



TABC

TEXAS ALCOHOLIC BEVERAGE COMMISSION

service ★ courtesy ★ integrity ★ accountability

**ANNUAL REPORT
OF
NONFINANCIAL DATA
FOR FISCAL YEAR 2012**

**JOSÉ CUEVAS, JR., Presiding Officer
STEVEN M. WEINBERG, MD, JD, Member
MELINDA S. FREDRICKS, Member
SHERRY COOK, Administrator**

UNAUDITED

UNAUDITED



TABC

TEXAS ALCOHOLIC BEVERAGE COMMISSION

service ★ courtesy ★ integrity ★ accountability

José Cuevas, Jr.
Presiding Officer-Midland

Steven M. Weinberg, MD, JD
Member-Colleyville

Melinda S. Fredricks
Member-Conroe

Sherry Cook
Administrator

December 31, 2012

The Honorable Rick Perry, Governor
John Keel, CPA, State Auditor
John O'Brien, Director, Legislative Budget Board

Gentlemen:

We are pleased to submit the Texas Alcoholic Beverage Commission's *Annual Report of Nonfinancial Data* for the year ended August 31, 2012, in compliance with the TEX. GOV'T CODE ANN. § 2101.0115 and in accordance with the instructions for completing the Annual Report of Nonfinancial Data.

The accompanying report has not been audited and is considered to be independent of the agency's or institution's *Annual Financial Report*.

If you have any questions, please contact Shelby Eskew at (512) 206-3244.

Sincerely,

Sherry Cook
Administrator

UNAUDITED

THIS PAGE INTENTIONALLY LEFT BLANK

TEXAS ALCOHOLIC BEVERAGE COMMISSION
ANNUAL REPORT OF NONFINANCIAL DATA
For the Fiscal Year Ended August 31, 2012

Table of Contents

SCHEDULE 1 - APPROPRIATION ITEM TRANSFERS*1

SCHEDULE 2 - HUB STRATEGIC PLAN PROGRESS REPORT2

SCHEDULE 3 - INDIRECT COSTS3

SCHEDULE 4 - PROFESSIONAL, CONSULTING FEES AND LEGAL SERVICE FEES4

SCHEDULE 5 – SPACE OCCUPIED5

SCHEDULE 5A - SPACE OCCUPIED - STATE OWNED BUILDINGS.....5

SCHEDULE 5B - SPACE OCCUPIED - FREE SPACE6

SCHEDULE 5C - SPACE OCCUPIED - LEASED SPACE7

SCHEDULE 5D - SPACE OCCUPIED – FEDERAL LEASE AGREEMENTS9

SCHEDULE 6 - EXCEPTION LETTERS10

SCHEDULE 7 - VEHICLE PURCHASES14

SCHEDULE 8 - SCHEDULE OF STATE-OWNED VEHICLES.....15

SCHEDULE 9 - SCHEDULE OF RECYCLED, REMANUFACTURED AND ENVIRONMENTALLY SENSITIVE PURCHASES....16

ADDENDUM A - ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458).....19

ADDENDUM B - ORGANIZATIONAL CHART21

ADDENDUM C - SERVICE EFFORTS AND ACCOMPLISHMENTS22

ADDENDUM C.1 - SERVICE EFFORTS AND ACCOMPLISHMENTS - LICENSING.....24

ADDENDUM C.2 - SERVICE EFFORTS AND ACCOMPLISHMENTS – TAX DIVISION26

ADDENDUM C.3 - SERVICE EFFORTS AND ACCOMPLISHMENTS – FIELD OPERATIONS28

ADDENDUM D - CONTESTED ADMINISTRATIVE CASES -- CASES NOT SETTLED IN FIELD OFFICES.....33

ADDENDUM E - WET-DRY STATUS OF TEXAS COUNTIES34

ADDENDUM F - LOCAL OPTION ELECTIONS.....36

ADDENDUM G – STATEMENT OF COLLECTIONS.....42

ADDENDUM G.1 - DETAIL STATEMENT OF COLLECTIONS.....42

ADDENDUM G.2 - PER CAPITA CONSUMPTION.....43

ADDENDUM G.3 - HISTORICAL SUMMARY OF REVENUE COLLECTIONS.....43

UNAUDITED

THIS PAGE INTENTIONALLY LEFT BLANK

UNAUDITED

I. SCHEDULES

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 1 - APPROPRIATION ITEM TRANSFERS*

For the Fiscal Year Ended August 31, 2012

ITEM OF APPROPRIATION - AY 2011

	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Net Transfers</u>
	\$	\$	\$
A. Goal: Regulate Distribution			
Strategy:			
A.1.1 13016 Public Enforcement	60,000	(1,169,259)	(1,109,259)
A.1.1 21204 Reduction for Lost Property	377	0	377
A.1.1 52001 Capital Budget	344,348	(40,760)	303,588
A.1.1 52004 Capital Budget	454,355	(50,000)	404,355
A.1.1 52005 Capital Budget	219,419	(40,000)	179,419
A.1.1 52006 Capital Budget	240,000	0	240,000
Total, Goal A: Regulate Distribution	<u>1,318,499</u>	<u>(1,300,019)</u>	<u>18,480</u>
B. Goal: Process TABC Applications			
Strategy:			
B.1.1 13017 Business Compliance	0	(36,179)	(36,179)
B.1.1 52001 Capital Budget	41,036	(4,857)	36,179
Total, Goal B: Process TABC Applications	<u>41,036</u>	<u>(41,036)</u>	<u>0</u>
C. Goal: Collect Fees and Taxes			
Strategies:			
C.1.1 13018 Inspections and Compliance	0	(63,913)	(63,913)
C.1.1 52001 Capital Budget	72,494	(8,581)	63,913
C.2.1 13007 Ports of Entry	0	(34,574)	(34,574)
C.2.1 52001 Capital Budget	18,255	(2,161)	16,094
Total, Goal C: Collect Fees and Taxes	<u>90,749</u>	<u>(109,229)</u>	<u>(18,480)</u>
D. Goal: Indirect Administration			
Strategies:			
D.1.1 13800 Central Administration	0	(11,594)	(11,594)
D.1.1 13800 Texas Wine Marketing	0	(250,000)	(250,000)
D.1.1 52001 Capital Budget	13,151	(1,557)	11,594
D.1.2 13801 Information Resources	0	(1,004,841)	(1,004,841)
D.1.2 13801 DCS Reductions	64,301	0	64,301
D.1.2 52001 Capital Budget	11,860	(1,404)	10,456
D.1.2 50002 Capital Budget	400,457	(30,000)	370,457
D.1.2 52150 Capital Budget	619,627	(60,000)	559,627
D.1.3 13802 Other Support Services	0	(5,066)	(5,066)
D.1.3 52001 Capital Budget	5,746	(680)	5,066
Total, Goal D: Indirect Administration	<u>1,115,142</u>	<u>(1,365,142)</u>	<u>(250,000)</u>
Contingency Appropriations			
22846 Contingency Appn HB 1936	0	0	0
Total, Contingency Appropriations	<u>0</u>	<u>0</u>	<u>0</u>
NET APPROPRIATION ITEM TRANSFERS	<u><u>2,565,426</u></u>	<u><u>(2,815,426)</u></u>	<u><u>(250,000)</u></u>

*This schedule does not include Benefit Replacement Pay Transfers.

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 2 - HUB STRATEGIC PLAN PROGRESS REPORT

For the Fiscal Year Ended August 31, 2012

CATEGORY	Actual for FY 11*	Actual for FY 12*	Goal for FY 12**
Heavy construction other than building contracts	0.0%	0.0%	11.20%
Building construction, including general contractors and operative builders contracts	0.0%	0.0%	21.10%
Special trade construction contracts	56.26%	43.70%	32.70%
Professional services contracts	0.00%	0.00%	23.60%
Other services contracts	10.49%	21.50%	24.60%
Commodities contracts	30.62%	21.26%	21.00%

*Actual = Percent spent with HUBS from Comptroller's HUB report

**Goal = Strategic Plan HUB goals

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 3 - INDIRECT COSTS**

For the Fiscal Year Ended August 31, 2012

Payroll Related Costs		
FICA Employer Matching Contribution	\$ 2,137,854	
Group Health Insurance	3,469,706	
Payroll Health Insurance Contribution	264,613	
Retirement	1,622,873	
Retirement-Other	7,026	
Unemployment	17,027	
Total Payroll Related Costs		\$ <u>7,519,099</u>
Benefit Replacement Pay (BRP)	\$ <u>123,509</u>	
Total Benefit Replacement Pay		\$ <u>123,509</u>
Indirect Costs - Statewide Full Cost Allocation Plan		
Building Depreciation	\$ 13,858	
CPA Fiscal and ITD	147,759	
CPA Purchasing & Support (TPASS)	21,977	
CPA Rebates	(4,110)	
Dept of Information Resources	314	
DIR Roll Forward Adjustments	(1,446)	
TFC Building & Utilities	28,250	
TFC Facilities and Space Management	995	
Governor's Budget and Planning	742	
State Office of Risk Management	(26,180)	
SORM Roll Forward Adjustments	(5,110)	
Total Indirect Costs - Statewide Full Cost Allocation Plan		\$ <u>177,049</u>
TOTAL INDIRECT COSTS		\$ <u><u>7,819,657</u></u>

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 4 - PROFESSIONAL, CONSULTING FEES AND LEGAL SERVICE FEES**

For the Fiscal Year Ended August 31, 2012

NAME	TYPE OF SERVICE RENDERED	AMOUNT
E-Watch Corporation	Computer Programming	674
Blauer Tactical Systems, Inc.	Educational and Training Services	375
Colt Defense, LLC	Educational and Training Services	450
Motorola Solutions, Inc	Educational/ Training/ Professional Services	15,440
Versa Management Systems, Inc.	Computer Programming	102,299
Systems Application Engineering, Inc.	Computer Programming	5,920
Workers Assistance Program	Other Professional Services	6,950
Allied Consultants, Inc.	Computer Programming	39,170
Lehman Associates	Consultant Services	14,000
Jansen and Gregorczyk, CPA	Financial and Accounting Services	50,000
Neubus, Inc	Computer Programming	4,000
Indoor Environmental Consultants, Inc.	Consultant Services	1,180
National Academy for Professional Driving	Education/Training Services	7,650
Resource Center of Dallas, Inc	Education/Training Services	1,610
Collin County Community College	Education/Training Services	25
International Forensic Science Consultants	Consultant-Witness Fees	3,960
Adriana Arce-Flores	Professional Services	1,000
Dr. Stephen Pearce	Consultant-Witness Fees	2,887
DLT Solutions	Consultant Services	379
Texas Department of Information Resources	Computer Services-Statewide Tech Center	462,403
University of Texas at Austin	Consultant Services	2,889
Total Professional / Consulting Fees	EXH II - AFR	\$ 723,261
Total Legal Fees	EXH II - AFR	\$ 0
Total Professional / Consulting and Legal Fees	EXH II - AFR	\$ 723,261

