

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES
[LISTEN TO THE RECORDING](#)

WEDNESDAY, JANUARY 12, 2022
TELEPHONE CONFERENCE MEETING

Tim Holden, Chairman
Mike Negra, Board Member
Mary Isenhour, Board Member
Michael Demko, Executive Director
John Stark, Board Secretary

[Office of Chief Counsel](#)
[Bureau of Licensing](#)
[Bureau of Human Resources](#)
[Bureau of Accounting & Purchasing](#)

[Office of Retail Operations](#)
[Bureau of Product Selection](#)
[Financial Report](#)
[Other Issues](#)

PUBLIC MEETING – 11:00 A.M

CALL TO ORDER *Chairman Holden*

Pledge of Allegiance to the Flag

Board Secretary John K. Stark indicated that a quorum of the Board was present, and Chairman Holden called the meeting to order.

OLD BUSINESS.....*Secretary Stark*

A. Motion to approve previous Board Meeting Minutes of the December 15, 2021 meeting.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve previous Board Meeting Minutes.

PUBLIC COMMENT ON AGENDA ITEMS

The Board has reserved 10 minutes for Public Comment on printed agenda items.

Caller John Waltman stated that he was opposed to the potential approval of the City of Scranton’s municipal petition for exemption from the Liquor Code statute regarding amplified sound. He then stated that a “problem bar” exists in his neighborhood and that, though seven citations have been issued by the Bureau of Liquor Control Enforcement (“BLCE”), efforts to resolve situations with the local police have been futile.

According to Mr. Waltman, a representative of the local police department had acknowledged approximately 4,000 complaints within a single year related to noise from the establishment during a hearing pertaining to the municipality’s petition. Despite the numerous complaints, Mr. Waltman suggested that the police department will continue to ignore the fact that there is a problem.

Note: Board Minutes are not officially approved until all required signatures are affixed.

Chairman Holden asked Mr. Waltman to confirm the identity of the licensee giving rise to the noise problems, and he subsequently explained that the Board’s approval of the noise exemption would grant additional authority to the local police department and therefore be conducive to a resolution.

Chief Counsel Rodrigo Diaz then indicated that though the Board had yet to vote on the agenda item, the Board had indeed reviewed the hearing examiner’s recommendation, the hearing transcript, and testimony from Mr. Waltman as well as city officials. He also affirmed that the Board was aware of Mr. Waltman’s concerns and would have the authority to impose restrictions pertaining to the noise exemption (e.g., expiration after a certain period) should it be granted.

Board Member Negra requested clarification regarding how citations are issued when a noise exemption is effective, and Chief Counsel Diaz stated that a noise exemption generally gives a municipality exclusive authority to enforce noise restrictions based on a demonstrated ability to do so.

Caller Brent Davis then stated that he is a property owner in Scranton and a performer at the establishment related to Mr. Waltman’s noise complaints. He indicated that one of his performances resulted in a citation but that he is currently very conscious of noise levels and suggested that Mr. Waltman’s issues with the establishment may not be based on the actual circumstances.

NEW BUSINESS

From the Office of Chief CounselRodrigo Diaz, Chief Counsel

(1) **Evolutionary Culinary Concepts, LLC** Request for Rescission of Conditional
440 Broad Street Licensing Agreement.
Philadelphia, PA 19130
Liquor License No. R-4990
LID: 65527

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve request for rescission of conditional licensing agreement.

(2) **Pramukh Krupa 91, Inc.** Proposed Conditional Licensing
700 Front Street Agreement to Allow for the Renewal
Freeland, Pennsylvania 18224-1902 of the Liquor License.
Restaurant Liquor License No. R-1768
LID 67681
Docket No. 2021-11204 (Luzerne County)

Note: Board Minutes are not officially approved until all required signatures are affixed.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve renewal with conditional licensing agreement.

