	4	8	3	0	2	0	17	1	2	5	0	0	41
Gloucester	wet	0	0	0	0	1	0	4	15	0	0	3	2	16	0	14	24	0	2	67
Goochland	wet	1	2	0	0	0	0	2	6	0	0	0	0	10	0	12	20	1	0	42
Grayson	dry	0	0	0	0	0	0	0	8	1	0	0	1	4	0	0	3	0	1	18
Greene	wet	0	0	0	0	0	0	1	4	0	0	0	1	9	0	4	7	2	0	24
Greensville	wet	0	0	0	0	0	0	1	9	0	0	0	0	4	0	3	3	0	0	17
Halifax	wet	0	0	2	0	0	0	3	11	0	0	0	0	45	2	8	23	0	1	87
Hanover	wet	0	0	0	0	0	3	6	39	0	0	7	2	36	1	34	71	1	1	167
Henrico	wet	0	11	14	0	0	7	17	106	3	0	26	21	74	16	166	240	0	5	540
Henry	wet	0	0	0	0	0	1	9	30	0	0	3	1	44	2	4	26	0	1	117
Highland	dry	0	0	0	0	0	0	0	2	0	0	0	0	8	1	0	2	0	0	13
Isle of Wight	wet	2	1	0	0	0	0	3	16	0	0	2	5	22	1	7	16	0	0	68
James City	wet	1	1	1	1	0	2	2	9	1	1	3	7	17	3	33	55	2	1	107
King and Queen	wet	0	0	0	0	0	0	0	4	1	0	0	0	7	0	1	1	0	0	13
King George	wet	0	0	0	0	0	0	0	11	0	0	0	0	7	0	2	10	1	0	29
King William	wet	0	0	0	0	0	0	2	5	0	0	1	0	11	0	2	5	0	0	24
Lancaster	wet	1	0	0	0	1	0	3	4	0	0	0	1	17	2	9	19	0	2	50
Lee	dry	0	0	0	0	0	0	3	21	1	0	1	0	10	0	0	5	0	0	41

*(continued)*



**2005 ESTABLISHMENTS BY LICENSE CATEGORY – COUNTIES (CONTINUED)**

Counties	Liquor by the Drink (1)	Bed and Breakfast	Beer/Wine Importers	Beer/Wine Wholesalers	Brewery	Carrier Licensee	Caterer Establishments	Clubs	Convenience Stores	Delicatessens	Distillery	Drug Stores	Gourmet / Gourmet Brew Shops	Grocery / Grocery-Gourmet Stores	Hotels/Resorts	Restaurants (Mixed Beverage) (2)	Restaurants (Beer and Wine)	Winery	All Others (3)	Grand Total (2)
Loudoun	wet	3	6	5	3	12	5	8	43	1	0	10	33	44	8	108	176	13	8	378
Louisa	wet	0	2	2	0	0	0	2	13	0	0	1	0	23	2	3	9	2	3	59
Lunenburg	wet	0	0	0	0	0	0	3	10	0	0	0	0	12	0	0	5	0	1	31
Madison	wet	2	1	1	0	0	0	0	7	0	0	0	1	6	1	3	7	4	0	30
Mathews	wet	0	0	0	0	0	0	2	9	0	0	0	0	2	0	2	3	0	1	17
Mecklenburg	wet	1	0	1	0	0	0	11	27	0	0	2	0	34	0	14	21	0	1	98
Middlesex	wet	1	0	0	0	0	0	1	2	1	0	0	2	12	0	11	14	0	4	37
Montgomery	wet	0	0	0	0	0	3	2	21	3	0	2	7	36	3	44	72	0	0	149
Nelson	wet	3	0	0	0	0	0	2	8	1	0	1	1	17	2	3	6	6	2	49
New Kent	wet	1	0	0	0	0	0	1	8	1	0	2	0	9	0	6	13	0	0	35
Northampton	wet	1	2	4	0	1	1	2	18	0	0	1	0	6	2	12	18	0	2	58
Northumberland	wet	0	0	0	0	1	0	2	5	0	0	1	0	10	0	9	14	0	2	35
Nottoway	wet	0	0	2	0	0	0	4	11	0	0	0	0	9	1	4	12	0	0	39
Orange	wet	4	0	1	0	0	0	3	13	0	0	2	1	10	0	8	16	3	2	55
Page	wet	4	0	0	0	0	0	5	9	0	0	0	1	15	2	6	15	1	3	55
Patrick	dry	3	0	0	0	0	0	1	11	0	0	1	0	16	0	1	8	1	0	41
Pittsylvania	wet	0	1	3	0	0	0	5	19	0	0	0	0	54	0	2	17	1	1	101
Powhatan	wet	0	0	0	0	0	2	1	13	0	0	0	1	5	0	6	9	0	0	31
Prince Edward	wet	0	2	2	0	0	3	2	12	0	0	1	1	13	0	12	22	0	0	58
Prince George	wet	0	0	0	0	0	0	3	9	0	0	2	0	12	0	7	12	0	1	39
Prince William	wet	0	5	5	0	1	4	13	80	2	0	9	27	85	4	130	220	0	5	460
Pulaski	wet	0	0	1	0	0	0	4	8	2	0	1	1	31	0	0	11	0	2	61
Rappahannock	wet	5	0	0	0	0	0	0	2	0	0	0	1	7	1	4	7	7	2	32
Richmond	wet	0	0	5	0	0	1	0	1	0	0	1	1	9	0	2	7	1	1	27
Roanoke	wet	0	5	4	0	0	1	4	36	0	0	3	7	15	0	32	57	2	0	134
Rockbridge	wet	5	0	0	0	0	2	3	16	0	0	0	0	19	4	9	15	1	1	66
Rockingham	wet	1	0	0	2	0	0	5	27	0	0	2	0	21	0	5	21	0	1	80
Russell	dry	0	0	0	0	0	0	2	10	6	0	1	1	5	0	1	4	1	0	30
Scott	dry	0	0	0	0	0	0	0	7	2	0	1	1	22	0	1	5	0	0	38
Shenandoah	wet	3	0	0	0	0	0	9	12	0	0	2	1	38	2	9	28	2	3	100
Smyth	wet	0	3	4	0	0	0	2	22	2	0	1	0	17	0	5	13	2	0	66
Southampton	wet	0	0	0	0	0	0	2	15	0	0	1	0	11	0	2	4	0	1	34
Spotsylvania	wet	0	0	2	2	0	0	6	43	2	2	6	4	35	0	28	50	1	6	159
Stafford	wet	0	2	4	0	0	2	4	39	1	0	7	5	23	0	41	66	1	6	160
Surry	dry	0	0	0	0	0	0	0	5	0	0	0	0	4	0	1	4	0	0	13
Sussex	wet	0	0	0	0	0	1	1	17	0	0	0	1	12	0	1	8	0	0	40
Tazewell	wet	1	1	0	0	0	0	3	23	1	0	2	1	36	0	6	17	0	1	86
Warren	wet	2	0	0	0	0	0	6	15	0	0	1	1	24	0	15	27	0	0	76
Washington	wet	6	1	2	0	0	0	3	29	5	0	1	4	19	2	8	19	3	1	95
Westmoreland	wet	1	0	0	0	0	0	7	9	0	0	2	0	19	0	15	20	2	5	65
Wise	wet	0	0	0	0	0	0	1	21	10	0	3	2	14	0	5	14	1	1	67
Wythe	wet	0	1	1	0	0	0	3	13	2	0	1	0	25	1	10	14	0	0	61
York	wet	0	0	1	0	0	0	3	23	1	0	5	3	22	4	26	53	0	4	119
<b>Grand Total</b>		<b>82</b>	<b>114</b>	<b>132</b>	<b>16</b>	<b>23</b>	<b>62</b>	<b>307</b>	<b>1,659</b>	<b>75</b>	<b>5</b>	<b>254</b>	<b>350</b>	<b>1,981</b>	<b>151</b>	<b>1,976</b>	<b>3,389</b>	<b>100</b>	<b>134</b>	<b>8,834</b>