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5 – SPACE OCCUPIED****SCHEDULE 5A - SPACE OCCUPIED - STATE OWNED BUILDINGS**

For the Fiscal Year Ended August 31, 2012

Space occupied in state owned buildings by the Commission as August 31, 2012, was as follows:

LOCATION	ADDRESS	SQUARE FEET OCCUPIED
El Paso, TX	401 E. Franklin, Suite 120 El Paso, TX 79901	2,885
Paso Del Norte Bridge, El Paso, TX	1000 S. El Paso Street El Paso, TX 79901	634
Bridge of the Americas, El Paso, TX	3600 E. Paisano El Paso, TX 79901	337
Juarez Lincoln Bridge, Laredo, TX	700 Lincoln St. Laredo, TX 78040	171
Gateway International Bridge, Laredo, TX	1100 Zaragoza Laredo, TX 78042	16
Yselta, TX	797 South Zaragosa El Paso, TX 79907	144
Warehouse - Austin	4044 Promontory Point, Austin, TX	6,200

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5B - SPACE OCCUPIED - FREE SPACE**

For the Fiscal Year Ended August 31, 2012

Free space occupied by the Commission as of August 31, 2012, was as follows:

LOCATION (TEXAS)	ADDRESS	SQUARE FEET
Alpine Outpost	Brewster Co. Sheriff's Office 201 West Ave. E., Alpine, TX 79830	80
Belton Outpost	Bell Co. Courthouse Annex 111 East Water, Belton, TX 76513	760
Brazoria Outpost	Brazoria Police Department 202 S. Main St., Brazoria, TX 77422	300
Brownwood Outpost	Brown Co. Law Enf. Center 1050 W. Commerce, Brownwood, TX 76801	100
Cameron Co. Outpost	1390 West Expressway 83, San Benito, TX 78586	300
Cleburne Outpost	1102 East Kilpatrick, Cleburne, TX 76031	140
Denton Outpost	Denton Co. Annex 306 N. Loop 288, Suite 126. Denton, TX 76209	210
Fort Davis Outpost	Fort Davis County Annex Building, 103 Court Avenue, Fort Davis, TX 79734	120
Georgetown Outpost	Williamson Co. Courthouse Annex 517 Pine St., Georgetown, TX 78626	200
Greenville Outpost	Hunt Co. Criminal Justice Center, 2801 Stuart St., Greenville, TX 75401	150
Hondo Outpost	Medina County Courthouse 801 Avenue Y, Hondo, TX 78861	65
Huntsville Outpost	Huntsville Police Dept. 1220 11th St., Huntsville, TX 77340	100
La Grange Outpost	243 S. College, La Grange, TX	150
Laredo Outpost	Webb Co. Courthouse 1200 Washington, Laredo, TX 78042	850
Leander Outpost	705 Leander Dr., Leander, Texas 78641	100
Llano Outpost	Llano Co. Sheriff's Office, 2001 N. State Hwy 16, Suite A, Llano, TX 78643	190
Lufkin Outpost	Angelina Co. Sheriff's Office 2311 E. Lufkin Ave., Lufkin, TX 75901	150
McKinney Outpost	Collin Co. Annex 825 N. McDonald, Suite 180, McKinney, TX 75069	600
Mount Pleasant Outpost	383 Fort Sherman Pam Road, Mt Pleasant, TX 75456	150
New Braunfels Outpost	Comal County Tax Office, 205 North Seguin Ave., New Braunfels, TX 78130	100
San Marcos Outpost	Hays Co. Courthouse Annex 102 North LBJ, Suite 200, San Marcos, TX 78666	570
Sherman Outpost	Grayson Co. Courthouse 100 W. Houston St., 3rd Floor, , Sherman, TX 75090	300
Uvalde Outpost	Uvalde Co. Courthouse 100 North Getty Street, 3rd Floor, Box 2, Uvalde, TX 78801	65
Wharton Outpost	Wharton Co. Sheriff's Office 315 East Elm, Wharton, TX 77488	100
TOTAL		5,850

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5C - SPACE OCCUPIED - LEASED SPACE**

For the Fiscal Year Ended August 31, 2012

Rented space occupied by the Commission as of August 31, 2012, was as follows:

LOCATION (TEXAS)	ADDRESS	LESSOR
Abilene	209-C South Danville	Enterprise Building Abilene, LP
Amarillo	3131 Bell Street	JSW Properties
Arlington	2225 East Randol Mill Road	Arlington Downs Tower
Austin	5806 Mesa Drive	ASEM Properties
Austin	7600 Chevy Chase Drive Suite 116	Chase Park Owner, LLC
Austin	4044 Promontory Point, Bldg.#1	Texas Building and Procurement
Beaumont	6450-52 Concord Road	Walker Brother Properties
Bryan	1716 Briarcrest, Suite 508	G/G Enterprises
Conroe	702 North Thompson Suite 110	Five Star Interest, LP
Corpus	2820 South Padre Island Dr.	2820 South Padre Island Drive, LP
Dickinson	3717 Highway 3	Ronald F. Loomis
Donna (Donna Intl Bridge)	Lot 12 of International Bridge Subdivision	City of Donna
Eagle Pass	500 South Adams	City of Eagle Pass
Hidalgo	929 International Bridge	City of McAllen
Houston	427 West 20th Street, Suite 600	Heights Medical Tower, LTD
Longview	2800 Gilmer Road	Gary F. Mapes BGK Intergrated TIC Management, LLC
Lubbock	3223 South Loop 289, Suite 301	
McAllen	6521 North 10th Street, Ste. D	Yzaguirre & Chapa, LLC
Odessa	6010 East Highway 191	Sagebrush Partners
Presidio	Presidio International Bridge Hwy. 67	RCS Incorporated, Pecos
Progreso	Progreso International Bridge S. FM 1015 Rd.	B & P Bridge Co. of Weslaco
Richmond	1521 Eugene Heimann Circle	Fort Bend County
San Angelo	622 South Oakes, Suite P	City of San Angelo
San Antonio	4203 Woodcock Drive, Suite 120	Brass Centerview Holdings
Victoria	205 North Bridge Street	Victoria County
Waco	6001 West Waco Drive, Suite 314	CBL Richland Mall
Wichita Falls	624 Indiana Street, Suite 300	Mathis, West, Huffines & Company

LEASE NO	TYPE	USABLE SQ FT	FTEs	MONTHLY RENTAL	COST PER SQ FT	ANNUAL COST	COMMENTS
ABC-066	Office	2,200	5.0	2,200	\$1.00	\$26,400	Expires 08/31/11
ABC-078	Office	2,412	7.0	3,060	\$1.27	\$36,720	Expires 08/31/12
ABC-015	Office	7,233	61.0	18,509	\$2.56	\$222,104	Expires 12/31/16
ABC-092	Office	31,618	135.6	59,852	\$1.89	\$718,224	Expires 08/31/17
ABC-053	Office	5,378	28.0	10,582	\$1.97	\$126,984	Expires 12/31/15
IAC#01-1294	Warehouse	6,200	3.0	-	\$0.00	\$0	Expired 08/31/09
ABC-061	Office	2,134	7.0	2,550	\$1.19	\$30,600	Expires 08/31/15
ABC-073	Office	1,673	8.0	3,051	\$1.82	\$36,612	Expires 08/31/12
458-6-40003A	Office	2,000	10.0	2,822	\$1.41	\$33,864	Expires 08/31/15
ABC-069	Office	2,996	11.0	3,035	\$1.01	\$36,420	Expires 08/31/11
ABC-087	Office	1,780	1.0	2,582	\$1.45	\$30,984	Expires 08/31/11
	Tax Booth		1.0	2,250		\$27,000	Expires 11/14/2015
ABC-090	Tax Booth	180	8.0	650	\$3.61	\$7,800	Expires 8/31/2011
ABC-055p	Tax Booth	650	14.0	2,109	\$3.24	\$25,304	Expires 08/31/13
ABC-052	Office	9,787	73.0	10,864	\$1.11	\$130,368	Expires 08/31/14
ABC-047	Office	2,220	7.0	2,640	\$1.19	\$31,680	Expires 08/31/15
ABC-079	Office	2,706	6.0	3,690	\$1.36	\$44,280	Expires 08/31/13
ABC-095	Office	4,553	18.0	6,766	\$1.49	\$81,192	Expires 08/31/12
ABC-059	Office	2,615	6.0	3,217	\$1.23	\$38,604	Expires 08/31/15
ABC-081p	Tax Booth	24	3.0	450	\$18.75	\$5,400	Month to Month
ABC-049p	Tax Office	374	10.0	2,678	\$7.16	\$32,136	Expires 08/31/12
	Office	1916	9.0	2,874	\$1.50	\$34,488	Expires 08/31/12
ABC-303-9918- e9a	Office	426	2.0	403	\$0.95	\$4,836	Expires 07/31/19
ABC-076	Office	5,854	35.0	11,316	\$1.93	\$135,792	Expires 11/30/14
ABC-096	Office	1,660	5.0	2,159	\$1.30	\$25,908	Expires 08/31/14
ABC-068	Office	2,770	13.0	3,497	\$1.26	\$41,964	Expires 11/30/11
ABC-067	Office	1,810	4.0	1,337	\$0.74	\$16,041	Expires 08/31/11

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 5D - SPACE OCCUPIED – FEDERAL LEASE AGREEMENTS**

As of August 31, 2012

The Commission holds the following license agreements for lease space at bridge sites into Mexico. General Services Administration of the Federal Government issues the licenses.

LICENSE NUMBER	LOCATION	MONTHLY FEE	LEASE EXPIRES
GS07B(S)2271/ATX08022	Anzalduas	\$ 1,055.00	00/00/00
GS07B(S)1624	Brownsville (Gateway)	\$ 65.00	00/00/00
GS07B(S)1625	Brownsville (Railroad)	\$ 65.00	00/00/00
GS07B(S)2055	Brownsville (Los Tomates)	\$ 332.00	00/00/00
GS07B(S)1623	Del Rio Bridge	\$ 524.00	00/00/00
GS07B(S)2156	Los Indios	\$ 214.00	00/00/00
GS07B(S)1622	Eagle Pass Bridge I	\$ 142.00	00/00/00
GS07B(S)2063	El Paso (Bridge of the Americas)	\$ 441.00	00/00/00
GS07B(S)2062	El Paso (Paso Del Norte)	\$ 1,796.00	00/00/00
GS07B(S)2066	Laredo (Juarez-Lincoln)	\$ 309.00	00/00/00
GS07B(S)1626	Laredo (Gateway-GSA)	\$ 210.00	00/00/00
GS07B(S)1426	Laredo (Gateway-TABC)	\$ 54.00	00/00/00
GS07B(S)1672	Pharr Bridge (GSA)	\$ 176.00	00/00/00
GS07B(S)1655	Roma Bridge	\$ 120.00	00/00/00
GS07B(S)1656	Ysleta Bridge	\$ 408.00	00/00/00

Note: 00/00/00 designates a perpetual lease

The above license agreements allow the Commission to operate at federal sites. The monthly fee is based on the cost of utilities, new construction amortization and/or rental fees associated with providing space to the agency by the General Services Administration. The fees may be adjusted based on increases in utility, maintenance, and construction costs.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 6 - EXCEPTION LETTERS**

For the Fiscal Year Ended August 31, 2012

During the fiscal year ended August 31, 2012, the Texas Alcoholic Beverage Commission prepared the following exception letters.