- (3) **City of Scranton** Municipal Petition for Exemption from
Case No. 21-NE-21 Liquor Code Statute Regarding
Amplified Sound.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve noise exemption from January 12, 2022 to January 12, 2023.

Chairman Holden indicated that most noise exemptions are effective for more than a single year and emphasized the fact that the Board would have the ability to reevaluate this particular noise exemption upon its expiration.

- (4) **Regulatory Change – Samples for Promotion** Proposed Regulation

At Board Member Negra’s request, Chief Counsel Diaz explained that this proposed regulation would update the Board’s regulations as they pertain to samples provided to licensees from vendors. He indicated that the aforementioned regulations had not been updated for several decades and that the revisions involve the use of a different formula associated with retail price, the elimination of certain record keeping requirements, and the ability to obtain increased quantities of alcohol which may be used for the provision of samples. Chief Counsel Diaz affirmed that alcohol used for samples would still need to be labeled appropriately and that quantities of such alcohol provided to licensees would be limited.

Chief Counsel Diaz then indicated that should the Board approve the proposed regulation, it would subsequently be published in the Pennsylvania Bulletin. The public as well as the Independent Regulatory Review Commission (“IRRC”) would have opportunities to comment on the proposed regulation and any such commentary would be considered before the presentation of a final proposed regulation to the Board.

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve proposed regulation.

Note: Board Minutes are not officially approved until all required signatures are affixed.

*From the Bureau of Licensing Tisha Albert, Director of Regulatory Affairs
Barbara Peifer, Director, Bureau of Licensing*

(1) **Crick Liquors Distillery, LLC** New & Request for an Interior
t/a Crick Liquors Distillery Connection with Another
(LID No. 107727) Business - Limited Distillery
139 West Fayette Street
Uniontown, Fayette County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve new limited distillery license and request for an interior connection with another business.

(2) **Dautrich Enterprises, Inc.** Renewal - Hotel
t/a T.C. Riley's Pub and Inn
H-4753 (LID No. 52862) Case No. 21-9012
405 Carverton Road
Kingston Township
Wyoming, Luzerne County

Tisha Albert, the Director of Regulatory Affairs overseeing licensing gave some background:

This case involved a licensee with a hotel license which required at least 16 rooms to be available. Last year, they removed 2 rooms to construct an outside deck and in doing so, reduced the number of rooms to 14. Because of this, it does not appear that they qualify as a hotel and they were issued multiple citations.

Motion Made: Board Member Negra

Chairman Holden asked if there was anyone on the call on behalf of this licensee. The teleconference moderator confirmed that there were no callers in queue.

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to refuse the renewal.

(3) **House of Kosher, Inc.** New & Request for Interior
(LID No. 106179) Connections with Another
9806 Bustleton Avenue Business – Sacramental Wine
Philadelphia, Philadelphia County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve new license and request for interior connections with another business.

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (4) **Reclamation Brewing Company** Place-to-Place Transfer &
G-561 (LID No. 70470) Request for Interior
129 Pillow Street Connections with Other
Butler, Butler County Businesses – Brewery
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to approve transfer and request for interior connections with other businesses.
-
- (5) **SF Chestnut Street, LLC** Request to Conduct Another
R-4184 (LID No. 107947) Business on the Licensed
1214 & 1216 Chestnut Street Premises - Restaurant
Philadelphia, Philadelphia County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to approve request to conduct another business on the licensed premises.
-
- (6) **Trout Run Beverage, LLC** Double Transfer & Requests for
D-3744 (LID No. 107445) Interior Connections with
68-71 Highway 14 Another Business & for
Lewis Township Permission to Retain Other
Trout Run, Lycoming County Employment – Distributor
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to approve the double transfer and request for interior connections with another business and permission to retain other employment.
-
- (7) **42-46 N 10THSTR, LLC** Conditional Licensing
H-585 (LID No. 70785) Case No. 2020-70785 Agreement
42-46 North 10th Street Renewal – District 4
Allentown, Lehigh County
- HOLD – 10/27/21 SESSION**
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to approve renewal with new conditional licensing agreement.