**NOTES:**

- (1) "Liquor by the Drink": "Dry" – not approved for liquor by the drink; "Wet" – approved for liquor by the drink.
- (2) Restaurants (Mixed Beverage) represents the total number of wine and beer establishments also having mixed beverage licenses. These licenses are not in the grand total column and should not be counted if you desire the total number of establishments.
- (3) "All Others" includes hospitals, fire departments, rescue squads, performing arts facilities, gift shops, food concessions, etc. Does not include banquets.

SOURCE: CORE, July 2005

## *SOLVING THE PUZZLE OF UNDERAGE DRINKING*

Problems caused by irresponsible drinking are not limited to those who are underage, however, underage consumption is a huge piece of the puzzle. The consumption of alcohol by young people under the age of 21 has been a major public health issue to community leaders and law enforcement throughout the nation for years. In recent years young people have creatively found new ways to obtain alcohol leaving college administrators, community coalitions and enforcement agencies searching for more vigorous initiatives and campaigns to address underage possession and consumption of alcohol.

As a first step in what will be one of the largest efforts to address this problem by our agency, Virginia ABC has developed a "Best Practices" booklet. It serves as a guide by providing some reasonable information and strategies that are

worthy of consideration by families, organizations, law enforcement agencies, retail establishments and licensees as they strive to address the issues of underage drinking. It is a collection of training, regulatory and prevention initiatives that have worked for us and for others, and the goal is to share and learn from each other.

ABC is working with the National Alcohol Beverage Control Association (NABCA) to distribute this tool nationwide and will be collecting feedback from other groups and other states as they implement the initiatives. We will also be collaborating to develop additional ideas. This booklet is merely the beginning of a program that we are committed to expanding to include specialized posters and brochures, public service advertisements and more.

### **A "Best Practices" Booklet from Virginia ABC**



## FISCAL YEAR 2005 – FINANCIAL STATEMENTS

The financial statements of the agency are audited annually by the Auditor of Public Accounts as required by the Code of Virginia.

The Auditor of Public Accounts is part of the legislative branch of Virginia government and reports through the Joint Legislative Audit and Review Commission (JLARC) of the General Assembly. This structure provides independence from the executive and judicial branch agencies they audit.

Visit [www.abc.virginia.gov](http://www.abc.virginia.gov) for a copy of the complete online 2005 Annual Report that contains financial information for Fiscal Year 2005 and a downloadable, printable version of this entire report.





# Commonwealth of Virginia

Auditor of Public Accounts  
P.O. Box 1295  
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

September 23, 2005

The Honorable Mark R. Warner,  
Governor of Virginia

The Honorable Lacey E. Putney,  
Chairman, Joint Legislative Audit and Review Commission

Alcoholic Beverage Control Board,  
Department of Alcoholic Beverage Control

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying basic financial statements of **Department of Alcoholic Beverage Control** as of and for the year ended June 30, 2005. These financial statements are the responsibility of the Department's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1A, the basic financial statements of the Department of Alcoholic Beverage Control are intended to present the financial position and the changes in the financial position and cash flows of only that portion of the business-type activities and the aggregate remaining fund information of the Commonwealth of Virginia that is attributable to the transactions of the Department. They do not purport to, and do not, present fairly the Commonwealth of Virginia's overall financial position as of June 30, 2005, and the changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

*(continued)*

*September 23, 2005*  
*Page Two*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Department of Alcoholic Beverage Control as of June 30, 2005, and the changes in its net assets and its cash flows for the year ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 67 through 70 is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, we have also issued our report dated September 23, 2005 on our consideration of the Department of Alcoholic Beverage Control's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.