Vendor	Product	Justification	Amount
Mercury Communications	Telephone Systems	TABC's current Voice Technology infrastructure is primarily NEC systems, requiring all goods/services to be purchased from an NEC authorized dealer (Mercury Communications). NEC or Mercury Communications are not a part of any Comptroller of Public Accounts or DIR state contract. In viewing the DIR website, there are no authorized vendors that would provide the needed services of TABC. Mercury Communications is authorized to sell and service all NEC products, obligating this solicitation to be purchased from Mercury Communications.	\$16,378.44
Caldwell Country Chevrolet	Emergency Lighting System	The attached purchase order was for wiring harnesses and the logistics transportation costs for 5 each, 2012 Chevrolet Half Ton Extended Cab Trucks utilized by the Texas Alcoholic Beverage Commission. The added harness installation shall be awarded to Caldwell Country Chevrolet for the grill/siren speaker, flasher system for wig wags and power management system. The Texas Alcoholic Beverage Commission ordered these 5 each, 2012 Chevrolet Half Ton Extended Cab Trucks from Caldwell Country Chevrolet, the primary awarded vendor on the Texas Comptroller of Public Accounts Texas SmartBuy System. Caldwell Country Chevrolet will drop ship these 5 units from the GMAC Plant to Kerr Industries to be up-fitted with the required harnesses for the installation of the emergency lighting and radio equipment.	\$8,077.30
Houston Liquid Assets	Liquor Storage	The attached purchase order was for storage and warehousing of confiscated liquor seized by the Texas Alcoholic Beverage Commission (TABC) Enforcement Division. TABC contacted several local vendors for storage facilities that could warehouse perishable items in a controlled environment. No local contacts could provide the storage space under the required constraints. Perishable items were stored temporarily at a local wholesaler warehouse and materials were required to be moved as soon as possible to alleviate warehouse space. This warehouse space shall assist TABC in the secured protection of the confiscated materials at the correct controlled temperature.	\$8,820.00
Lone Star Products and Equipment	Public Safety Equipment Installation	The requested installation of public safety equipment is required fourteen (14) 2012 Chevrolet Impala Police Interceptor and five (5) 2012 Chevrolet Silverado Pickups to be utilized by TABC Enforcement Agents. Lone Star Products & Equipment is familiar with how the equipment needs to be installed, wired and connected into the	\$12,825.00

		<p>vehicle wiring systems. Utilizing Lone Star Products & Equipment will maintain uniformity in the installation of equipment, wiring size and color codes, connections and wire routing which will aid the technician in future when having to trouble shoot or repairs. TABC Fleet Services often get phone calls from the field in reference to problems with the emergency lights; siren or radio equipment and having a standardized installation greatly assist in locating problems and making necessary repairs. This uniformity saves the agency money, Agent's time and vehicle expenses, by not requiring the agent to drive the vehicle to the radio shop in Austin for repair. This purchase would be compatible and interchangeable with equipment being utilized by this agency presently.</p> <p>The required contractor Lone Star Products & Equipment shall assist in all phases and provide services to deploy units throughout the State of Texas. Services shall include, but are not limited to, installation of back-flash module (flash rear tail and back-up lights), install main radio power cable, install radio control head pedestal mount and interior speaker cables, install radio control head pedestal mount and interior speaker cables, install front wig-wag (headlight flasher) module, mount siren driver (behind the front grill), outside speakers and install front grill lights if required, measure and build wiring harness for wig-wag siren/light box, siren driver and back-flash modules, install siren/light control box and attach necessary wiring from wiring harness, install vehicle anti-theft system (shift-lock), install front windshield red & blue warning light system if required and connect to control box, install rear deck red & blue CHMSL warning light system and connect to control box, install antenna mounts, antenna cables and antennas (number as required by location), reinstall seats (front and rear), carpeting, molding and trim removed during installation and install radios and system quality control check.</p>	
--	--	--	--

<p>Lehman Associates</p>	<p>Applicant Screening / Evaluation Services</p>	<p>Lehman Associates provides executive search services to clients in both the public and private sectors. Lehman Associates list of clients has included national private sector organizations such as Applied Materials, Wells Fargo Bank, National Instruments, Deloitte and Touche, Texas Monthly Magazine, ELM Resources, Educaid, and large law firms such as Akin, Gump, Strauss, Hauer and Feld. Not for profit and public sector clients include such organizations as the Texas Department of Health, the Commission on Environmental Quality, the Texas Workforce Commission, the Lower Colorado River Authority, and the Texas Alcoholic Beverage Commission (TABC). Lehman Associates employs Ms. Penny McLeskey, prior President of The McLeskey Group, Inc. Ms. McLeskey began her career in executive searches in 1985. Prior to the executive search business, she held senior management positions in human resources and operations. With an expertise in leadership recruitment and retention, organizational development and design, and change management, Ms. McLeskey provides consulting services to clients in both the public and private sectors on a national basis. She is a frequent public speaker on the subject of human resource practices, organizational effectiveness, and leadership development. In addition, Ms. McLeskey holds a Bachelor's degree in liberal arts from the University of Texas at Austin and a Master's degree in psychology from the University of Northern Colorado. The McLeskey Group, Inc. has served the TABC in three prior executive search assignments: first, reporting to the Commissioners in the recruitment and selection of the previous Administrator; second, with the placement of the Director of Information Technology and third, with the selection of the prior Assistant Administrator. Ms. McLeskey is well versed in TABC's organizational issues, structure and culture.</p>	<p>\$14,000.00</p>
<p>PhoneFactor, Inc.</p>	<p>Mobile Law Enforcement Network</p>	<p>PhoneFactor is an out-of-band two-factor authentication technology that requires no new hardware, certificates, or tokens and does not rely on One Time Password methods entered into the user's browser. It works with any phone and provides integration with VPN's, E-Mail, Citrix, Single Sign-On, Directories, and other corporate applications. A user simply logs into their existing corporate VPN, E-Mail, or Online Account with their user name and password - just like they do today. Instantly, the user gets a call. They simply answer and either enter their PIN or Press the # key to complete their log-in. No other company offers an out-of-the box, 100% out-of-band authentication solution using a cellular phone or land line, in addition to offering the capability of using an OATH phone app as an automatic rollover backup.</p>	<p>\$30,375.00</p>

UNAUDITED

Photonics and Analytics Limited	Truespirit Authenticator	Photonics & Analytics Limited is the sole source provider of the Truespirit Authenticator, a transportable pre-screening spectrophotometer used for the detection of adulterated, substitute & counterfeit distilled spirits and the authentication genuine brand distilled spirits. This spectrophotometer and its associated hardware and software components are all single source product and must be purchased directly by institutions and organizations from Photonics & Analytics Limited.	\$14,048.81
---------------------------------	--------------------------	--	-------------

UNAUDITED

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 7 - VEHICLE PURCHASES

For the Fiscal Year Ended August 31, 2012

During fiscal year 2012, the agency purchased 23 replacement vehicles.

Make & Model	Quantity	Purchase Price	Efficiency	Assigned Use
2012 Chevrolet Impala	15	\$302,211.84	18-31 MPG	Law Enforcement
2012 Chevrolet Silverado	5	\$104,612.30	15-21 MPG	Law Enforcement

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

SCHEDULE 8 - SCHEDULE OF STATE-OWNED VEHICLES

For the Fiscal Year Ended August 31, 2012

Vehicles Assigned to Peace Officers

A Texas Alcoholic Beverage Commission vehicle is assigned to all agency commissioned peace officers except for licensing investigators. The officers' assigned vehicles are subject to call twenty-four hours a day and their duties may require immediate response to situations affecting the safety and wellbeing of the citizens of this state.

Austin Headquarters Vehicle Assignments

Listed below are the names and positions of personnel assigned to the Austin headquarters whose duties require the assignment of a state vehicle on a full-time basis:

Department: Name, Title	Description
<p>Executive: Sherry Cook, Administrator</p> <p>Field Operations: Chief – Position Vacant 08/31/12 Rod Venner, Assistant Chief Earl Pearson, Assistant Chief Dexter Jones, Assistant Chief Roland Luna, Director POE Darryl Darnell, Lieutenant</p> <p>Office of Professional Responsibility: Andres Pena, Director Alberto Rodriguez, Lieutenant John Reney, Investigator</p>	<p>Vehicle assignments to headquarters personnel are limited to commissioned peace officers. Officers are subject to call twenty-four hours a day and job duties may require immediate response to situations affecting the safety and wellbeing of the public and the effective administration of the agency. Other employees may use agency pool vehicles that are properly marked for business related travel. There are approximately 30 employees that use a pool vehicle on a regular basis.</p>

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**SCHEDULE 9 - SCHEDULE OF RECYCLED, REMANUFACTURED AND ENVIRONMENTALLY SENSITIVE PURCHASES**

For the Fiscal Year Ended August 31, 2012

FY 2012 Agency Report of Recycled, Remanufactured and Environmentally Sensitive Purchases	
Agency No. 458	Agency Name: Texas Alcoholic Beverage Commission
Point of Contact:	Ron Hunter, Purchasing Manager
Phone Number:	(512) 206-3262
E-Mail Address:	ron.hunter@tabc.state.tx.us

E1, E2, or E3	Description	Non-Delegated	Delegated	Total
Total E1 Including 1 st Choice	Recycled	\$12,288.29	\$0	\$12,288.29
Total E2 Including 1 st Choice	Remanufactured	\$0	\$0	\$0
Total E3 Including 1 st Choice	Environmentally Sensitive	\$0	\$0	\$1,085.00
Total of E1, E2, and E3 includes Recycled 1st Choice Targeted Totals		\$12,288.29	\$0	\$12,288.29

Non-Delegated FY 2012 1st Choice Targeted Commodities	Expenditures			% Spent on 1st Choice Products 100* [A/(A+B)]
	1 st Choice Products (A)	Virgin Counterpart (B)	Total (A+B)	
Motor Oil & Lubricants	\$0	\$0	\$0	0%
Toilet Paper, Toilet Seat Covers & Paper Towels	\$2,134.80	\$0	\$2,134.80	100%
Printing Paper, Copier Paper, & Computer Paper	\$10,597.92	\$0	\$10,597.92	100%
Business Envelopes	\$1,263.50	\$0	\$1,263.50	100%
Plastic Trash Bags	\$0	\$0	\$0	0%
Plastic Cover Binders	\$2,007.36	\$0	\$2,007.36	100%
Recycling Containers	\$0	\$0	\$0	0%
Photocopiers	\$0	\$0	\$0	0%
Total 1 st Choice Targeted Commodities	\$16,003.58	\$0	\$16,003.58	100%

* Delegated Summary of Total Number of Justification Letters	Exception (1) Cost	Exception (2) Quality	Exception (3) Not Available	Exception (4) Other
Motor Oil & Lubricants	0	0	0	0
Toilet Paper, Toilet Seat Covers & Paper Towels	0	0	0	0
Printing Paper, Copier Paper, & Computer Paper	0	0	0	0
Business Envelopes	0	0	0	0
Plastic Trash Bags	0	0	0	0
Plastic Covered Binders	0	0	0	0
Recycling Containers	0	0	0	0
Photocopiers	0	0	0	0
Total Number(s)	0	0	0	0

II. ADDENDA

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM A - ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**

For the Fiscal Year Ended August 31, 2012

Created as the Texas Liquor Control Board by H.B. 77, 44th Legislature, 2nd Called Session (1935), this Commission was organized and began functioning on November 16, 1935. The Texas Liquor Control Board remained the Commission's name until January 1, 1970, when H.B. 379, 61st Legislature, Regular Session (1969), became effective, redesignating its title to Texas Alcoholic Beverage Commission (the Commission).