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (8) **Debra J. Danley** Renewal – District 3
t/a Danley’s Hotel
H-2388 (LID No. 6516) Case No. 2021-6516
17 North 3rd Street
Sunbury, Northumberland County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Hold for conditional licensing agreement.
- (9) **Fagan Hopwood Tavern, LLC** Renewal – District 6
t/a Hopwood Tavern
R-12216 (LID No. 86284) Case No. 2020-86284
1225 National Pike Road
North Union Township
Hopwood, Fayette County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Hold for conditional licensing agreement.
- (10) **GDF Mulberry St., LLC** Renewal – District 9
R-3052 (LID No. 53557) Case No. 2019-53557
326-328 North Webster Avenue
1214 Mulberry Street, Rear
Scranton, Lackawanna County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Hold for conditional licensing agreement.
- HOLD – 10/27/21 SESSION**
- (11) **Kinard Entertainment, Inc.** Conditional Licensing Agreement
t/a Pandora’s Box Bar & Grill Renewal – District 2
H-292 (LID No. 43727) Case No. 2020-43727
466-468 East Market Street
York, York County
- Motion Made:** Board Member Negra
Seconded: Board Member Isenhour
- Board Decision:** Unanimously agreed (3-0 vote) to approve renewal with conditional licensing agreement.
- HOLD – 11/10/21 SESSION**

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (12) **Jeffrey A. Kline**
t/a Main Street Sandwich Shop
R-16660 (LID No. 24338) Case No. 2021-24338
401 Sunbury Street
Minersville, Schuylkill County
- Conditional Licensing Agreement
Renewal – District 3
- HOLD – 11/10/21 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve renewal with conditional licensing agreement.

- (13) **Kung Fu Necktie, LLC**
t/a Kung Fu Necktie
R-14347 (LID No. 59089) Case No. 2018-59089
1248-50 North Front Street
Philadelphia, Philadelphia County
- Renewal – District 10

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for conditional licensing agreement.

- (14) **Mazloom, Inc.**
R-9203 (LID No. 48345) Case No. 2021-48345
57-59 Valley Street
New Philadelphia, Schuylkill County
- Conditional Licensing Agreement
Renewal – District 3
- HOLD – 11/10/21 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Chairman Holden recused himself from voting on this matter.

Board Decision: Agreed (2-0 vote) to approve renewal with conditional licensing agreement.

- (15) **Moka, Inc.**
t/a Hampton Lanes
R-16392 (LID No. 31091) Case No. 2020-31091
326 Main Street
Northampton, Northampton County
- Conditional Licensing Agreement
Renewal – District 4
- HOLD – 11/10/21 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Note: Board Minutes are not officially approved until all required signatures are affixed.

Board Decision: Unanimously agreed (3-0 vote) to approve renewal with a new conditional licensing agreement.

(16) **Pocono Enterprise Co.** Renewal – District 3
R-14072 (LID No. 72244) Case No. 2021-72244
316-318 South Main Street
Shenandoah, Schuylkill County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Hold for conditional licensing agreement.

(17) **R & G, Inc.** Conditional Licensing Agreement
t/a Lefty's in the Strip Renewal – District 5
R-19951 (LID No. 56072) Case No. 2021-56072
2021 Penn Avenue
Pittsburgh, Allegheny County **HOLD – 11/10/21 SESSION**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve renewal with new conditional licensing agreement.

(18) **Rinku Corporation** Conditional Licensing Agreement
R-12845 (LID No. 81606) Case No. 2020-81606 Renewal – District 4
204 Northampton Street
Easton, Northampton County

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve renewal with conditional licensing agreement.

(19) **Three Durans, LLC** Renewal – District 5
t/a Hotties
R-5335 (LID No. 66714) Case No. 2021-66714
701 West Main Street
Carnegie, Allegheny County

Note: Board Minutes are not officially approved until all required signatures are affixed.