AUDITOR OF PUBLIC ACCOUNTS



## COMMONWEALTH of VIRGINIA

COMMISSIONERS  
VERNON M. DANIELSEN, CHAIRMAN  
WARREN E. BARRY  
ESTHER H. VASSAR

*Department of Alcoholic Beverage Control*

2901 HERMITAGE ROAD  
P. O. BOX 27491  
RICHMOND, VIRGINIA 23261  
(804) 213-4400  
FAX: (804) 213-4411  
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CHIEF OPERATING OFFICER / SECRETARY TO THE BOARD  
W. CURTIS COLEBURN, III

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

This discussion and analysis of the Virginia Department of Alcoholic Beverage Control's (ABC) financial performance provides a brief overview of financial activities for the fiscal year ended June 30, 2005.

#### FINANCIAL HIGHLIGHTS

The Department's operating revenues increased 8.8 percent in Fiscal Year 2005, due in part to the expansion of the retail store network and the annualized impact of the shelf price increase that occurred August 1, 2004.

ABC operations returned record profits to the Commonwealth in Fiscal Year 2005 of \$92 million. Profits were up \$17.7 million or 24 percent more than Fiscal Year 2004.

Ten new stores were opened throughout Fiscal Year 2005 generating \$4.5 million in additional sales. Three stores were relocated to improved market areas and ten were remodeled.

As a result of HB1314 passed by the 2004 session of the General Assembly, 50 stores were selected (36 in Northern Virginia and 14 in Tidewater) by the Board to operate on Sundays. The 50 stores began Sunday operations on July 4, 2004, reaching sales of \$6.8 million in Fiscal Year 2005.

#### OVERVIEW OF FINANCIAL STATEMENTS

The audited annual report consists of a series of proprietary fund financial statements. The Statement of Net Assets provides information about the Department's assets and liabilities and reflects the financial position as of June 30, 2005. The Statement of Revenues, Expenses and Changes in Net Assets reports the operating revenue activity and the expenses related to such activity for the 12-month period ended June 30, 2005. The Statement of Cash Flows outlines the cash inflows and outflows relating to the operations for the same twelve-month period. The financial statements also include "notes" that provide additional information that is essential to a full understanding of the data provided in the statements. These statements provide current and long-term information about the Department's financial position.

#### FINANCIAL ANALYSIS

ABC ended Fiscal Year 2005 with a total of \$42 million in current assets including \$36.3 million in alcohol merchandise for resale. The \$2 million increase in inventory is a result of ten new stores being opened in Fiscal Year

*(continued)*

2005 in addition to the 17 opened throughout Fiscal Year 2004, new products being introduced in the market, vendor price increases to ABC, and purchasing products during the advanced buy periods given the low interest rates during Fiscal Year 2005.

The Department's total invested in long-term assets is \$24,974,353 (see Note 3) with a related short and long-term debt balance of \$5,333,869 netting to \$19,640,484 invested in capital assets, net of related debt.

In total, assets increased from \$59.8 million in Fiscal Year 2004 to \$66.6 million in 2005 due primarily to a \$12 million capital project that is currently in process for a new warehouse racking system. The project will be completed in Fiscal Year 2006. Merchandise for resale held in inventory at June 30th increased \$2 million.

Return on Assets (measures how efficiently profits are generated from assets) trended upwards from 125 percent to 139 percent in Fiscal Year 2005, due to increases in net income.

Net Assets	Fiscal Year 2005	Fiscal Year 2004	Change
Current assets	\$ 41,650,497	\$ 39,198,409	\$ 2,452,088
Long term assets, net	<u>24,974,352</u>	<u>20,635,369</u>	<u>4,338,983</u>
Total assets	<u>66,624,849</u>	<u>59,833,778</u>	<u>6,791,071</u>
Current liabilities	59,335,994	52,719,480	6,616,514
Long-term liabilities	<u>5,993,046</u>	<u>6,247,055</u>	<u>(254,009)</u>
Total liabilities	<u>65,329,040</u>	<u>58,966,535</u>	<u>6,362,505</u>
Net assets:			
Invested in capital assets	19,640,484	15,714,272	3,926,212
Unrestricted	<u>(18,344,674)</u>	<u>(14,847,029)</u>	<u>(3,497,645)</u>
Total net assets	<u>\$ 1,295,810</u>	<u>\$ 867,243</u>	<u>\$ 428,567</u>

- Total liabilities were up \$6.4 million from last year. Current liabilities owed by the Department increased \$6.6 million from last fiscal year end. This amount largely represents payments due to the Commonwealth for line of credit repayment, taxes payable (see Note 4) and undistributed balances for sales and profits. Long-term liabilities netted a slight decrease due to the normal scheduled monthly payments according to the Master Equipment Leasing Program (MELP) with the Department of Treasury used to obtain the point of sale cash registers and software in fiscal years 2002 and 2003 plus the \$2 million MELP increase to finance a portion of the new warehouse racking system.
- The Department lacks the necessary working capital (current assets in excess of current liabilities) to fund business needs because all cash is transferred to the Commonwealth of Virginia's General Fund at the end of the fiscal year. Given this periodic lack of working capital, the Department depends on a \$40 million line of credit with the State Comptroller to meet day-to-day operations.
- ABC's gross margin (percentage of revenue including state tax on sales left after subtracting cost of goods sold) increased to 33 percent in Fiscal Year 2005, up 2 percent from last year.