The Commission is charged with the administration and enforcement of the Texas Alcoholic Beverage Code. As described in Title 2, Chapter 5, Subchapter B of the Alcoholic Beverage Code, the powers and duties of the Commission are as follows:

"Sec. 5.31. GENERAL POWERS AND DUTIES The Commission may exercise all powers, duties and functions conferred by this code, and all powers incidental, necessary, or convenient to the administration of this code. It shall inspect, supervise, and regulate every phase of the business of manufacturing, importing, exporting, transporting, storing, selling, advertising, labeling and distributing alcoholic beverages, and the possession of alcoholic beverages for the purpose of sale or otherwise. It may prescribe and publish rules necessary to carry out the provisions of this code."

Article IX, Section 5.09 of the Appropriations Act adopted by the 82nd Legislature authorizes per diem for Commission members consisting of compensatory per diem at \$30 per day; actual expenses for meals and lodging at the rates specified in the Act for state employees; and transportation reimbursement at the rates specified in the Act for state employees.

The Commission members serving on August 31, 2012, are listed below:

Name	Designated Headquarters	Term Expires*
José Cuevas, Jr., Presiding Officer	Midland, TX	11-15-2015
Steven M. Weinberg, MD, JD Member	Colleyville, TX	11-15-2017
Melinda S. Fredricks, Member	Conroe, TX	11-15-2013

*Commissioners continue to service following the expiration of their terms until replaced by the Governor.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM A (Continued)

ORGANIZATION OF THE TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

For the Fiscal Year Ended August 31, 2012

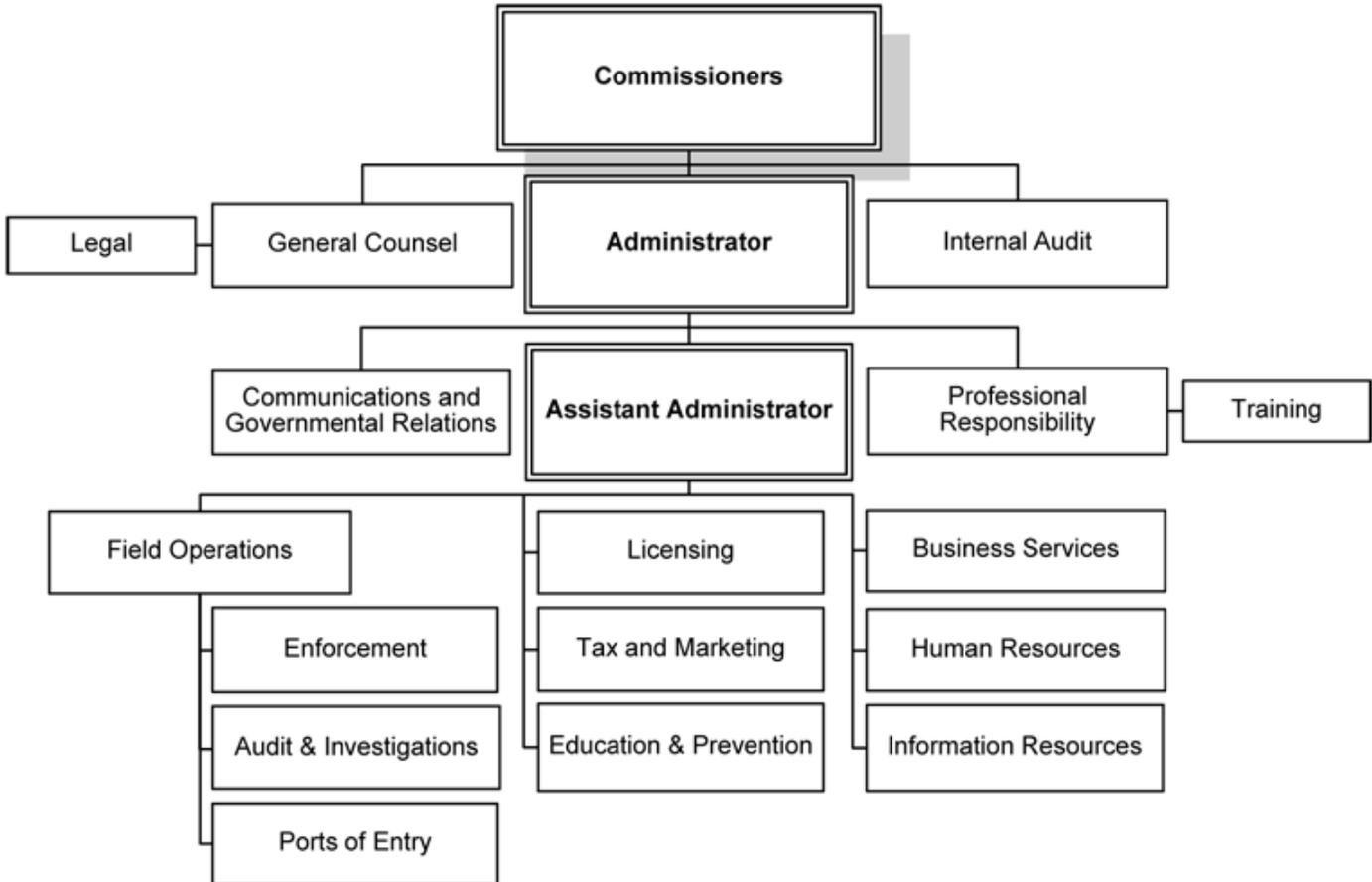
An Administrator, who is appointed by the Commissioners, is responsible for managing the Commission's daily operations. Ms. Sherry Cook of Bastrop was named Administrator by the Commission on July 1, 2012. The Commission's key personnel as of August 31, 2012, are listed below:

Name	Title
Sherry Cook	Administrator
Position Vacant	Assistant Administrator
Position Vacant	Chief of Field Operations
Emily Helm	General Counsel
Amy Harrison	Director – Licensing Division
Steve Greinert	Director – Tax Division and Label Approval Division
Shelby Eskew	Director – Business Services Division
Jay Webster	Director – Information Resources Division
Loretta Doty	Director – Human Resources Division
Carolyn Beck	Director – Communications & Governmental Relations
Andres Pena, Jr.	Director – Office of Professional Responsibility
Mindy Carroll	Director – Education & Prevention Division
Roland Luna	Director – Ports of Entry Division
Dexter Jones	Assistant Chief - Field Operations (North Texas Region)
Earl Pearson	Assistant Chief - Field Operations (Coastal Bend Region)
Rod Venner	Assistant Chief – Field Operations (Border Region)
Thomas Graham	Marketing Practices Supervisor

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM B - ORGANIZATIONAL CHART

For Fiscal Year Ended August 31, 2011



TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C - SERVICE EFFORTS AND ACCOMPLISHMENTS

For the Fiscal Year Ended August 31, 2011

For the Fiscal Years
Ending
August 2011 August 2012

A. Goal: **REGULATE DISTRIBUTION**

To protect the peace and safety of the public by taking positive steps to encourage voluntary compliance with the Texas Alcoholic Beverage Code and other state laws and by under taking enforcement and regulatory actions that are fair and effective.

Outcomes:

Percentage of Licensed Establishments Inspected Annually	88.26%	80.93%
--	--------	--------

A.1.1 Strategy: **DETER/DETECT VIOLATIONS**

Deter and detect violations of the Alcoholic Beverage Code by inspecting licensed establishments, by investigating complaints and by providing or sponsoring educational programs that promote voluntary compliance and increase the public's awareness of the state's alcoholic beverage laws

Outputs:

Number of Inspections Made	94,281	71,766
----------------------------	--------	--------

Efficiencies:

Average Cost per Inspection	\$213.60	\$268.86
-----------------------------	----------	----------

B. Goal: **PROCESS TABC APPLICATIONS**

Process alcoholic beverage license/permit applications and issue licenses/permits while ensuring compliance with the Alcoholic Beverage Code.

B.1.1.Strategy: **ENSURE LAW COMPLIANCE**

Issue licenses and permits while ensuring compliance with laws regarding ownership, performance, tax securities, and other regulatory requirements.

Outputs:

Number of Licenses/Permits Issued	56,610	74,145
-----------------------------------	--------	--------

Efficiencies:

Average Cost Per License/Permit Processed	\$66.88	\$46.19
---	---------	---------

ADDENDUM C (Continued)

For the Fiscal Years	
Ending	
August	
August 2011	2012

C. Goal: COLLECT FEES AND TAXES

To ensure compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving, and distributing of alcoholic beverages.

C.2.1.Strategy: PORTS OF ENTRY

Identify high traffic loads and strategically place personnel or equipment at ports of entry to more effectively regulate the personal importation of alcoholic beverages and cigarettes.

Outputs:

Number of Alcoholic Beverage Containers and Cigarette Packages Stamped	2,435,656	1,783,892
--	-----------	-----------

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.1 - SERVICE EFFORTS AND ACCOMPLISHMENTS - LICENSING**

For the Fiscal Year Ended August 31, 2012

During FY 2012, the following alcoholic beverage permits and licenses were issued:

Liquor Permits	Number Issued
Agent's Permit	5,029
Airline Beverage Permit	15
Beverage Cartage Permit	3,300
Bonded Warehouse Permit	5
Brewer's Permit	31
Carrier's Permit	214
Caterer's Permit	664
Daily Temporary Mixed Beverage Permit	1,008
Daily Temporary Private Club Permit	138
Direct Shippers Permit - Out of State Winery	518
Distiller's and Rectifier's Permit	23
Food & Beverage Certificate	4,618
Forwarding Center Certificate	21
General Class B Wholesaler's Permit	84
Industrial Permit	46
Local Cartage Permit	868
Local Cartage Transfer Permit	3
Local Class B Wholesaler's Permit	1
Local Distributor's Permit	610
Local Industrial Alcohol Manufacturer's Permit	3
Manufacturer's Agent's Permit	450
Manufacturing Agent's Warehousing Permit	3
Marketing Research Packager's Permit	1
Minibar Permit	28
Mixed Beverage Late Hours Permit	3,144
Mixed Beverage Permit	4,472
Mixed Beverage Restaurant with FB	1,048
Non Resident Brewer's Permit	174
Non Resident Seller's Permit	1,897
Package Store Permit	2,123
Package Store Tasting Permit	1,329
Passenger Train Beverage Permit	1
Private Carrier's Permit	366
Private Club Beer and Wine Permit	33
Private Club Exemption Certificate Permit	165
Private Club Late Hours Permit	199
Private Club Registration Permit	592
Private Storage Permit	14

ADDENDUM C.1 (Continued)

Promotional Permit	34
Public Storage Permit	18
Wholesaler's Permit	158
Wine and Beer Retailer's Permit (Excursion Boat)	10
Wine Bottler's Permit	1
Wine Only Package Store Permit	2,712
Winery Festival Permit	84
Winery Permit	131
Winery Storage Permit	1
Total Liquor Permits	36,387

Beer Licenses and Wine and Beer Retailer's Permits	Number Issued
Agent's Beer License	4,989
Beer Retail Dealer's Off-Premise License	5,419
Beer Retail Dealer's On-Premise License	986
Branch Distributor's License	69
Brewpub License/Permit	26
General Distributor's License	67
Importer's Carrier's License	13
Importer's License	124
Local Distributor's License	1
Manufacturer's License	16
Non Resident Manufacturer's License	148
Retail Dealers On-Premise Late Hours License/Permit	1,634
Temporary Charitable Auction Permit	172
Temporary License	2,038
Temporary License Special 3 Day Wine & Beer	1,987
Temporary License Special 4 Day Wine & Beer	12
Wine and Beer Retailer's Off-Premise Permit	12,986
Wine and Beer Retailer's Permit	7,071
Total Beer Licenses and Wine and Beer Retailer's Permits	37,758

Total Licenses and Permits Issued: 74,145

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM C.2 - SERVICE EFFORTS AND ACCOMPLISHMENTS – TAX DIVISION**

For the Fiscal Year Ended August 31, 2012

The agency's Tax Division consists of three units— Excise Tax Reporting, Marketing Practices, and Label Approvals & Chemical Analyses.

EXCISE TAX REPORTING

The Excise Tax Reporting unit is responsible for processing and reviewing excise tax payments and reports as well as other reports that are periodically due from members of the wholesale and manufacturing tiers of the alcoholic beverage industry. In FY 2012, assigned personnel processed \$202,222,858 in excise tax and service fee revenues and reviewed 54,590 tax and non-tax reports during the fiscal year. These reviews were conducted to verify the accuracy of the reports received and resulted in the collection of \$94,437 in tax underpayments and late fees.

Excise Tax Rates on Alcoholic Beverages

Type of Alcoholic Beverage	Tax Rate
Distilled Spirits	\$ 2.40 per gallon
Wine containing alcohol not more than 14% by volume	\$ 0.204 per gallon
Wine containing alcohol over 14%, but not more than 24% by volume	\$ 0.408 per gallon
Sparkling Wine	\$ 0.516 per gallon
Malt Liquor containing alcohol in excess of 4% by weight	\$ 0.198 per gallon
Beer containing not more than 4% alcohol by weight	\$ 6.00 per barrel

Revenue Collections

(These revenue figures do not include Ports of Entry Excise Stamp Sales)

Type of Revenue	Amount Collected
Excise Tax - Distilled Spirits	72,751,150
Excise Tax - Wine	12,747,910
Excise Tax - Malt Liquor	11,257,064
Excise Tax - Beer	104,938,897
Subtotal	\$201,695,021
Airline/Train Service Fees & Direct Liquor Tax	319,850
Excise Tax - Collections from Report Verifications	94,437
Private Club Temporary Membership Fees	113,550
Total	\$202,222,858

ADDENDUM C.2 (Continued)

MARKETING PRACTICES

The Marketing Practices Section aids in the enforcement of laws regulating the marketing of alcoholic beverage products and marketing relationships among alcoholic beverage retailers, wholesalers, and manufacturers. During FY 2012, as part of his duties, the Marketing Practices Supervisor reviewed 167 advertising proposals submitted by various members of the alcoholic beverage industry and approved 139 of those proposals.

LABEL APPROVALS & CHEMICAL ANALYSES

This unit processes and approves applications for product label approval and conducts product chemical testing as required for evidentiary purposes. During FY 2012, agency personnel reviewed and took action on product label applications as follows:

Labels Approved for Malt Beverages	2,724
Labels Approved for Distilled Spirits	2,838
Labels Approved for Wine	15,044
Disapproved Labels	570

The unit's chemist also conducted various analyses on beverage samples submitted for testing during FY 2012. A summary of analyses conducted and determinations made is as follows:

Number of analytical determinations made:	
Distilled Spirits	11
Malt Liquor	412
Beer	145
Miscellaneous	196
Total analytical determinations made	764

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM C.3 - SERVICE EFFORTS AND ACCOMPLISHMENTS – FIELD OPERATIONS

For the Fiscal Year Ended August 31, 2012

The largest and most visible of the agency's operating units, the Field Operations Division, is responsible for field enforcement of Texas laws regulating the manufacture, importation, transportation, and sale of alcoholic beverages. Division personnel also are also key participants in the agency's prevention and public education initiatives, providing most of the instructors and presenters needed for these programs and ensuring statewide distribution of related informational materials.

The Field Operations Division is managed by the Chief of Field Operations, three Assistant Chiefs-- each responsible for field operations in a separate region of the state, and a Director of Ports of Entry. The Law Enforcement arm of Field Operations consists of 254 commissioned peace officers, including the Chiefs, and an administrative support staff of 21. The division's Financial Compliance arm consists of 60 auditors and a 10 person administrative support staff. In addition to its Director and one administrative support person, division's Ports of Entry group employs 106 Tax Compliance Officers, all of whom are currently stationed at various border crossings along the state's border with Mexico.

REGIONS & DISTRICTS FOR LAW ENFORCEMENT AND FINANCIAL COMPLIANCE OPERATIONS

For law enforcement and financial compliance purposes, the Field Operations Division has divided the state into three regions, each supervised by an Assistant Chief. The regions are further sub-divided into a total of five districts. Each district is, dependent upon staffing, supervised by either a captain or major for law enforcement operations and a Compliance Supervisor, both of whom report to the Assistant Chief who oversees the region in which the district is located. One or more lieutenant and a number of sergeants assist the Captain or Major in the day-to-day management of law enforcement operations. The Compliance Supervisor is, in most districts, supported by an Assistant Compliance Supervisor.

Other personnel are assigned to each region and district on the basis of need, with need largely defined by the number of licensed premises located within the geographic confines of the district or region.

Listed below are the agency's regions and districts, the counties that are served by each, and the offices from which those counties are served.

REGION 1 – North Texas

Lubbock District

Personnel stationed in Amarillo, Abilene, Brownwood, Lubbock, Odessa, and San Angelo, and Odessa.

District comprised of the following counties: Andrews, Armstrong, Bailey, Borden, Briscoe, Brown, Callahan, Carson, Castro, Childress, Cochran, Coke, Coleman, Collingsworth, Comanche, Concho, Cottle, Crane, Crockett, Crosby, Dallam, Dawson, Deaf Smith, Dickens, Donley, Eastland, Ector, Fisher, Floyd, Foard, Gaines, Garza, Glasscock, Gray, Hale, Hall, Hansford, Hardeman, Hartley, Haskell, Hemphill, Hockley, Howard, Hutchinson, Iron, Jones, Kent, Kimble, King, Knox, Lamb, Lipscomb, Loving, Lubbock, Lynn, Martin, McCulloch, Menard, Midland, Mitchell, Moore, Motley, Nolan, Ochiltree, Oldham, Parmer, Potter, Randall, Reagan, Roberts, Runnels, Schleicher, Scurry, Shackelford, Sherman, Stephens, Sterling, Stonewall, Sutton, Swisher, Taylor, Terry, Tom Green, Upton, Ward, Wheeler, Winkler, and Yoakum.

ADDENDUM C.3 (Continued)

Arlington District

Personnel stationed in Arlington¹, Belton, Cleburne, Denton, Greenville, Longview, McKinney, Mineral Wells, Mount Pleasant, Sherman, Tyler, Wichita Falls, and Waco

District comprised of the following counties: Anderson, Archer, Baylor, Bell, Bosque, Bowie, Camp, Cass, Cherokee, Clay, Collin, Cooke, Coryell, Dallas, Delta, Denton, Ellis, Erath, Falls, Fannin, Franklin, Freestone, Grayson, Gregg, Hamilton, Harrison, Henderson, Hill, Hood, Hopkins, Hunt, Jack, Johnson, Kaufman, Lamar, Lampasas, Limestone, Marion, McLennan, Mills, Montague, Morris, Navarro, Palo Pinto, Panola, Parker, Rains, Red River, Rockwall, Rusk, Smith, Somervell, Tarrant, Throckmorton, Titus, Upshur, Van Zandt, Wichita, Wilbarger, Wise, Wood, and Young.

REGION 2 – Coastal Bend

Personnel stationed in Beaumont, Brazoria, Bryan, Conroe, Dickinson, Houston¹, Huntsville, Lufkin, Richmond, Sealy, and Wharton.

Region comprised of the following Counties: Angelina, Austin, Brazoria, Brazos, Chambers, Colorado, Fort Bend, Galveston, Grimes, Hardin, Harris, Houston, Jasper, Jefferson, Leon, Liberty, Madison, Matagorda, Montgomery, Nacogdoches, Newton, Orange, Polk, Robertson, Sabine, San Augustine, San Jacinto, Shelby, Trinity, Tyler, Walker, Waller, Washington, and Wharton.

REGION 3 – Border

Austin District

Personnel stationed in Austin, Georgetown, Llano, and San Marcos.

District comprised of the following Counties: Bastrop, Blanco, Burleson, Burnet, Caldwell, Fayette, Gillespie, Hays, Lee, Llano, Mason, Milam, San Saba, Travis, and Williamson.

San Antonio District

Personnel stationed in Corpus Christi, El Paso, Fort Davis, Hondo, Laredo, McAllen, New Braunfels, San Benito, San Antonio¹, and Victoria.

District comprised of the following counties: Aransas, Atascosa, Bandera, Bee, Bexar, Brewster, Brooks, Calhoun, Cameron, Comal, Culberson, DeWitt, Dimmit, Duval, Edwards, El Paso, Frio, Goliad, Gonzales, Guadalupe, Hidalgo, Hudspeth, Jackson, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy, Kerr, Kinney, Kleberg, La Salle, Lavaca, Live Oak, Maverick, McMullen, Medina, Nueces, Pecos, Presidio, Real, Reeves, Refugio, San Patricio, Starr, Terrell, Uvalde, Val Verde, Victoria, Webb, Willacy, Wilson, Zapata, and Zavala.

Note: Although physically located at border crossings within the San Antonio District and Border Region, Ports of Entry Tax Compliance Officers report to the Director of Ports of Entry, who, in turn, reports directly to the Chief of Field Operations. Law enforcement personnel and auditors provide support to Ports of Entry TCOs when such support is necessary, and all three groups cooperate and work together during special operations, but they report and are accountable to their own supervisors.

¹ Regional Office

ADDENDUM C.3 (Continued)**ENFORCEMENT AGENT ACTIVITIES IN FY 2012**

During the course of FY 2012, enforcement agents conducted 71,766 inspections in order to verify compliance with the state's alcoholic beverage laws. Of these, 68,010 involved licensed business. The remainder targeted unlicensed locations. 24,693 compliance checks were conducted at "priority" locations, licensed business with a past history of public safety related violations or complaints. The compliance rate for inspections of all licensed business (percent of inspections during which no violations were found) was 95.4 percent. The compliance rate for inspections of priority locations was 93.2 percent.

In addition to inspections, agents also conducted and completed 7,856 complaint investigations involving 11,593 alleged violations of state alcoholic beverage laws. The allegations investigated came from the general public, elected officials, other public agencies, agency licensees, and even the agency's own employees. While a good-faith effort was made to substantiate each allegation, only 29.5 percent of the investigations resulted in the discovery of chargeable violations.

ADMINISTRATIVE CASES FILED BY ENFORCEMENT AGENTS IN FY 2012

Enforcement agents issued 2,242 warnings and filed 1,934 cases for administrative violations of the Alcoholic Beverage Code in FY 2012. Of the cases filed, 1792 have been docketed to date. Of the docketed cases, 138 cases are yet to be resolved, 440 have been "restrained" as per the requirements of Section 106.14 of the Texas Alcoholic Beverage Code, 1,098 have resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, and 67 have resulted in cancellation. Civil penalty payments received to date as a consequence of the administrative cases filed by Enforcement agents in FY 2012 total to \$1,711,300.

Docketed Enforcement Administrative Cases Originating in FY 2012

Pending (No Disposition)	138
Restrained (Section 106.14)	440
Suspension or Civil Penalty Payment	1,098
Cancellation	67
Dismissed	10
Other Dispositions	39

Total Docketed Cases	1,792

CRIMINAL CASES FILED BY ENFORCEMENT AGENTS IN FY 2012

Enforcement agents issued 322 criminal warnings in FY 2012 and filed 2,449 criminal cases. The outcome for 2,198 of these cases is not yet known, but of the 251 cases for which dispositions have been obtained, 63 resulted in conviction, deferred adjudication, or some punitive measure. 167 involved cases in which agents assisted police officers from other agencies, acted on arrest warrants issued by the courts for cases brought by other agencies, or handed violators over to the custody of juvenile authorities or to the custody of another agency as required by federal or state statutes. Of the remainder, 6 cases were refused by prosecutors and 15 were dismissed by the courts. As of yet, no criminal case filed in FY 2012 has resulted in acquittal.

ADDENDUM C.3 (Continued)

STILL SEIZURES

TABC agents seized four (4) stills in FY 2012. The details are as follows:

On March 14, 2012, local deputy constables seized a still with 10 gallon capacity cooker in Trinity County, Texas. 30 gallons of mash were seized at the site and destroyed. Two (2) gallons of moonshine whiskey were confiscated. The custody of the still and the moonshine whiskey was passed to the TABC shortly after the seizure.

On March 21, 2012, TABC agents seized two stills at a site in Smith County, Texas, each with a 15 gallon cooker capacity. Approximately 50 gallons of mash was seized at the site and later destroyed. Agents also confiscated approximately four (4) gallons of moonshine whiskey.

On May 9, 2012, TABC agents seized a still with a 15.5 gallon capacity cooker in Hardin County, Texas. 45 gallons of mash were seized and destroyed at the site. Agents also confiscated 10 gallons of moonshine whiskey.

COMPLIANCE AUDITOR ACTIVITIES

Auditors performs a wide range of activities to fulfill its goal of ensuring compliance with the Alcoholic Beverage Code in the manufacturing, importing, exporting, transporting, storing, selling, serving, and distributing of alcoholic beverages. During FY 2012, Compliance auditors conducted 25,794 inspections of licensed or proposed businesses and performed 1,522 tax, fee, or records audits or analyses to ensure compliance with the state's alcoholic beverage regulations. As a result of these audits and analyses, auditors recovered \$80,110 in tax and fee delinquencies owed to the state. In addition, Auditors and other Compliance personnel also provided information or instruction related to the Alcoholic Beverage Code to 115,001 persons and processed 39,330 credit law and cash law notices of default.

COMPLIANCE AUDITOR ADMINISTRATIVE ENFORCEMENT ACTIONS

During the course of their duties in FY 2012, Auditors issued 1,644 administrative warnings and filed 1,147 administrative cases for various violations of the Alcoholic Beverage Code. Of the administrative cases filed by auditors in FY 2012, 578 have been docketed to date. Thirty-two (32) of these cases are yet to be resolved. As for the remainder, 529 resulted in suspension of licensing privileges or payment of civil penalties in lieu of suspension, 4 resulted in cancellation, and 8 were dismissed. Five (5) resulted in other dispositions. Civil penalty payments received to date as a consequence of administrative cases filed by Compliance in FY 2012 total to \$406,780.

Docketed Compliance Administrative Cases Originating in FY 2012

Pending (No Disposition)	32
Suspension or Civil Penalty Payment	529
Cancellation	4
Dismissed	8
Other Dispositions	5

Total Docketed Cases	578

ADDENDUM C.3 (Continued)

Compliance personnel also initiated 151 summary suspensions of alcoholic beverage permits at the request of the Office of the Comptroller of Public Accounts for failure to pay or timely report Mixed Beverage Gross Receipt Taxes to that agency. Summary suspensions were also initiated by Compliance for failure to maintain required tax bonds (68 ea.) and failure to pay state sales or franchise taxes (119 ea.). In total, 338 summary suspensions were initiated by Compliance personnel in FY 2012.

PORTS OF ENTRY ACTIVITIES

Personnel of the Ports of Entry Program monitor compliance with the personal importation laws of the State of Texas along the Texas-Mexico border. Taxpayer compliance officers with the program verify that persons importing alcoholic beverages meet all legal requirements regarding importation for personal consumption and collect the appropriate fees and taxes due. Through an agreement with the Comptroller of Public Accounts, Ports of Entry personnel are also responsible for determining compliance with the state laws governing the personal importation of cigarettes and the collection of any taxes due on these importations.

During Fiscal Year 2012, Ports of Entry taxpayer compliance officers stamped and collected taxes and fees for 1,783,892 alcoholic beverage and cigarette containers. In the course of these duties, tax compliance officers also confiscated and destroyed 14,583 alcoholic beverage and cigarette containers that were determined to have been imported in violation of state law. The containers were confiscated for the following reasons: Attempted importations by persons under 21 years of age, attempted importations by intoxicated persons, importations in excess of legal limits, and refusal to pay the taxes and fees owed on the alcoholic beverage and/or tobacco products imported.

Program staffing is maintained through six Port of Entry districts offices, which, in turn, monitor 28 international crossings along the Texas-Mexico border. Personnel are assigned to 18 major crossings. The remaining ten crossings are considered low-volume and are monitored on a random basis to determine if traffic volume has increased and if full time staffing is warranted.

Employees collect an administrative fee of \$3.00 per container on personal importations alcoholic beverages in addition to the excise taxes due on the alcoholic beverages imported. This administrative fee totaled \$3,847,056 for the 2012 fiscal year. Total gross revenue for the fiscal year from all fees and taxes collected for the personal importation of alcoholic beverages and cigarettes was \$5,433,108.

Detailed below are the total amounts of these fees and taxes collected by each port offices.

Brownsville	\$ 576,648
Eagle Pass	629,944
El Paso	743,172
Hidalgo	809,760
Laredo	1,469,611
Progreso	1,203,973

Total	\$ 5,433,108

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM D - CONTESTED ADMINISTRATIVE CASES -- CASES NOT SETTLED IN FIELD OFFICES**

AND REFERRED TO LEGAL SECTION

For the Fiscal Year Ended August 31, 2012

Month	Number of Cases Docketed	Number of Violations Charged	Number of Hearings	Civil Penalties Collected	Days Suspended
September 2011	13	13	8	\$73,200.00	283
October 2011	58	83	11	192,200.00	273
November 2011	21	22	6	21,000.00	170
December 2011	55	72	7	48,000.00	82
January 2012	19	26	8	10,700.00	71
February 2012	32	44	9	25,500.00	86
March 2012	35	45	5	50,300.00	0
April 2012	29	43	11	148,600.00	68
May 2012	41	71	8	60,400.00	0
June 2012	36	52	8	28,000.00	0
July 2012	49	65	13	21,900.00	49
August 2012	25	30	9	28,000.00	118
Total	413	566	103	707,800.00	1,200

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM E - WET-DRY STATUS OF TEXAS COUNTIES**

For the Fiscal Year Ended August 31, 2012

+The sale of mixed beverages is legal in all or part of county as is the sale of distilled spirits for off-premises consumption. (153)

+¹The sale of mixed beverages in restaurants by holders of FB certificates is legal in all or part of the county but the county is "dry" for the sale of distilled spirits for off-premises consumption. (8)

*County "wet" throughout for the sale of distilled spirits for off premises consumption (69). Note: 137 counties are "wet" in part for the sale of distilled spirits for off-premises consumption.

COUNTIES IN WHICH DISTILLED SPIRITS ARE LEGAL: 214

Anderson+	Comanche+	Grayson+	Kendall+*	Navarro+	Terrell*
Angelina+ ¹	Cooke+	Gregg+	Kenedy+*	Newton	Titus
Aransas+*	Coryell	Grimes+	Kerr+	Nolan+*	Tom Green+
Archer	Cottle+*	Guadalupe+*	Kimble*	Nueces+*	Travis+
Atascosa+	Crane*	Hale+	King	Oldham+ ¹	Trinity*
Austin+*	Crockett*	Hall	Kinney+*	Orange+	Tyler+ ¹
Bandera+	Culberson+*	Hamilton+	Kleberg+*	Palo Pinto	Upshur
Bastrop+*	Dallam*	Hansford+	Knox	Parker+	Upton*
Bee+	Dallas+	Hardeman+*	Lamar+	Pecos+	Uvalde+
Bell+	Dawson+	Hardin+	Lamb	Polk+	Val Verde+*
Bexar+*	Deaf Smith*	Harris+	Lampasas+	Potter+	Victoria+*
Blanco+	Denton+	Harrison	La Salle+*	Presidio+*	Walker+
Bosque+	DeWitt+	Hartley	Lavaca+	Rains+	Waller*
Bowie+ ¹	Dickens	Haskell+	Lee+*	Randall+	Ward*
Brazoria+	Dimmitt+*	Hays+	Leon+	Reagan*	Washington+*
Brazos+*	Donley+	Henderson+	Liberty+	Red River	Webb+*
Brewster+*	Duval+*	Hidalgo+*	Live Oak	Reeves+*	Wharton+*
Briscoe	Eastland	Hill+	Llano+	Refugio*	Wheeler+
Brooks+*	Ector+*	Hockley+	Lubbock+*	Robertson+	Wichita+
Brown+	Edwards	Hood+	Madison+ ¹	Rockwall+	Wilbarger+*
Burleson+	El Paso+*	Hopkins	Marion+	Runnels	Willacy+
Burnet+	Ellis+	Houston+ ¹	Matagorda+	Rusk+ ¹	Williamson+
Caldwell+	Erath	Howard+	Maverick+	San Augustine	Wilson+
Calhoun+	Falls+	Hudspeth+*	McCulloch+	San Jacinto	Winkler*
Callahan+	Fannin	Hunt+	McLennan+	San Patricio+	Wise+
Cameron+*	Fayette+*	Hutchinson	Medina+	San Saba+*	Wood+ ¹
Camp+	Floyd+	Jack	Menard*	Schleicher*	Young
Carson	Foard+*	Jackson+	Midland+*	Scurry+*	Zapata+*
Cass	Fort Bend+*	Jasper+	Milam+	Shackelford	Zavala+*
Castro	Freestone	Jeff Davis+	Mills	Shelby	
Chambers+	Frio+	Jefferson+	Mitchell+*	Smith+	
Cherokee+	Galveston+	Jim Hogg+*	Montague+	Star+*	
Childress+*	Garza+	Jim Wells+	Montgomery+	Stonewall	
Coleman	Gillespie+	Johnson+	Moore+*	Sutton+*	
Collin+	Goliad+*	Jones+	Morris+	Swisher	
Colorado+*	Gonzales+*	Karnes+*	Motley+	Tarrant+	
Comal+*	Gray	Kaufman+	Nacogdoches	Taylor+	

UNAUDITED

COUNTIES IN WHICH ONLY 4% BEER IS LEGAL: 4

Some counties are only partially wet.

Baylor Irion Mason Stephens

COUNTIES IN WHICH 14% - 17% OR LESS ALCOHOLIC BEVERAGES ARE LEGAL: 14

Some counties are only partially wet.

Clay Concho Lipscomb Real Terry
Cochran Glasscock Loving Sabine Van Zandt
Coke Limestone McMullen Somervell

COUNTIES ENTIRELY DRY: 22

Andrews Crosby Hemphill Panola Throckmorton
Armstrong Delta Kent Parmer Yoakum
Bailey Fisher Lynn Roberts
Borden Franklin Martin Sherman
Collingsworth Gaines Ochiltree Sterling

Note: Sabine County was incorrectly listed as “wet” for distilled spirits in agency Non-Financial Annual Reports from FY 2003 – FY 2011. Sabine County was “wet” in part only for the sale of beer from August 5, 1972, to November 3, 2009, and thereafter also wet in part for the sale of beer and wine for off-premises consumption only.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)

ADDENDUM F - LOCAL OPTION ELECTIONS

For the Fiscal Year Ended August 31, 2012

During FY 2012, 47 local option elections were held for 36 Jurisdictions. 45 local option election issues were passed by voters, 2 failed. As a result of these elections, 18 jurisdictions became "wet" for the first time; 16 jurisdictions authorized additional sales or expanded the areas in which sales were authorized, and 2 jurisdictions retained the same wet/dry status that they had before the election.

Issues for which elections were held included the legal sale of beer and wine (2 ea.), the legal sale of beer and wine for off-premises consumption only (14 ea.), the legal sale of wine on the premises of a holder of a winery permit (1 ea.), the legal sale of all alcoholic beverages for off-premises consumption only (10 ea.), the legal sale of all alcoholic beverages, including mixed beverages (10 ea.), the legal sale of all alcoholic beverages except mixed beverages (1 ea.), and the legal sale of mixed beverages in restaurants by food and beverage certificate holders only (9 ea.). In both cases where the ballot issue failed to pass, the issue was "the legal sale of all alcoholic beverages for off-premises consumption only."

Elections Held November 8, 2011

An election was held for the City of Richwood, Brazoria County, on November 8, 2011, on the issue of "the legal sale of beer and wine for off-premises consumption only." The issue PASSED by a vote of 114 FOR and 35 AGAINST. The City Richwood, Brazoria County, was "wet" only for the sale of beer for off-premises consumption before the election and after the election is now "wet" for the sale of both beer and wine for off-premises consumption.

An election was held for the City of Richwood, Brazoria County, on November 8, 2011, on the issue of "the legal sale of mixed beverages in restaurants by food and beverage certificate holders only." The issue PASSED by a vote of 117 FOR and 31 AGAINST. The City Richwood, Brazoria County, was "wet" only for the sale of beer for off-premises consumption before the election and after the election is now "wet" for the sale of mixed beverages in restaurants with food and beverage certificates.

An election was held for the City of Caldwell, Burleson County, on November 8, 2011, on the issue of "the legal sale of all alcoholic beverages, including mixed beverages." The issue PASSED by a vote of 132 FOR and 68 AGAINST. The City of Caldwell, Burleson County, was "wet" for the sale of all alcoholic beverages except mixed beverages before the election and now after the election is "wet" for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Sunnyvale, Dallas County, on November 8, 2011, on the issue of "the legal sale of beer and wine for off-premises consumption only." The issue PASSED by a vote of 588 FOR and 547 AGAINST. The City of Sunnyvale, Dallas County, was "dry" before the election and after the election is now "wet" for the sale of beer and wine for off-premises consumption.

An election was held for the City of Aubrey, Denton County, on November 8, 2011, on the issue of "the legal sale of all alcoholic beverages for off-premises consumption only." The issue FAILED by a vote of 56 FOR and 70 AGAINST. Before the election the City of Aubrey, Denton County, was "wet" only for the sale of beer and wine for off-premises consumption and for the sale of mixed beverages in restaurants with food and beverage certificates. After the election, the City of Aubrey remains "wet" for such sales and "dry" for all other alcoholic beverage sales.

An election was held for the City of Bruceville-Eddy, Falls and McLennan Counties, on November 8, 2011, on the issue of "the legal sale of beer and wine for off-premises consumption only." The issue PASSED by a vote of 156 FOR and 24 AGAINST. The City of Bruceville-Eddy, Falls and McLennan Counties, was "wet" in part for the sale of beer and wine before the election and after the election is also "wet" throughout for the sale of beer and wine for off-premises consumption.

An election was held for the City of Bruceville-Eddy, Falls and McLennan Counties, on November 8, 2011, on the issue of "the legal sale of mixed beverages in restaurants by food and beverage certificate

holders only.” The issue PASSED by a vote of 149 FOR and 34 AGAINST. The City of Bruceville-Eddy, Falls and McLennan Counties, was “wet” in part for the sale of beer and wine before the election and after the election is also “wet” throughout for the sale of mixed beverages in restaurants holding food and beverage certificates.

An election was held for the City of Tioga, Grayson County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 92 FOR and 34 AGAINST. The City of Tioga, Grayson County, was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Hamilton, Hamilton County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 395 FOR and 269 AGAINST. The City of Hamilton, Hamilton County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of all alcoholic beverages, including mixed beverages.

An election was held for the City of Spearman, Hansford County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages. The issue PASSED by a vote of 359 FOR and 239 AGAINST. The City of Spearman, Hansford County, was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Murchison, Henderson County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only. The issue FAILED by a vote of 53 FOR and 82 AGAINST. The City of Murchison, Henderson County, was “dry” for all alcoholic beverage sales before the election and after the election remains “dry.”

An election was held for the City of Granbury, Hood County, on November 8, 2011, on the issue of “the legal sale of beer and wine.” The issue PASSED by a vote of 221 FOR and 89 AGAINST. Before the election, the City of Granbury, Hood County, was “wet” throughout for the sale of mixed beverages in restaurants with food and beverage certificates and “wet” in part for the sale of all alcoholic beverages for off-premises consumption only. After the election, the City of Granbury is now also “wet” throughout for the sale of beer and wine.

An election was held for the City of Wolfe City, Hunt County, on November 8, 2011, on the issue of “the legal same of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 113 FOR and 79 AGAINST. The City of Wolfe City, Hunt County, was “dry” before the election and is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Alvarado, Johnson County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 91 FOR and 41 AGAINST. The City of Alvarado, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Alvarado, Johnson County, on November 8, 2011, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 96 FOR and 32 AGAINST. The City of Alvarado, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of mixed beverages by restaurants holding food and beverage certificates.

An election was held for the City of Grandview, Johnson County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 115 FOR and 77 AGAINST. The City of Grandview, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Joshua, Johnson County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 279 FOR and 97 AGAINST. The City of Joshua, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Joshua, Johnson County, on November 8, 2011, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 283 FOR and 93 AGAINST. The City of Joshua, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of mixed beverages by restaurants holding food and beverage certificates.

An election was held for the City of Joshua, Johnson County, on November 8, 2011, on the issue of “the legal sale of wine on the premises of a holder of winery permit.” The issue PASSED by a vote of 285 FOR and 91 AGAINST. The City of Joshua, Johnson County, was “dry” before the election and after the election is now “wet” for the sale of wine on the premises of the holder of a winery permit.

An election was held for the City of Forney, Kaufman County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 949 FOR and 569 AGAINST. The City of Forney, Kaufman County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Oakwood, Leon County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages. The issue PASSED by a vote of 58 FOR and 27 AGAINST. The City of Oakwood, Leon County was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held for the City of Leroy, McLennan County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages except mixed beverages.” The issue PASSED by a vote of 25 FOR and 6 AGAINST. The City of Leroy, Hamilton County was “wet” only for the sale of beer before the election and after the election is now “wet” for the sale of all alcoholic beverages except mixed beverages.

An election was held for Justice of the Peace Precinct 2, Montague County, on November 8, 2011, on the issue of “the legal sale of beer and wine.” The issue PASSED by a vote of 2,012 FOR and 924 AGAINST. Justice of the Peace Precinct 2, Montague County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine.

An election was held for Justice of the Peace Precinct 2, Montague County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 1,901 FOR and 1,006 AGAINST. Justice of the Peace Precinct 2, Montague County, was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for Justice of the Peace Precinct 2, Montague County, on November 8, 2011, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 2,002 FOR and 917 AGAINST. Justice of the Peace Precinct 2, Montague County, was “dry” before the election and after the election is now “wet” for the sale of mixed beverages by restaurants holding food and beverage certificates.

An election was held for the City of Magnolia, Montgomery County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 96 FOR and 59 AGAINST. The City of Magnolia, Montgomery County, was “wet” for the sale of beer and wine for off-premises consumption before the election and also wet in part for all other sale of alcoholic beverages. After the election, the City of Magnolia, Montgomery County, is now “wet” throughout for all alcoholic beverage sales including mixed beverages.

An election was held for the City of Matador, Motley County, on November 8, 2011, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 150 FOR and 64 AGAINST. The City of Matador, Motley County, was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages including mixed beverages.

An election was held of the City of Vidor, Orange County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 890 FOR and 817 AGAINST. The City of Vidor, Orange County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption only.

An election was held of the City of Vidor, Orange County, on November 8, 2011, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 925 FOR and 763 AGAINST. The City of Vidor, Orange County, was “dry” before the election and after the election is now “wet” for the sale of mixed beverages in restaurants with food and beverage certificates.

An election was held for Justice of the Peace Precinct 1, Parker County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 613 FOR and 381 AGAINST. Before the election, Justice of the Peace Precinct 1, Parker County, was “wet” in part for the sale of all alcoholic beverages for off-premises consumption and for the sale of mixed beverages in restaurants with food and beverage certificates. After the election, Justice of the Peace Precinct 1, Parker County is now also “wet” throughout for the sale of beer and wine for off-premises consumption.

An election was held for the City of Henderson, Rusk County, on November 8, 2011, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 1,391 FOR and 1,153 AGAINST. The City of Henderson, Rusk County, was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Henderson, Rusk County, on November 8, 2011, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 1,495 FOR and 1,042 AGAINST. The City of Henderson, Rusk County, was “dry” before the election and after the election is now “wet” for the sale of mixed beverages in restaurants with food and beverage certificates.

An election was held for the City of Rhome, Wise County, on November 8, 2011, on the issue of “the legal sale for beer and wine for off-premises consumption only. The issue PASSED by a vote of 56 FOR and 7 AGAINST. Before the election, the City of Rhome, Wise County, was, as a result of annexations after a previous election, “wet” only in part for the sale of all alcoholic beverages including mixed beverages. After the election, the City of Rhome, Wise County, remained “wet” in part for all alcoholic beverage sales, including mixed beverages, and became “wet” throughout for the sale of beer and wine for off-premises consumption.

Elections Held May 12, 2012

An election was held for the City of Rusk, Cherokee County, on May 12, 2012, on the issue “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 252 FOR and 164 AGAINST. The City of Rusk, Cherokee County, was “wet” for the sale of beer and wine for off-premises consumption and for the sale of mixed beverages in restaurants by food and beverage certificate holders before the election and after the election remains “wet” for such sales and is also now “wet” for the sale of distilled spirits for off-premises consumption.

An election was held for the City of Muenster, Cooke County, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 96 FOR and 43 AGAINST. The City of Muenster, Cooke County, was “wet” in large part for all alcoholic beverage sales, including mixed beverages, before the election, and after the election is “wet” throughout for such sales.

An election was held for the City of Ferris, Dallas and Ellis Counties, on May 12, 2012 on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 200 FOR and 56 AGAINST. The City of Ferris, Dallas and Ellis Counties was “dry” before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Ferris, Dallas and Ellis Counties, on May 12, 2012 on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 184 FOR and 72 AGAINST. The City of Ferris, Dallas and Ellis Counties was “dry” before the election and after the election is now “wet” for the sale of mixed beverages in restaurants by holders of food and beverage certificates.

An election was held for the City of Bartonville, Denton County, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 127 FOR and 57 AGAINST. The City of Bartonville, Denton County, was “wet” only for the sale of beer and wine for off-premises consumption before the election and after the election is now “wet” for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Trenton, Fannin County, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 87 FOR and 64 AGAINST. The City of Trenton, Fannin County was “dry” before the election and after the election is now “wet” for the sale of all alcoholic beverages, including mixed beverages.

An election was held for the City of Kyle, Hays County, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages, including mixed beverages.” The issue PASSED by a vote of 496 FOR and 93 AGAINST. Before the election, the City of Kyle, Hays County, was “wet” for the sale of all alcoholic beverages for off-premises consumption and for the sale of mixed beverages in restaurants by food and beverage certificate holders only. Now after the election, the City of Kyle, Hays County, is “wet” for the sale of all alcoholic beverages, including mixed beverages.”

An election was held for the City of Heath, Kaufman and Rockwall Counties, , on May 12, 2012, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 961 FOR and 538 AGAINST. The City of Heath, Kaufman and Rockwall Counties, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.

An election was held for the City of Knox City, Knox County, on May 12, 2012, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 92 FOR and 62 AGAINST. The City of Knox City, Knox County, was “dry” for all alcoholic beverage sales before the election and after the election is now “wet” for the sale of beer and wine for off-premises consumption.”

An election was held for the City of Mineral Wells, Palo Pinto and Parker Counties, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 880 FOR and 375 AGAINST. The City of Mineral Wells, Palo Pinto and Parker Counties, was “wet” for the sale of beer before the election and after the election remains “wet” for the sale of beer and is also now “wet” throughout for the sale of all alcoholic beverages for off-premises consumption only.

An election was held for the City of Hudson Oaks, Parker County, on May 12, 2012, on the issue of “the legal sale of all alcoholic beverages including mixed beverages.” The issue PASSED by a vote of 110 FOR and 24 AGAINST. Before the election the City of Hudson Oaks, Parker County, was “wet” in part for the sale of all alcoholic beverages for off-premises consumption and “wet” throughout for the sale of beer and wine for off-premises consumption. After the election, the City of Hudson Oaks, Parker County is “wet” throughout for the sale of all alcoholic beverages, including mixed beverages.

An election was held for the City of Pantego, Tarrant County, on May 12, 2012, on the issue “the legal sale of all alcoholic beverages for off-premises consumption only.” The issue PASSED by a vote of 153 FOR and 66 AGAINST. The City of Pantego, Tarrant County, was “wet” for the sale of mixed beverages, beer for both on and off premises consumption, and wine for off-premises consumption before the election, and after the election is “wet” for on-premises sales of beer and mixed beverages and for the sale of all alcoholic beverages for off-premises consumption.

An election was held for the City of Saginaw, Tarrant County, on May 12, 2012, on the issue of “the legal sale of beer and wine for off-premises consumption only.” The issue PASSED by a vote of 205 FOR and

UNAUDITED

101 AGAINST. The City of Saginaw, Tarrant County, was “wet” in part for the sale of all alcoholic beverages, including mixed beverages, before the election, and after the election remains “wet” in part for previously authorized sales, but is now “wet” throughout for the sale of beer and wine for off-premises consumption.

An election was held for the City of Saginaw, Tarrant County, on May 12, 2012, on the issue of “the legal sale of mixed beverages in restaurants by food and beverage certificate holders only.” The issue PASSED by a vote of 213 FOR and 94 AGAINST. The City of Saginaw, Tarrant County, was “wet” in part for the sale of all alcoholic beverages, including mixed beverages, before the election, and after the election remains “wet” in part for previously authorized sales, but is now “wet” throughout for the sale of mixed beverages in restaurants by food and beverage certificate holders.

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM G – STATEMENT OF COLLECTIONS
ADDENDUM G.1 - DETAIL STATEMENT OF COLLECTIONS**

For the Fiscal Years Ended August 31, 2011 and 2012

	2011	2012	Increase (Decrease)
LICENSE & PERMIT FEES	\$	\$	\$
Alcoholic Beverage Permits	49,920,542	67,653,548	17,733,006
TAXES			
Collected on Audits	291,882	147,211	(144,671)
Direct Liquor Tax	(368,546)	123,452	491,998
Excise Tax-Distilled Spirits	71,388,168	73,136,280	1,748,112
Excise Tax-Wine	11,085,898	12,732,275	1,646,377
Excise Tax-Malt Liquor	9,670,424	11,270,884	1,600,460
Excise Tax-Beer	104,951,745	105,013,366	61,621
Airline Beverage Tax	202,623	196,398	(6,225)
Cigarette Tax	1,035,849	746,206	(289,643)
TOTAL TAXES	198,258,043	203,366,072	5,108,029
CONFISCATED LIQUOR SALES	35,255	6,638	(28,617)
MISCELLANEOUS			
Fines	3,455,350	3,005,280	(450,070)
Admin Fees-Ports	924,687	3,560,909	2,636,222
Admin Fees-Licensing	20,325	29,600	9,275
Server Training Fees	600,591	653,180	52,589
Label Approval	359,970	548,640	188,670
Bond Forfeitures	449,052	388,825	(60,227)
Other Miscellaneous Revenue	201,780	103,853	(97,927)
TOTAL MISCELLANEOUS	6,011,755	8,290,287	2,278,532
Unassigned Revenue*	87,731	185,498	97,767
TOTAL REVENUE	254,313,326	279,502,043	25,188,717

TEXAS ALCOHOLIC BEVERAGE COMMISSION (458)**ADDENDUM G.2 - PER CAPITA CONSUMPTION**

For the Fiscal Year Ended August 31, 2012

	Gross Tax Reported	Total Tax Collections	Total Gallons	Per Capita Consumption
	\$	\$		
Distilled Spirits	74,065,668	72,751,202	30,860,695	1.19
Wine	12,977,393	12,747,079	55,774,720	2.15
Malt Liquor	11,560,025	11,257,064	58,383,965	2.26
Beer	107,026,081	104,939,290	552,969,191	21.36

NOTE:

Statistics based on tax collections by the Tax Section and population estimates from the Comptroller of Public Accounts "Economic and Population Forecast Summary" on fiscal year 2012 of 25,883,999 Texas inhabitants.

ADDENDUM G.3 - HISTORICAL SUMMARY OF REVENUE COLLECTIONS

For the Fiscal Year Ended August 31, 2012

<u>Fiscal Year</u>	<u>Revenue</u>
November 16, 1935 to August 31, 2003	\$ 8,694,018,342
2004	208,255,848
2005	209,689,470
2006	227,430,640
2007	234,401,313
2008	244,322,334
2009	266,843,736
2010	260,218,836
2011	254,313,326
2012	279,502,043
TOTAL REVENUE	\$ 10,878,995,888

Please visit our web site at www.tabc.state.tx.us for more information about the Texas Alcoholic Beverage Commission.