Motion Made: Board Member Negra

Chairman Holden asked if there was anyone on the call on behalf of this licensee. The teleconference moderator confirmed that there were no callers in queue.

Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to refuse renewal.

(20) **Sharyn L. Williams** Renewal – District 5
Angelo F. Perigo
t/a Sharwood Lounge
R-14384 (LID No. 60592) Case No. 2021-60592
470 Broadway
Pitcairn, Allegheny County

Motion Made: Board Member Negra

Seconded: Board Member Isenhour

Board Decision: Hold for conditional licensing agreement.

*From the Bureau of Human Resources Jason Lutcavage, Director of Administration
Jennifer Haas, Director, Bureau of Human Resources*

Personnel Actions

There were 18 personnel actions presented for consideration.

- (1) **Marquetta Bowie – Affirm Removal**
- (2) **Lorin Butler – Affirm Removal**
- (3) **Joshua Collins – Removal**
- (4) **Shiela Comer – Affirm Removal**
- (5) **Theresa De Julius – Removal**
- (6) **Beyanka Garcia – Affirm Removal**
- (7) **John Hamilton – Affirm Removal**
- (8) **Chynah Harris – Affirm Removal**
- (9) **Dondre Hines – Affirm Removal**
- (10) **Brianna McDonnell – Affirm Removal**
- (11) **Dalton Pew – Affirm Removal**

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (12) **Ruth Pfahler – Affirm Removal**
- (13) **Edward Rodriguez – Affirm Removal**
- (14) **Dana Smith - Removal**
- (15) **Samantha Toun – Affirm Removal**
- (16) **Carol Williams – Affirm Removal**
- (17) **Rashon Wilson – Affirm Removal**
- (18) **Derrick Winkey – Removal**

Motion Made: Board Member Negra
Seconded: Chairman Holden

Board Decision: Unanimously agreed (3-0 vote) to approve all Personnel Actions.

*From the Bureau of Accounting & PurchasingMichael Demko, Executive Director
Koppolu Ravindraraj, Director, Bureau of Accounting & Purchasing
Mike Freeman, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

None

Inter-Agency Charges:

None

From the Office of Retail Operations.....Michael Demko, Executive Director

- (1) **#0244 – 739 Monongahela Avenue, Glassport
Exercise Option**
- (2) **#1528 – Paoli Shopping Center, 17-19 Leopard Road, Ste. D-1-3
Exercise Option**
- (3) **#3516 – 222 Northern Boulevard, Ste. C, Clarks Summit
Exercise Option**
- (4) **#4903 – Sunbury Plaza, 1135 North Fourth Street, Sunbury
Exercise Option**

Note: Board Minutes are not officially approved until all required signatures are affixed.

- (5) **#5142 – Plaza Americana, 2727 N. American Street, Philadelphia
Amendment**
- (6) **#22XX – Meadows Market Place, 261 Hershey Road, Hummelstown
New Store**
- (7) **#2218 – 731 Cherry Drive, Hershey
Closing**
- (8) **#5143 – 2429 South Street, Philadelphia
Lease Buyout**

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to accept all Retail Operations actions.

From the Bureau of Product SelectionTom Bowman, Director of Product Selection

VENDOR – ITEM NAME

BOARD ACTION REQUESTED

| | |
|---------|----------------------------------|
| Various | 1. Regular New Items Accepted |
| Various | 2. Regular PA New Items Accepted |
| Various | 3. Regular Recommended Delist |

1. Regular New Items Accepted

BRAND NAME AND SIZE

REASON

Capital Wine and Spirits Inc

| | |
|-------------------------------------------------|--------------|
| Farena Soave Classico DOC 750 mL | 11, 14, 19 |
| Freixenet Rosé 750 mL | 2, 3, 19 |
| Luca Bosio Vineyards Dark Red Semi Sweet 750 mL | 5, 19 |
| Predator Cabernet Sauvignon 750 mL | 10 |
| Riunite FruitFreshers Black Cherry 750 mL | 2, 3, 10, 19 |
| Riunite FruitFreshers Peach Rosehip 750 mL | 2, 3, 19 |
| Riunite FruitFreshers Strawberry Bellini 750 mL | 2, 3, 10, 19 |