**Revenue** The vast majority of the Department's revenues come from the sale of alcoholic beverages, Virginia wine, and mixers. These revenues are achieved through the 300+ state-run stores located throughout the state. Gross sales including state tax on sales in Fiscal Year 2005 reached an all time high of \$532.8 million, up \$42.8 million from 2004. The gross revenue after state tax on sales increased from \$410.1 million to \$444.9 million or 8.5 percent. License and permit fees increased in Fiscal Year 2005 by \$2.3 million or 29.3 percent primarily due to an increase in fees passed by the General Assembly, effective July 1, 2004. Federal grant receipts were up \$241,079 or 25.4 percent in 2005 compared to 2004 while the number of grants remained constant. Miscellaneous revenues were up slightly, \$142,515, primarily due to an increase in interest income. Other sources of revenue include lottery, wine wholesalers tax, penalties, and mixed beverage taxes on common carriers.

Operating Revenues	Fiscal Year 2005	Fiscal Year 2004	Changed
Sales of alcohol	\$ 444,866,360	\$ 410,104,516	\$ 34,761,844
Sales of lottery tickets	5,281,130	5,439,432	(158,302)
License and permit fees	10,352,167	8,008,560	2,343,607
Wine wholesalers tax	2,182,502	1,968,084	214,418
Penalties	1,862,536	1,738,352	124,184
Federal grants and contracts	1,190,841	949,762	241,079
Mixed beverage tax on common carriers	27,343	28,067	(724)
Miscellaneous	728,720	586,205	142,515
<b>Net operating revenues</b>	<b>\$ 466,491,599</b>	<b>\$ 428,822,978</b>	<b>\$ 37,668,621</b>

*Expenses* 71.8 percent of the Department's total expenses are for the purchase of distilled spirits, Virginia wines, and mixers sold through ABC stores. Following cost of merchandise is personal services, which accounts for 16.8 percent of total expenses. The remaining 11.4 percent is made up of contractual services (e.g. store rents), continuous charges (utilities) and other miscellaneous charges. In order to support the growth in ABC's sales and profits; expenses for merchandise purchased for resale, personnel, rent, and utilities increased in fiscal year 2005. These trends are expected to continue as the Department strives to open additional new stores over the next two years. In 2005, operating expenses increased by 5.76 percent, slightly higher than the 4.32 percent increase in 2004.

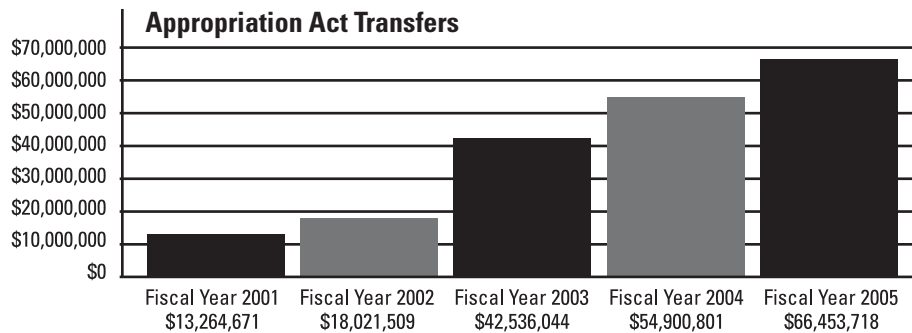
Operating Expenses	Amount Fiscal Year 2005	Amount Fiscal Year 2004	Difference	% Expenses Fiscal Year 05
Cost of Sales, Alcohol	\$ 268,815,023	\$ 254,731,698	\$ 14,083,325	71.8%
Cost of Sales, Lottery	4,883,913	5,092,990	(209,077)	1.3%
Personal Services	62,765,636	58,679,681	4,085,955	16.8%
Continuous Charges	15,753,608	14,205,019	1,548,589	4.2%
Contractual Services	14,693,338	13,684,220	1,009,118	3.9%
Supplies and Materials	2,170,060	2,057,899	112,161	.6%
Depreciation	3,831,756	3,508,449	323,307	1.0%
Expendable Equipment	1,020,093	1,338,523	(318,430)	.3%
Other	502,737	739,144	(236,407)	.1%
<b>Total Operating Expenses</b>	<b>\$ 374,436,164</b>	<b>\$ 354,037,623</b>	<b>\$ 20,398,541</b>	<b>100.0%</b>

*Profits* The Code of Virginia governs the distribution of the Department's net profits. Effective July 1, 2004, \$4,150,000 is apportioned by the Comptroller and distributed to the counties, cities, and towns of the Commonwealth on the basis of population. The remaining profit is transferred to the General Fund.

Prior to statutory distribution of quarterly net profits to localities, transfers required in the Appropriation Act for each fiscal year must be executed. In Fiscal Year 2005, approximately \$66.5 million of the agency's \$92 million in net profits, were transferred to other state agencies (up \$11.6 million over FY2004). The remaining \$25.5 million was distributed to local governments and the General Fund in accordance with the Code of Virginia.

*(continued)*





Over the past five years, Appropriation Act transfers to other state agencies have increased from \$13.3 million to \$66.5 million, an increase of \$53.2 million. The increase is primarily related to the increased amount going to the Department of Mental Health, Mental Retardation and Substance Abuse Services incurred for care, treatment, study and rehabilitation of alcoholics. The amount increased from \$11.6 million in fiscal year 2001 to \$62.7 million in 2005.

Revenues, Expenses and Changes in Net Assets	Fiscal Year 2005	Fiscal Year 2004	Change
Net operating revenues	\$ 466,491,599	\$ 428,822,978	\$ 37,668,621
Total operating expenses	374,436,164	354,037,623	20,398,541
Nonoperating revenue	363,684	(114,661)	478,345
Net profit before transfers	<u>92,419,119</u>	<u>74,670,694</u>	<u>17,748,425</u>
Transfers of profits to the General Fund of the Commonwealth	(25,536,834)	(19,877,940)	(5,658,894)
Appropriation Act transfers	<u>(66,453,718)</u>	<u>(54,900,801)</u>	<u>(11,552,917)</u>
Total transfers	<u>(91,990,552)</u>	<u>(74,778,741)</u>	<u>(17,211,811)</u>
Net increase after transfers	428,567	(108,047)	536,614
Total net assets – beginning	867,243	975,290	(108,047)
Total net assets – ending	<u>\$ 1,295,810</u>	<u>\$ 867,243</u>	<u>\$ 428,567</u>

#### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

During Fiscal Year 2006, the Department is striving to open up to an additional 22 outlets that will result in 325 stores in operation. At the same time, ABC anticipates modernizing 12–15 outlets to improve the shopping environment.

