

Virginia ABC Board Meeting Minutes

January 15, 2026

Call Meeting to Order

Meeting called to order at 8:55 a.m. for the Board Appeal Hearing Board

Attendees

Board Chair, Tim Hugo
Board Vice-Chair, Mark Stepanian
Board Member, Greg Holland
Board Member, Lisa Jennings
Board Member, Jack Kerrigan
CEO, Dale Farino
Deputy Secretary, Chris Curtis
AGC, LaTonya Hucks Watkins
COO, Tom Kirby
CFO, Dave Alfano
CHR, John Singleton
Office of the Attorney General, Elizabeth Peay
Senior Paralegal, Helen Gordon
Sales Audit Lead Analyst, Martha Jackson

Opening Remarks

- Chair Hugo, thank you all for being willing to rearrange things today, so we are starting with our hearing first.

Board Appeal Hearing

- Ono Brewing

Closed Session

- The Chair requested that the Board move into closed session to deliberate on the appeal hearing.
- Board member Jennings made a motion to move the Board into closed session. Board member Holland seconded the motion.
- The Chair called roll; all voted unanimously to move into closed session. In attendance will be Elizabeth Peay, Dale Farino, Chris Curtis, Kristie Miles and LaTonya Hucks-Watkins.
- The Board moved into closed session at 9:21 a.m.
- Board member Holland made a motion to move the Board back into open session. Board member Jennings seconded the motion.
- The Chair called roll; all voted unanimously to return to open session.
- The Board moved back into open session at 9:28 a.m.
- Board member Jennings made motion to sustain the Administrative Law Judge's recommendation. Board member Holland seconded the motion.
- Board Members voted unanimously to sustain the decision of the Administrative Law Judge's; the charges were dismissed.
- The Chair moved into the Board meeting portion of today, calling the meeting to order at 9:35 a.m.

New Business

Approve Minutes from November 21, 2025 and December 9, 2025 Board Meetings

- Chair Hugo asked for discussion regarding the meeting minutes from the November 21, 2025 and the December 9, 2025 Board meeting.
- The revised minutes from the November 21, 2025 meeting were accepted.
- Board member Kerrigan stated that he felt that we should change the language that states that "Virginia is most restrictive" in the December 9, 2025 minutes.
- Chair Hugo asked for a motion to approve the revisions to the minutes from December 9, 2025.
- Vice-Chair Stepanian made a motion to approve the revisions to the minutes. Board member Kerrigan seconded the motion.
- The motion passed unanimously.

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Virtual Board Meeting policy

- Barbara Peterson-Wilson presented revisions to the Virtual Board meeting policy which included limits on the number of virtual meetings, the number of times a Board member may participate virtually and the process for Board members to seek approval to appear virtually.
- Board member Kerrigan made a motion to adopt the old policy with the revision to review the policy annually and to have further discussion on the policy at the next meeting. Board member Holland seconded the motion.
- The motion carried unanimously.

Financial Update:

- Mr. Alfano reviewed the November and December 2025 financial results.
- Member Kerrigan requested to see what we're doing in the first quarter as far as marketing since this is traditionally a slow time of the year.
- CEO Farino indicated that Tyler Moore will update the presentation he reviewed at the last Board meeting.
- Board Vice-Chair Stepanian, stated maybe we will have better defined results from the Carytown store then determine how best to refresh.
- In response to Vice Chair Stepanian's comments, CEO Farino advised that at the same time we do the marketing updates, we will talk about some things we are doing well at the Carytown store and some of the things we are not doing as well.
- Vice Chair Stepanian asked for a break-down of the SKUs and the display of items at the register in the Carytown store.

Comments from the Public

Happy Hour extension

- Natalie McNamara representing the VRLTA Virginia Restaurant, Lodging and Travel Association spoke about happy hour as a marketing tool and how the change would provide flexibility in food and drink options.
- Gary Cohen (via Teams) Executive Vice President of Glory Days, Grill, we which has fourteen (14) restaurants in Virginia agreed with Ms. McNamara that the change would provide marketing tools and flexibility to offer more late-night food and drink options.
- Tommy Herbert, of VRLTA spoke to the question regarding public safety in other states. In 2014, happy hour was extended in Texas. There was no change in traffic fatalities from 2014 on and, actually, they went down in 2015. States with restrictions comparable to Virginia were difficult to identify.
- The Board has until February 6, 2026 to make a decision on the subject. The subject will be on the agenda for the February 5, 2026 Board meeting. A discussion ensued on likely Mixed Beverage Annual Review legislation and its possible impact on this subject, as well as potential impact of Dram Shop legislation.
- There being no further discussion, the Chair moved on to the penny shortage topic.

Price differential (penny rounding)

- Mr. Alfano, reminded the Board of ABC's recommendation to implement rounding to the nearest nickel. The public comment period ended on January 9th, but no comments were received.
- AGC Hucks-Watkins, informed the Board that there isn't equivalency law in Virginia that would prevent ABC from rounding to the nearest nickel.
- Board member Jennings made a motion to approve the penny proposal and Board member Kerrigan seconded that motion.
- Chair Hugo called roll. Members voted unanimously; aye.

Board Vice-Chair Stepanian left the Board meeting at 11:05 a.m.

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2026 Legislative Session

- ACG Hucks-Watkins, we are currently tracking 72 bills including changes to FOIA, law enforcement and labor and employment and there are 12 bills that are ABC specific.

APA

- Mr. Alfano reviewed the results of the Auditor of Public Accounts (APA) report for ABC for the year ended June 30, 2025.
- The APA identified six (6) findings, all of which were classified as significant deficiencies requiring corrective action.
- None of the findings were classified as material weaknesses nor did any of the findings impact ABC's financial statements.
- The findings are related to the following:
 - Employee separation process
 - Conducting Information Security Assessments
 - Improve IT Risk Management and Contingency Plan
 - Continue Improving Oversight of Third-Party Service Providers
 - Two items were FOIA exempt and were discussed in closed session
- Mr. Alfano provided a summary of each finding and the remediation plan to address each identified issue.
- Board member Kerrigan made a motion to move into closed session to discuss the remaining two items on the APA audit list. Board member Holland seconded the motion.
- Chair Hugo called roll; the Board unanimously voted aye to move into closed session at 11:38 a.m.

Closed Session

Return to Open Session

- Board member Kerrigan made a motion to move out of closed session. Board member Jennings seconded the motion. The motion passed unanimously.

Board comments

- Chair Hugo asked for any further comments from the Board. There being none, the Chair adjourned the meeting at 11:53 a.m.

Meeting Adjournment

Meeting adjourned at: 11:53 a.m.

Next meeting: February 5, 2026