Caribbean Distillers LLC

| | |
|-------------------------------------|------|
| Capriccio Watermelon Sangria 750 mL | 3, 5 |
|-------------------------------------|------|

Constellation Brands Inc

| | |
|--------------------------------------------------------------------------------|------|
| Meiomi Red Blend 750 mL | 3 |
| Woodbridge by Robert Mondavi Buttery Chardonnay 1.5 L | 3, 9 |
| Woodbridge by Robert Mondavi Sparkling Infusions Strawberry and Kiwi 750 mL | 3, 9 |

Note: Board Minutes are not officially approved until all required signatures are affixed.

Woodbridge by Robert Mondavi Sparkling Infusions Sweet Peach 750 mL 3, 9

Fetzer Vineyards

Bonterra Chardonnay 1.5 L 10

Majestic W S USA Inc

Rancho La Gloria Peach Margarita Wine Cocktail 750 mL 18

MHW LTD

Twisted Whipz Butterscotch and Vanilla 4x25 mL 18

Twisted Whipz Chocolate and Vanilla 4x25 mL 18

Twisted Whipz Raspberry and Vanilla 4x25 mL 18

Regal Wine Imports

Giuliano Rosati Friuli Pinot Grigio 750 mL 11, 14, 19

Southern Glazers Wine and Spirits of PA

Gekkeikan Traditional Sake 750 mL 2, 3, 14, 19

Stella Rose L'Originale Golden Honey Peach 750 mL 2, 3, 5, 12, 19

Stella Rosa L'Originale Green Apple 750 mL 2, 3, 5, 12, 19

Veramonte Organic Sauvignon Blanc Casablanca Valley 750 mL 2, 11, 19

Sutter Home Winery Inc

Menage a Trois Sweet Collection Hot Pink Sweet Rosé Blend 750 mL 2, 3

Menage a Trois Sweet Collection Sultry Red Smooth Red Blend 750 mL 2, 3

Sutter Home Fruit Infusions Sweet Peach 1.5 L 2, 3, 5

Sutter Home Fruit Infusions Sweet Peach 750 mL 2, 3, 5

Sutter Home Fruit Infusions Tropical Pineapple 1.5 L 2, 3, 5

Sutter Home Fruit Infusions Wild Berry 1.5 L 2, 3, 5

Sutter Home Fruit Infusions Wild Berry 750 mL 2, 3, 5

The Wine Group Inc

Tribute Cabernet Sauvignon 750 mL 7, 11

Tribute Chardonnay 750 mL 7, 11

RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular PA New Items Accepted

BRAND NAME AND SIZE

REASON

The Washington Brewing Company LLC

B and B Burgess and Burgess Distillery Silver Blue Agave Spirit 100 Proof 750 mL 16

B and B Burgess and Burgess Distillery Single Malt Whiskey 100 Proof 750 mL 16

Note: Board Minutes are not officially approved until all required signatures are affixed.

RECOMMENDED ACTION: We recommend the Board approve this action

New Items – Recommended Listings

Reason Codes

1. Strong marketing support
2. High brand recognition
3. Line/Size extension of successful brand
4. Trade up opportunity
5. Growing category
6. Growing segment
7. National rollout
8. Niche item / Limited distribution
9. High dollar profit potential
10. Trade out
11. High quality for the value
12. Innovative product/flavor
13. High sales through other PLCB channels (Luxury, Online, SLO)
14. Underrepresented category/segment
15. Hole in selection – consumer/store requests
16. PA Spirits
17. PA Wines
18. Licensee only
19. Probationary listing

3. Regular Recommended Delist

| <u>BRAND NAME AND SIZE</u> | <u>CODE</u> |
|-------------------------------------------------------------------|-------------|
| <u>Majestic W S USA Inc</u> Santa Margherita Chardonnay 750 mL | 6465 |
| <u>North Wales Wines</u> Alamos Malbec 375 mL | 98925 |

EFFECTIVE DATE: The transference to closeout will become effective February 11, 2022

Motion Made: Board Member Negra
Seconded: Board Member Isenhour

Board Decision: Unanimously agreed (3-0 vote) to approve all Product Selection actions.