ABC anticipates another strong year with sales forecasted to reach \$568 million, 6 percent higher than 2005.

ABC expects the budget for merchandise for resale to reach \$289 million, up 7 percent to account for increased sales. Personal services expenditures are budgeted to grow 9 percent, partly due to increased staff for new stores and partly due to the General Assembly mandated raises averaging over 4 percent, effective 11/25/2005.

The Department is currently implementing a \$12 million capital improvement project designed to increase storage capacity and throughput in its warehouse. The project incorporates racking to maximize the use of cubic space and automation to improve labor productivity. The project will be depreciated over 20 years.

#### CONTACTING THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

This financial report is designed to provide our citizens, taxpayers and customers with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Virginia Department of Alcoholic Beverage Control at 2901 Hermitage Rd., Richmond, VA 23220 or visit us on the web at [www.abc.virginia.gov](http://www.abc.virginia.gov).

## FINANCIAL STATEMENTS

### Virginia Department of Alcoholic Beverage Control Statement of Net Assets

As of June 30, 2005

#### ASSETS

Current assets:	
Cash (Note 2)	\$ 939,788
Petty cash	160,000
Receivables	3,096,482
Inventory – Alcohol	36,277,199
Inventory – Lottery tickets	201,315
Prepaid expenses	939,063
Investments held by Treasurer of Virginia (Note 8)	<u>36,650</u>
Total current assets	<u>41,650,497</u>
Noncurrent assets (Note 3):	
Nondepreciable capital assets	7,720,200
Depreciable capital assets, Net	<u>17,254,153</u>
Total noncurrent assets	<u>24,974,353</u>
Total assets	<u>66,624,850</u>

#### LIABILITIES

Current liabilities:	
Accounts payable	16,581,368
Installment notes payable (Note 6)	2,034,816
Deferred revenue	176,847
Due to Commonwealth of Virginia (Note 4)	38,077,813
Obligations under securities lending (Note 8)	209,127
Compensated absences payable (Note 7)	<u>2,256,023</u>
Total current liabilities	<u>59,335,994</u>
Noncurrent liabilities:	
Installment notes payable (Note 6)	3,299,053
Compensated absences payable (Note 7)	<u>2,693,993</u>
Total noncurrent liabilities	<u>5,993,046</u>
Total liabilities	<u>65,329,040</u>

#### NET ASSETS

Invested in capital assets, net of related debt	19,640,484
Unrestricted net assets	<u>(18,344,674)</u>
Total net assets	<u>\$ 1,295,810</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

## FINANCIAL STATEMENTS (CONTINUED)

### Virginia Department of Alcoholic Beverage Control Statement of Revenues, Expenses, and Changes in Net Assets For the Year Ended June 30, 2005

Operating revenues:	
Sales of alcohol	\$ 444,866,360
Sales of lottery tickets	5,281,130
License and permit fees	10,352,167
Wine wholesalers tax	2,182,502
Penalties	1,862,536
Federal grants and contracts	1,190,841
Mixed beverage tax on common carriers	27,343
Miscellaneous	<u>728,720</u>
Total operating revenues	<u>466,491,599</u>
Operating expenses:	
Cost of sales of alcohol	268,815,023
Cost of sales of lottery tickets	4,883,913
Personal services	62,765,636
Continuous charges	15,753,608
Contractual charges	14,693,338
Supplies and materials	2,170,060
Depreciation	3,831,756
Expendable equipment	1,020,093
Other	<u>502,737</u>
Total operating expenses	<u>374,436,164</u>
Operating income	<u>92,055,435</u>
Nonoperating revenues (expenses):	
Rents	20,520
Income from security lending transactions (Note 8)	213,836
Expenses from security lending transactions (Note 8)	(213,836)
Seized assets	<u>343,164</u>
Total nonoperating revenues (expenses)	<u>363,684</u>
Net profit before transfers	<u>92,419,119</u>
Transfers out:	
Transfers of profits to the General Fund of the Commonwealth	(25,536,834)
Appropriation Act transfers	<u>(66,453,718)</u>
Total transfers	<u>(91,990,552)</u>
Net increase after transfers	428,567
Total net assets – July 1, 2004	<u>867,243</u>
Total net assets – June 30, 2005	<u>\$ 1,295,810</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

## FINANCIAL STATEMENTS (CONTINUED)

### Virginia Department of Alcoholic Beverage Control Statement of Cash Flows

For the Year Ended June 30, 2005

Cash flows from operating activities:	
Cash received from sales	\$ 450,063,689
Cash received from licenses and fees	10,330,023
Cash received from other revenue	5,878,043
Cash payments for cost of sales	(275,413,505)
Cash payments for personal services	(62,749,877)
Cash payments for other expenses	<u>(34,260,390)</u>
Net cash provided by operating activities	<u>93,847,983</u>
Cash flows from noncapital financing activities:	
Note payable to the Commonwealth	30,965,288
Due to the Commonwealth repayments	(25,929,878)
Cash received from nonoperating activities	363,684
Cash received from security lending	172,477
Cash received from taxes	133,163,073
Transfers of tax collections to the General Fund of the Commonwealth	(112,579,289)
Transfers of tax collections to the Department of Taxation	(20,341,239)
Transfers of profit to the General Fund of the Commonwealth	(24,948,157)
Appropriation Act transfers	<u>(66,453,718)</u>
Net cash used for noncapital financing activities	<u>(85,587,759)</u>
Cash flows from capital financing activities:	
Acquisitions of capital assets	(6,144,472)
Sale of depreciable assets	6,228
Note payable payments	<u>(1,619,726)</u>
Net cash used for capital financing activities	<u>(7,757,970)</u>
Net increase in cash and cash equivalents	502,254
Cash and cash equivalents – July 1, 2004	<u>597,534</u>
Cash and cash equivalents – June 30, 2005	\$ <u>1,099,788</u>
Reconciliation of net profit to net cash provided by operating activities:	
Operating income	\$ 92,055,435
Adjustments to reconcile net profit to net cash provided by operating activities:	
Depreciation	3,831,756
Change in assets and liabilities:	
Increase in accounts receivable	(197,699)
Increase in inventory	(1,705,072)
Decrease in compensated absences	(170,146)
Increase in accounts payable	176,408
Increase in prepaid items	(120,555)
Decrease in deferred revenue	<u>(22,144)</u>
Net cash provided by operating activities	<u>\$ 93,847,983</u>

Noncash financing activities:

The Department entered into an installment purchase agreement to purchase a new warehouse racking system and related software in the amount of \$2,002,509.

The accompanying Notes to Financial Statements are an integral part of this statement.

## FINANCIAL STATEMENTS (CONTINUED)

### Virginia Department of Alcoholic Beverage Control

#### Notes to Financial Statements

As of June 30, 2005

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## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### A. Reporting Entity

The Department of Alcoholic Beverage Control administers ABC laws with an emphasis on public service and a focus on public safety by ensuring a safe, orderly, and regulated system for convenient distribution and responsible consumption of alcoholic beverages while generating a reasonable profit for the Commonwealth and its localities.

A separate report is prepared for the Commonwealth of Virginia, which includes all agencies, boards, commissions, and authorities over which the Commonwealth exercises or has the ability to exercise oversight authority or is the recipient of their services and/or benefits. The Department is an agency of the Commonwealth of Virginia and is included in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

### B. Fund Accounting

The activities of the Department are accounted for in an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis, including depreciation and amortization, be financed or recovered primarily through user charges.

### C. Basis of Accounting

The Department's records are maintained on the accrual basis, with an economic focus, whereby revenues are recognized when earned and expenses are recognized when the liability is incurred.

Operating revenues and expenses include activities related to the sale of alcohol and licenses, as well as enforcement activities. Nonoperating revenues and expenses include activities that have the characteristics of noncapital financing activities, such as the collection of rent, as defined by GASB Statement 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, and GASB Statement 34.

### D. Inventories

Merchandise inventory, purchased for resale, is valued at average cost, which is lower than market value.

## 2. CASH WITH THE TREASURER OF VIRGINIA

All state funds of the Department are held by the Treasurer of Virginia, pursuant to Section 2.2-1800, et. seq., Code of Virginia, who is responsible for the collection, disbursement, custody, and investment of state funds. Each fund's equity in pooled state funds is reported as "Cash" on the Statement of Net Assets and is not categorized as to credit risk.

### 3. CAPITAL ASSETS

The following schedule presents the changes in capital assets by category.

	Balance at July 1, 2004	Acquired	Deleted	Balance at June 30, 2005
Nondepreciable capital assets:				
Land	\$ 1,827,702	\$ —	\$ —	\$ 1,827,702
Construction in-progress	—	<u>5,892,498</u>	—	<u>5,892,498</u>
Total nondepreciable capital assets	<u>1,827,702</u>	<u>5,892,498</u>	—	<u>7,720,200</u>
Depreciable capital assets:				
Buildings	9,571,382	—	—	9,571,382
Equipment	<u>32,338,197</u>	<u>2,284,470</u>	<u>(593,517)</u>	<u>34,029,150</u>
Total depreciable capital assets	<u>41,909,579</u>	<u>2,284,470</u>	<u>(593,517)</u>	<u>43,600,532</u>
Less accumulated depreciation:				
Building	8,918,313	106,878	—	9,025,191
Equipment	<u>14,183,599</u>	<u>3,724,878</u>	<u>(587,289)</u>	<u>17,321,188</u>
Total accumulated depreciation	<u>23,101,912</u>	<u>3,831,756</u>	<u>(587,289)</u>	<u>26,346,379</u>
Depreciable capital assets, net	<u>18,807,667</u>	<u>1,547,286</u>	<u>(6,228)</u>	<u>17,254,153</u>
Total capital assets, net	<u>\$ 20,635,369</u>	<u>\$ 4,345,212</u>	<u>\$ (6,228)</u>	<u>\$ 24,974,353</u>

The Department capitalizes all property, plant, and equipment that have a cost or value equal to or greater than \$5,000. Property, plant, and equipment are stated at cost and at the time of acquisition are set up in a comprehensive capital asset system. Depreciation of the cost of property, plant, and equipment is provided on a straight-line basis over their estimated lives of from ten to thirty years on buildings and from three to eight years on equipment.

### 4. DUE TO THE COMMONWEALTH

#### A. Note Payable

The Department has a line of credit for \$40,000,000 with the Treasurer of Virginia. Repayment is made from revenue collections pursuant to Title 4.1, Chapter 1 of the Code of Virginia. As of June 30, 2005, the Department had outstanding \$30,965,288 of its available line of credit to extinguish a cash overdraft.

The following schedule presents the changes in short term debt activity:

Balance at July 1, 2004	Increase	Decrease	Balance at June 30, 2005
<u>\$ 25,929,878</u>	<u>\$ 30,965,288</u>	<u>\$ (25,929,878)</u>	<u>\$ 30,965,288</u>

#### B. General Fund

The Department collects certain taxes on behalf of the General Fund of the Commonwealth. The state tax on sales is collected from store sales and is paid quarterly to the General Fund of the Commonwealth. The liter tax is collected on wholesalers' direct wine shipments. The 2005 Virginia Acts of Assembly required \$9,886,363 of the gross liter tax to be transferred to the General Fund for expenses incurred for care, treatment, study, and

**FINANCIAL STATEMENTS (CONTINUED)**

rehabilitation of alcoholics by the Department of Mental Health, Mental Retardation and Substance Abuse Services and other state agencies. Of the remaining liter tax, 12 percent is retained by the Department and reported as wine wholesalers' tax on the Department's financial statements. The remaining 88 percent is paid to the General Fund of the Commonwealth quarterly. Of the liter tax paid to the General Fund, the Commonwealth subsequently transfers \$4,350,000 to localities. Collections and transfers of state tax on sales and liter tax are not reported on the Statement of Revenues, Expenses, and Changes in Net Assets. Activity relating to the amounts due to the General Fund for the year ended June 30, 2005, is summarized below.

	State Tax on Sales	Liter Tax on Wine	Total
Balance due to the General Fund, July 1, 2004	\$ 85,005	\$ 1,146,512	\$ 1,231,517
Receipts for fiscal year	87,779,860	24,850,360	112,630,220
Transfers to the General Fund	87,328,852	25,250,437	112,579,289
Balance due to the General Fund, June 30, 2005	\$ 536,013	\$ 746,435	\$ 1,282,448

**C. Department of Taxation – Sales Tax**

The Department collects sales tax on all sales of alcohol and remits collections monthly to the Department of Taxation. Sales tax collections and transfers are not reported on the Statement of Revenues, Expenses, and Changes in Net Assets. Activity relating to the amounts due to the Department of Taxation for the year ended June 30, 2005, is summarized below.

Balance due to the Department of Taxation, July 1, 2004	\$ 253,162
Sales tax collections	20,532,854
Transfers to the Department of Taxation	(20,341,239)
Balance due to the Department of Taxation, June 30, 2005	\$ 444,777

**D. Earned Surplus**

The Appropriation Act, Chapter 951 of the 2005 Acts of Assembly, requires the Department to transfer an estimate of its fourth quarter profits in the month of June. In accordance with the Alcoholic Beverage Control Act, Section 4.1-116 of the Code of Virginia, the Department transfers any additional net profit to the General Fund of the Commonwealth 50 days after the last day of the quarter. The Department underestimated profit for the fourth quarter resulting in an additional \$5,385,300 due to the General Fund at June 30, 2005.

**5. LEASE COMMITMENTS**

The Department is committed under various operating lease agreements for retail store buildings. Rent expense under operating lease agreements amounted to \$13,209,079 for the year. A summary of future obligations under lease agreements as of June 30, 2005, follows.

Year Ending June 30,	
2006	\$ 10,908,068
2007	8,148,105
2008	5,864,545
2009	3,503,410
2010	1,543,653
2011–2015	1,004,299
Total obligations	\$ 30,972,080

## 6. INSTALLMENT NOTES PAYABLE

During fiscal years 2002 and 2003, the Department entered into a five-year installment purchase agreement through the Master Equipment Leasing Program offered by the Department of the Treasury in order to obtain new point of sale cash registers and software. During Fiscal Year 2005 the Department entered into an additional five-year installment purchase agreement for the warehouse racking system. The interest rate charges range from 2.7397 percent to 4.4192 percent. Principal and interest payments of this commitment for fiscal years subsequent to June 30, 2005 are as follows.

Balance at Year Ending June 30,	Principal	Interest	Total Obligations
2006	\$ 2,034,816	\$ 133,574	\$ 2,168,390
2007	1,930,370	71,212	2,001,582
2008	536,244	33,440	569,684
2009	419,526	19,927	439,453
2010	412,913	6,743	419,656
Total	<u>\$ 5,333,869</u>	<u>\$ 264,896</u>	<u>\$ 5,598,765</u>

The following schedule presents the changes in long-term debt.

Balance at July 1, 2004	Increase	Decrease	Balance at June 30, 2005
<u>\$ 4,921,098</u>	<u>\$ 2,032,497</u>	<u>\$ (1,619,726)</u>	<u>\$ 5,333,869</u>

## 7. COMPENSATED ABSENCES

Compensated absences reflected in the Statement of Net Assets represent the amounts of vacation, sick, and compensatory leave earned by employees of the Department, but not taken at June 30, 2005. The amount reflects all earned vacation, sick, and compensatory leave payable under the Commonwealth of Virginia's leave payout policies. Information on the Commonwealth's leave payout policies is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

Balance as of June 30, 2004	Increases	Decreases	Balance as of June 30, 2005	Amount due within one year
<u>\$ 5,120,161</u>	<u>\$ 2,584,505</u>	<u>\$ (2,754,650)</u>	<u>\$ 4,950,016</u>	<u>\$ 2,256,023</u>

## 8. SECURITIES LENDING TRANSACTIONS

Investments held by the Treasurer of Virginia represent the Department's allocated share of cash collateral received and reinvested and securities received for the State Treasury's securities lending program. Information related to the credit risk of these investments and the State Treasury's securities lending program is available on a statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

## 9. COLLECTIONS OF MALT BEVERAGE TAX

During the year ended June 30, 2005, the Department collected \$42,906,624 in malt beverage taxes. These funds are deposited by the Department directly with the Treasurer of Virginia for credit to the General Fund



## FINANCIAL STATEMENTS (CONTINUED)

of the Commonwealth and are not available to the Department to meet current operating needs and are not included in the financial statements.

### 10. PENSION PLAN AND OTHER POST RETIREMENT BENEFITS

The employees of the Department are employees of the Commonwealth. The employees participate in a defined benefit plan administered by the Virginia Retirement System (VRS). The VRS also administers life insurance and health related plans for retired employees. Information related to these plans is available on a statewide level only in the Commonwealth of Virginia's Comprehensive Annual Financial Report. The Commonwealth, not the Department, has overall responsibility for contributions to these plans.

### 11. RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts: theft or, damage to, and destruction of assets; errors and omissions; non-performance of duty; injuries to employees; and natural disasters. The Department of Alcoholic Beverage Control participates in insurance plans maintained by the Commonwealth of Virginia. The state employee health care and worker's compensation plans are administered by the Department of Human Resource Management and the risk management insurance plans are administered by the Department of Treasury, Division of Risk Management. Risk management insurance includes property, general liability, medical malpractice, faithful performance of duty bond, automobile, and air and watercraft plans. The Department of Alcoholic Beverage Control pays premiums to each of these Departments for its insurance coverage. Information relating to the Commonwealth's insurance plans is available at the statewide level in the Commonwealth of Virginia's Comprehensive Annual Financial Report.

### 12. CONTINGENT LIABILITIES

The Department is named as a party in several legal proceedings. It is not possible at the present time to estimate ultimate outcome or liability, if any, of the Department in respect to the various proceedings; however, it is believed that any ultimate liability resulting from these suits will not have a material, adverse effect on the financial condition of the Department.

The Virginia Department of Alcoholic Beverage Control (ABC) is a public safety agency with law enforcement responsibilities; a major source of revenue for the Commonwealth; an efficient, service-oriented retail business; a provider of educational and prevention programs; and an administrative hearing agency addressing issues with establishments holding ABC licenses. Visit [www.abc.virginia.gov](http://www.abc.virginia.gov) for more information and for a copy of the complete online 2005 Annual Report that contains financial information for Fiscal Year 2005 and a downloadable, printable version of this entire report.

## ABC OFFICES AND WAREHOUSE INFORMATION

Location	Mailing Address	Phone	Fax
<b>CENTRAL OFFICE AND WAREHOUSE</b>			
<b>Richmond</b>			
2901 Hermitage Road Richmond, VA 23220	PO Box 27491 Richmond, VA 23261-7491	(804) 213-4400	
<b>REGIONAL OFFICES</b>			
<b>Abingdon (Satellite Office)</b>			
545 West Main Street Abingdon, VA 24210	PO Box 205 Abingdon, VA 24210-0205	(276) 676-5502	(276) 676-5549
<b>Alexandria</b>			
501 Montgomery Street Alexandria, VA 22314-1411	6308 Grovedale Dr. Alexandria, VA 22310	(703) 313-4432	(703) 313-4444
<b>Charlottesville (Satellite Office)</b>			
900 Natural Resources Dr., Suite 700 Fountaine Research Park 22903	900 Natural Resources Dr., Suite 700 Charlottesville, VA 22903	(434) 977-2974	(434) 977-4772
<b>Chesapeake</b>			
1103 South Military Highway Chesapeake, VA 23320	1103 South Military Highway Chesapeake, VA 23320	(757) 424-6700	(757) 424-6744
<b>Hampton</b>			
4907 West Mercury Blvd. Hampton, VA 23666	PO Box 5226 Newport News, VA 23605-0226	(757) 825-7830	(757) 825-7884
<b>Lynchburg</b>			
20353 Timberlake Road, Suite A Lynchburg, VA 24502	PO Box 10336 Lynchburg, VA 24506-0336	(434) 582-5136	(434) 582-5140
<b>Richmond North (Central Office)</b>			
2901 Hermitage Road Richmond, VA 23220	PO Box 27491 Richmond, VA 23261-7491	(804) 213-4620	(804) 213-4638
<b>Richmond South (Central Office)</b>			
2901 Hermitage Road Richmond, VA 23220	PO Box 27491 Richmond, VA 23261-7491	(804) 213-4624	(804) 213-4638
<b>Roanoke</b>			
201 Compton Street Roanoke, VA 24012	201 Compton Street Roanoke, VA 24012	(540) 857-6565	(540) 857-6540
<b>Staunton</b>			
460 Commerce Square Staunton, VA 24401	460 Commerce Square Staunton, VA 24401-4432	(540) 332-7800	(540) 332-7814



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Virginia Department of Alcoholic Beverage Control  
2901 Hermitage Road  
P.O. Box 27491  
Richmond, VA 23261-7491  
Phone: (804) 213-4400



*Visit [www.abc.virginia.gov](http://www.abc.virginia.gov) for a copy of the complete online 2005 Annual Report that contains financial information for Fiscal Year 2005 and a downloadable, printable version of this entire report.*

The mission of Virginia ABC is to control the distribution of alcoholic beverages; operate efficient, conveniently located retail outlets; enforce the laws of the Commonwealth pertaining to alcoholic beverages and youth access to tobacco products; and provide excellent customer service, a reliable source of revenue, and effective public safety.

#### CONTROL

ABC enforces the laws of the Commonwealth pertaining to alcoholic beverages and youth access to tobacco products and is committed to partnering with licensees, schools, and others to control the illegal and/or irresponsible use of alcohol in Virginia.

#### SERVICE

Excellent customer service means listening to our customers and stakeholders, providing what they need and working diligently to exceed their expectations.

#### REVENUE

We all benefit from ABC contributions to the Commonwealth, totaling \$1 billion in the last five years. ABC funds are distributed to state agencies; Virginia's General Fund; and localities for education, police, fire, rescue, public works and other projects.

#### ORGANIZATIONAL EXCELLENCE

Standards for organizational excellence are imperative in achieving the balance with ABC's multifaceted control/service/revenue mission.



**VIRGINIA DEPARTMENT OF  
ALCOHOLIC BEVERAGE CONTROL**