Note: Board Minutes are not officially approved until all required signatures are affixed.

FINANCIAL REPORT *Michael J. Burns, Comptroller Operations, Office of Budget*

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statement of Net Position
(Unaudited)**

| | <u>November 30, 2021</u> | <u>November 30, 2020*</u> |
|---------------------------------------------------|--------------------------|---------------------------|
| <u>ASSETS</u> | | |
| Current assets: | | |
| Cash | \$ 42,294,485 | \$ 68,237,519 |
| Investments - short term | 295,530,017 | 216,631,725 |
| Accounts and claims receivable, net | 7,186,215 | 9,401,619 |
| Due from other funds - Note 9 | - | - |
| Merchandise inventories, net | 235,560,481 | 253,719,231 |
| Operating supplies | 595,811 | 492,192 |
| Prepaid expenses | <u>1,861,756</u> | <u>1,964,607</u> |
| Total current assets | <u>583,028,765</u> | <u>550,446,893</u> |
| Non-current assets: | | |
| Non-depreciable capital assets: | | |
| Land | 322,973 | 322,973 |
| Depreciable capital assets: | | |
| Building | 10,699,597 | 21,001,512 |
| Leasehold improvements | 209,134 | 197,771 |
| Machinery and equipment | 47,512,768 | 49,553,302 |
| Intangible - internally generated software | 40,997,408 | 24,897,755 |
| Intangible - right to use leases - Note 10 | <u>342,241,136</u> | <u>286,641,217</u> |
| Less: accumulated depreciation | <u>139,901,569</u> | <u>89,055,300</u> |
| Net depreciable capital assets | <u>301,758,474</u> | <u>293,236,257</u> |
| Total non-current capital assets | <u>302,081,447</u> | <u>293,559,230</u> |
| Total assets | <u>\$ 885,110,212</u> | <u>\$ 844,006,123</u> |
| Total deferred outflows of resources - Notes 5, 6 | \$ 198,796,847 | \$ 140,216,969 |
| <u>LIABILITIES</u> | | |
| Current liabilities: | | |
| Trade accounts payable | \$ 370,818,149 | \$ 357,537,231 |
| Other accounts payable | 29,821,286 | 22,281,387 |
| Accrued expenses | 20,791,190 | 18,989,416 |
| OPEB - Note 6 | - | 18,874,000 |
| Self-insurance, workers' compensation - Note 7 | 6,298,715 | 8,095,210 |
| Due to other funds - Note 9 | 7,274,832 | 4,261,466 |
| Due to fiduciary funds - Note 9 | 2,633,790 | 2,310,828 |
| Due to other governments - Note 9 | 732,695 | 626,770 |
| Right to use liabilities - Note 10 | <u>52,835,345</u> | <u>33,470,646</u> |
| Total current liabilities | <u>491,206,002</u> | <u>466,446,954</u> |
| Non-current liabilities: | | |
| OPEB - Note 6 | 478,946,000 | 444,930,000 |
| Self-insurance, workers' compensation - Note 7 | 61,400,983 | 47,995,269 |
| Net pension liability - Note 5 | 469,322,128 | 473,019,620 |
| Compensated absences - Note 1 | 25,995,401 | 24,809,043 |
| Right to use liabilities - Note 10 | <u>214,148,841</u> | <u>231,964,676</u> |
| Total non-current liabilities | <u>1,249,813,353</u> | <u>1,222,718,608</u> |
| Total liabilities | <u>\$ 1,741,019,355</u> | <u>\$ 1,689,165,562</u> |
| Total deferred inflows of resources - Notes 5, 6 | \$ 333,244,164 | \$ 370,483,638 |
| <u>NET POSITION</u> | | |
| Net investment in capital assets | \$ 35,097,261 | \$ 28,123,908 |
| Deficit | <u>(1,025,453,721)</u> | <u>(1,103,550,016)</u> |
| Total net position | <u>\$ (990,356,460)</u> | <u>\$ (1,075,426,108)</u> |

* The prior fiscal year (FY) 2020-21 comparative Net investment in capital assets and Deficit amounts are adjusted to include the Right to use liabilities associated with Intangibles - right to use leases as part of Net investment in capital assets, and excluding them from Deficit. The adjustments did not affect Total net position.

Note: Board Minutes are not officially approved until all required signatures are affixed.

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Month Ending November 30, 2021 and November 30, 2020
(Unaudited)

| | <u>2021-22</u> | <u>2020-21</u> |
|------------------------------------------|--------------------------------|----------------------------------|
| Sales net of taxes | \$ 215,171,661 | \$ 206,038,180 |
| Cost of goods sold | <u>(147,153,881)</u> | <u>(138,458,661)</u> |
| Gross profit from sales | 68,017,780 | 67,579,519 |
| Operating (expenses): | | |
| Retail operations | (28,253,742) | (30,194,424) |
| Marketing & merchandising | (1,027,459) | (1,426,839) |
| Supply chain | (343,757) | (492,137) |
| Wholesale operations | (115,801) | (127,460) |
| Information technology services | (2,148,744) | (2,463,494) |
| Regulatory affairs | (1,171,292) | (1,207,868) |
| Administration | (836,225) | (830,534) |
| Finance | (191,398) | (202,083) |
| Board & secretary | (1,045,189) | (216,855) |
| Legal | (335,728) | (275,659) |
| Commonwealth provided services - Note 2 | <u>(1,207,545)</u> | <u>(1,047,230)</u> |
| Total | <u>(36,676,880)</u> | <u>(38,484,583)</u> |
| Operating profit/(loss) | 31,340,900 | 29,094,936 |
| Other operating revenues (expenses): | | |
| Enforcement fines | 108,673 | 77,787 |
| License fees | 2,507,209 | 1,681,849 |
| Miscellaneous income | 410,597 | 140,688 |
| Administrative law judge | <u>(231,545)</u> | <u>(234,145)</u> |
| Total | <u>2,794,934</u> | <u>1,666,179</u> |
| Total operating income/(loss) | 34,135,834 | 30,761,115 |
| Miscellaneous revenues (expenses): | | |
| Interest income (expense) | (368,858) | (333,598) |
| Other | <u>-</u> | <u>-</u> |
| Total | <u>(368,858)</u> | <u>(333,598)</u> |
| Income/(Loss) before operating transfers | 33,766,976 | 30,427,517 |
| Operating transfers out: | | |
| PSP enforcement - Note 3 | (2,421,084) | (2,200,422) |
| Net Income/(Loss) from operations | <u>31,345,892</u> | <u>28,227,095</u> |
| Statutory Transfers: | | |
| General fund - Note 4 | (100,000,000) | (100,000,000) |
| Drug and alcohol programs - Note 4 | - | - |
| Total | <u>(100,000,000)</u> | <u>(100,000,000)</u> |
| Change in net position | (68,654,108) | (71,772,905) |
| Total net position - beginning | <u>(921,702,352)</u> | <u>(1,003,653,203)</u> |
| Total net position - ending | <u><u>\$ (990,356,460)</u></u> | <u><u>\$ (1,075,426,108)</u></u> |
| Liquor tax | 38,583,657 | 38,891,168 |
| State Sales Tax | 15,176,016 | 15,307,821 |
| Local Tax | 960,211 | 796,646 |
| Taxes remitted to Dept.of Revenue PTD | <u>\$ 54,719,884</u> | <u>\$ 54,995,635</u> |

Note: Board Minutes are not officially approved until all required signatures are affixed.

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Five Months Ending November 30, 2021 and November 30, 2020
(Unaudited)

| | <u>2021-22</u> | <u>2020-21</u> |
|------------------------------------------|---------------------------|---------------------------|
| Sales net of taxes | \$ 996,601,362 | \$ 939,374,966 |
| Cost of goods sold | <u>(690,832,319)</u> | <u>(634,396,578)</u> |
| Gross profit from sales | 305,769,043 | 304,978,388 |
| Operating (expenses): | | |
| Retail operations | (141,852,539) | (152,023,768) |
| Marketing & merchandising | (3,406,806) | (5,095,244) |
| Supply chain | (1,733,341) | (3,395,123) |
| Wholesale operations | (558,620) | (651,921) |
| Information technology services | (9,921,600) | (11,323,283) |
| Regulatory affairs | (6,178,866) | (6,984,973) |
| Administration | (3,747,918) | (3,985,211) |
| Finance | (888,041) | (1,221,848) |
| Board & secretary | (3,836,311) | (1,120,346) |
| Legal | (1,752,963) | (1,453,194) |
| Commonwealth provided services - Note 2 | <u>(6,417,950)</u> | <u>(6,513,452)</u> |
| Total | <u>(180,294,955)</u> | <u>(193,768,363)</u> |
| Operating profit/(loss) | 125,474,088 | 111,210,025 |
| Other operating revenues (expenses): | | |
| Enforcement fines | 447,878 | 550,071 |
| License fees | 8,069,134 | 12,980,250 |
| Miscellaneous income | 2,552,720 | 870,620 |
| Administrative law judge | <u>(1,174,504)</u> | <u>(1,114,105)</u> |
| Total | <u>9,895,228</u> | <u>13,286,836</u> |
| Total operating income/(loss) | 135,369,316 | 124,496,861 |
| Miscellaneous revenues (expenses): | | |
| Interest income (expense) | (1,894,702) | (1,610,408) |
| Other | <u>46,420</u> | <u>-</u> |
| Total | <u>(1,848,282)</u> | <u>(1,610,408)</u> |
| Income/(Loss) before operating transfers | 133,521,034 | 122,886,453 |
| Operating transfers out: | | |
| PSP enforcement - Note 3 | (12,589,156) | (12,563,104) |
| Net Income/(Loss) from operations | <u>120,931,878</u> | <u>110,323,349</u> |
| Statutory Transfers: | | |
| General fund - Note 4 | (100,000,000) | (100,000,000) |
| Drug and alcohol programs - Note 4 | - | - |
| Total | <u>(100,000,000)</u> | <u>(100,000,000)</u> |
| Change in net position | 20,931,878 | 10,323,349 |
| Total net position - beginning | <u>(1,011,288,338)</u> | <u>(1,085,749,457)</u> |
| Total net position - ending | <u>\$ (990,356,460)</u> | <u>\$ (1,075,426,108)</u> |
| Liquor tax | 178,680,016 | 170,347,922 |
| State Sales Tax | 70,304,449 | 67,179,005 |
| Local Tax | 4,372,339 | 3,816,183 |
| Taxes remitted to Dept. of Revenue YTD | <u>\$ 253,356,804</u> | <u>\$ 241,343,110</u> |

Note: Board Minutes are not officially approved until all required signatures are affixed.

OTHER ISSUES

None

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

None

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, January 26, 2022 beginning at 11:00 A.M. Prior to the public meeting, there will be an Executive Session to discuss matters of personnel and to engage in non-deliberative informational discussions, some of which are regarding actions and matters which have been approved at previous public meetings.

ADJOURNMENT

On a motion by Board Member Negra, seconded by Board Member Isenhour, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary