# PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES Watch the meeting video.

### **THURSDAY, NOVEMBER 10, 2022**

# NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA MICROSOFT TEAMS MEETING

Tim Holden, Chairman Mary Isenhour, Board Member Randy Vulakovich, Board Member Michael Demko, Executive Director Michael Vigoda, 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

There was no verbal indication that a quorum of the Board was present, however, all voting members of the Board were present.

Chairman Tim Holden called the meeting to order.

Pledge of Allegiance to the Flag

Chairman Holden stated that he and Board Member Mary Isenhour had the great honor of welcoming Randy Vulakovich to the Board. He cited Board Member Vulakovich's 27 years of work in law enforcement as well as his service as a member of the General Assembly, stating that the Board would likely benefit from his extensive knowledge and experience. Board Member Isenhour indicated that she shared the Chairman's sentiments and that she looked forward to working with Board Member Vulakovich.

A. Motion to approve previous Board Meeting Minutes of the October 19, 2022 meeting.

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
Board Decision:	Unanimously agreed (3-0 vote) to approve previous Board Meeting Minutes.

### PUBLIC COMMENT

The Board has reserved 10 minutes for public comment.

Caller Patty Smith stated that she was calling on behalf of Rock the Capital and expressed concern regarding the public's ability to obtain the information necessary for participating in Board meetings via telephone conference. She explained that although she had been able to find details pertaining to in-person participation and participation via Microsoft Teams, the call-in number appeared to be missing from the PLCB's website.

Deputy Press Secretary Shawn Kelly indicated that the call-in number had been removed in error from the section of the website to which Ms. Smith had referred. He apologized for the confusion after assuring Ms. Smith that in the future the number would appear on the website in its customary location. Chairman Holden then thanked Ms. Smith for bringing the issue to the Board's attention. Deputy Press Secretary Kelly added that the call-in information (i.e., 267-332-8737, code 240 679 670) would remain unchanged until at least the end of 2023.

## **NEW BUSINESS**

From the Office of Chief Counsel	Rodrigo	Diaz,	Chief	Counsel
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(1) City of Pittston (22-NE-11)

Municipal Petition for Exemption from Liquor Code Statute Regarding Amplified Sound

Board Member Isenhour initially made a motion to approve the noise exemption from December 17, 2022 through December 17, 2025. Chief Counsel Rodrigo Diaz advised that, in cases such as this one involving an unopposed fourth renewal period, noise exemptions are generally effective for five years. It was determined that a typographical error had occurred and a revised motion was made.

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve noise exemption from December
	17, 2022 through December 17, 2027.

(2)	Fat Salmon, Inc. 719 Walnut Street Philadelphia, Pennsylv License No. R-1626 LID 63107	ania 19107-3208 Request for Rescission of Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich
	<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve request for rescission of conditional licensing agreement upon approval of transfer.

(3) Nabil Abualburak, Inc. Resolution of Appeal Pending in the Court of Common Pleas 219-225 South Main Street Wilkes-Barre, Pennsylvania 18701-1533 License No. R-7002 LID 63256 Motion Made: Board Member Isenhour Seconded: Board Member Vulakovich **Board Decision:** Unanimously agreed (3-0 vote) to approve resolution of Court of Common Pleas appeal by approving renewal with conditional licensing agreement (offer-in-compromise terms).

(1)	<b>1444 Restaurant Gro</b> R-15497 (LID No. 918 1444 Frankford Avenu Philadelphia, Philadelp	380) Case No. 22-9053 Je	Request for Hearing to Extend Safekeeping Period – Restaurant
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to extension of safekeeping period w	

(2)	Bedford County Beverage Co., Inc.	Request to be Engaged in Another
	D-3930 (LID No. 54381)	Business – Distributor
	259 East Main Street	
	Everett, Bedford County	

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to hold.

(3)	<b>B &amp; S Beverage, LLC</b> t/a <b>B &amp; S Beverage</b> D-2974 (LID No. 5892 614 5 <sup>th</sup> Avenue Patton, Cambria Count	27) Licensed Premises – Distributor
	Motion Made:	Board Member Isenhour
	Seconded:	Board Member Vulakovich
	<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve request to sell fermented fruit ice cream on licensed premises.

Board Member Isenhour made a second motion to approve the sale of fermented fruit ice cream by all wholesalers. Chief Counsel Diaz confirmed that it has been the Board's custom to consider approving sales by all licensees within a certain category with regard to this type of Board action. He also indicated that the pertinent Advisory Notice would be amended if necessary.

Seconded:	Board Member Vulakovich
Board Decision:	Unanimously agreed (3-0 vote) to approve sales of fermented fruit ice cream by all wholesalers.

(4)	The Boozy Mutt, LLO	2	Double Transfer & Request to Sell
	R-1367 (LID No. 1137	/43)	Other Items on the Licensed
	2633-39 Poplar Street		Premises –
	Philadelphia, Philadelphia	bhia County	Restaurant
	Motion Made:	Board Member Isenhour	
	Seconded:	Board Member Vulakovich	

<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve transfer and request to sell
	other items on licensed premises.

(5)	Cheap Shotz Management, LLC
	R-3423 (LID No. 110960) Case No. 22-9127
	120 Lincoln Street
	Olyphant, Lackawanna County

Person-to-Person Transfer – Restaurant

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich

### **Board Decision:** Unanimously agreed (3-0 vote) to approve transfer.

(6)	Highlands Leisure, L t/a Highlands Golf Co PGR-44428 (LID No. 424 Country Club Roa Conemaugh Township Johnstown, Somerset C	<b>ourse</b> 98987) d	Extension of License & Request to Conduct Another Business on the Licensed Premises – Privately- Owned Public Golf Course Restaurant
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to request to conduct another busines	
(7)	Liquid 891, Inc. R-18464 (LID No. 592 891 Eisenhower Boule Swatara Township Harrisburg, Dauphin C	vard	Request for Hearing to Extend the Safekeeping Period & Renewal – Restaurant
	Motion Made:	Board Member Isenhour	
	Chairman Holden asked if there was anyone representing Liquid 891, Inc. who wished to be recognized. There was no response.		iquid 891, Inc. who wished to be
	Seconded:	Board Member Vulakovich	
	<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to	deny request for additional year of

safekeeping with no fee.

(8) Pacific Street, LLC
 R-11080 (LID No. 85155) Case No. 22-9051
 2758-2762 East Pacific Street
 Philadelphia, Philadelphia County

Request for Hearing to Extend the Safekeeping Period – Restaurant

Motion Made: Board Member Isenhour

Chairman Holden asked if there was anyone representing Pacific Street, LLC who wished to be recognized. There was no response.

- Seconded: Board Member Vulakovich
- **Board Decision:** Unanimously agreed (3-0 vote) to deny request for additional year of safekeeping with no fee.

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

 (9) The Steel Mill Saloon, LLC R-13737 (LID No. 71522) Case No. 22-9067 1225 Grandview Avenue Pittsburgh, Allegheny County Request for Hearing to Extend the Safekeeping Period – Restaurant

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve request for one-year

extension of safekeeping period without fee.

(10) TJ Warren Associates, Inc.
 R-13453 (LID No. 53703) Case No. 22-9037
 74 Warren Street
 Tunkhannock, Wyoming County

Request for Hearing to Extend the Safekeeping Period – Restaurant

Motion Made: Board Member Isenhour

Chairman Holden asked if there was anyone representing TJ Warren Associates, Inc. who wished to be recognized. There was no response.

Seconded:	Board Member Vulakovich
Board Decision:	Unanimously agreed (3-0 vote) to deny request for additional year of safekeeping with no fee.

(11) TNP, LLC

t/a The Belmont Inne R-10232 (LID No. 59931) Case No. 22-9092 3750 Old Philadelphia Pike Lower Saucon Township Bethlehem, Northampton County Temporary Outdoor Extension of Premises – Restaurant

Motion Made: Board Member Isenhour

Chairman Holden asked if there was anyone representing TNP, LLC who wished to be recognized. There was no response.

Seconded:Board Member VulakovichBoard Decision:Unanimously agreed (3-0 vote) to refuse extension of premises.

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

(12)	<b>49 Falone, Inc.</b> E-4897 (LID No. 59386) Case No. 2021-59386		Renewal – District 11
	47-49 East Chester Pike Glenolden, Delaware C		HOLD 8/11/22 SESION
	Ciclicitati, Dela vale C		Conditional Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to a licensing agreement.	approve renewal with conditional
(13)	312 Denden, Inc.		Renewal – District 10
	R-6139 (LID No. 82273) Case No. 2022-82273 312 Market St Philadelphia, Philadelphia County		HOLD 8/11/22 SESION
	r in r		Conditional Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to a licensing agreement.	approve renewal with conditional
(14)	Danny V., LLC t/a Hugo's Taproom R-9978 (LID No. 7140: 106 W Pittsburgh St Greenburg, Westmorela	5) Case No. 2022-71405 and County	Renewal – District 6
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to l agreement.	hold for conditional licensing
(15)	Keah, LLC		Renewal – District 5
	R-2435 (LID No. 91809) Case No. 2021-91809 7365 Denniston Ave Pittsburgh, Allegheny County		HOLD 9/21/22 SESSION
	Motion Made:	Board Member Isenhour	
	Chairman Holden asked recognized. There was	d if there was anyone representing K no response.	eah, LLC who wished to be
	Seconded:	Board Member Vulakovich	

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

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(16)	New Beginnings Enter H-4003 (LID No. 6207 11 Beaver Street Hulmeville, Bucks Cou	9) Case No. 2021-62079	Renewal – District 11
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to agreement.	hold for conditional licensing
(17)	Purvi, LLC t/a The Lincoln Motel		Renewal – District 11
	H-6000 (LID No. 5451 2277 Lincoln Hwy US	9) Case 2021-545196	HOLD 9/21/22 SESSION
	Feasterville, Bucks Con		Conditional Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to licensing agreement.	approve renewal with conditional
(18)	Route 309 Six Packs 7 R-3441 (LID No. 8958 1337 N Church St Hazle Township, Luzer	9) Case No. 2022-89589	Renewal – District 8 HOLD 9/21/22 SESSION
	Motion Made:	Board Member Isenhour	
	Chairman Holden asked if there was anyone representing Route 309 Six Packs To Go, LLC who wished to be recognized. There was no response.		Route 309 Six Packs To Go, LLC who
	Seconded:	Board Member Vulakovich	
	<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to	refuse renewal.
(19)	Sara, Inc. t/a Double S Saloon R-14292 (LID No. 643 610 Evans Ave McKeesport, Alleghen	39) Case No. 2021-64339 y County	Renewal – District 5 HOLD - 7/13/22 SESSION

Motion Made: Board Member Isenhour

Chairman Holden asked if there was anyone representing Sara, Inc. who wished to be recognized. There was no response.

	Seconded:	Board Member Vulakovich	
	<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to	refuse renewal.
(20) S P V Inc R-13755 (LID No. 69 5801 Catherine St Philadelphia, Philadel		00) Case No. 2020-69600 hia County	Renewal – District 10 HOLD 9/21/22 SESSION Conditional Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to licensing agreement.	approve renewal with conditional
(21)	<ul> <li>Wyoming Quality Beverage Co.</li> <li>D-2084 (LID No. 84995) Case No. 2022-84995</li> <li>855 Exeter Ave</li> <li>Exeter, Luzerne County</li> </ul>		Renewal – District 8 Conditional Licensing Agreement
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to licensing agreement.	approve renewal with conditional
(22)	(22) Zachary M. Zankofsky R-12262 (LID No. 66407) Case No. 2021-66407 339 Claremont Ave Tamaqua, Schuylkill County		Renewal – District 3
	Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
	Board Decision:	Unanimously agreed (3-0 vote) to agreement.	hold for conditional licensing

### 

Personnel Actions

There were 17 personnel actions presented for consideration.

- (1) John Bormuth Removal
- (2) Mark Cherry Affirm Removal
- (3) Autumn Eichhorn Affirm Removal
- (4) Robert Eisenberg Removal
- (5) Charlie Fine Removal
- (6) Christina Helwig Removal
- (7) Tishante Jackson Affirm Removal
- (8) Tracy Kern Affirm Removal
- (9) Jay Loomis Affirm Removal
- (10) Dillon Manning Removal
- (11) Jaleel Moore Removal
- (12) Tanya Robinson-Lancit Removal
- (13) Shawn Stubbs Removal
- (14) Joseph Thomas Removal
- (15) Ashley Thompson Affirm Removal
- (16) Adam Tyson Affirm Removal
- (17) Mackenzie Withrow Affirm Removal

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to approve all Personnel Actions.

## 

Procurement Actions:

- (1) Warehousing and Transportation Services for Western Pennsylvania--REVISION of previously approved spend associated with Amendment No. 1. On March 9, 2022, the Board approved Amendment No. 1 to Contract 20191104 involving the addition of thirty-eight delivery locations previously serviced by a different third-party logistics provider. The additional spend was incorrectly stated to be \$1,400,000.00, for a total contract spend of \$73,400,000.00 "through the contract expiration date of February 11, 2033." In fact, the \$1,400,000.00 increase was meant to be a per-contract-year estimated cost for the specific period of performance from March 1, 2022 through February 28,2026. Thus, the new total estimated spend approved by the Board with Amendment No. 1 should have been \$77,600,000.00 through February 28, 2026.
- (2) Warehousing and Transportation Services for Western Pennsylvania This amendment allows for fuel and wage surcharges against existing contract rates to offset the increase in fuel prices and labor costs that have been experienced since the contract was awarded in 2021.

Procured via Amendment 2 to Contract 20191104 – VENDOR: FedEx Supply Chain Inc. – AMENDMENT TERM: From the date of Attorney General approval through February 28, 2026 - COST OF CHANGE: \$6,000,000.00 estimated increase to revised total approved spend of \$77,600,000.00 for initial, 4-year, fixed rate period ending February 28, 2026. TOTAL APPROVED COST OF CONTRACT: estimated \$83,600,000.00.

Inter-Agency Charges:

- (1) Office of Administration IT Shared Services Billing of \$795,271 for the FY 2022-23 Q2 estimate for OA's IT Enterprise Technology Essential Services. This billing is for enterprise-wide infrastructure, network, security, enterprise data center (EDC) and service desk costs. The PLCB's charge represents 1.0% of the total \$76.0M OA- IT Shared Services Q2 billing. This year's billings are \$1.632M or \$68,150 (+4.4%) higher than the last years Q1 and Q2 billings.
- (2) Department of General Services (DGS) Property Costs (JOB 7) Billing of \$116,442.27 for FY 2022-23 Q2 for Commonwealth property costs. This is for the property costs for the Northwest Office Building (NWOB), which includes direct costs paid by DGS (electricity charges), as well as prorated expenses for Capital Police services and City of Harrisburg Fire Protection The year-to-date JOB 7 billings are \$205,737 or \$24,787 (-10.8%) less than last year due to the \$27,148 credit on the Q1 billing for the FY 2021-22 "true-up".

The Bureau of Financial Management and Analysis has reviewed these charges and determined that they are reasonable based on billing methodology and previous experience.

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
Board Decision:	Unanimously agreed (3-0 vote) to accept all Procurement Actions and Inter-Agency Charges.

From the Office of Retail Operatio	ns	Michael Demko, Executive Director
	ium Road, Bldg. D, Bridgevi ensee Service Center)	lle
(2) #5002 – 53 Main Street, Duncannon Amendment		
(3) #2002 – 126 South Exercise Option	n Martin Street, Titusville	
(4) #5112 – 2550 Gra Exercise Option	nt Avenue, Philadelphia	
Motion Made: Seconded:	Board Member Isenhour Board Member Vulakovich	
<b>Board Decision:</b>	Unanimously agreed (3-0 vot	e) to accept all Retail Operations actions.
From the Bureau of Product Selection	<i>T</i>	om Bowman, Director of Product Selection
VENDOR – ITEM NAME		BOARD ACTION REQUESTED
Various Various	1. 2.	Regular PA New Items Accepted Regular Recommended Delist

# 1. Regular PA New Items Accepted

BRAND NAME AND SIZE	<u>REASON</u>
Altered State Distillery	
Altered State Spiced Rum 750 mL	16
Trinity Flavors LLC	
Trinity Flavors Espresso Martini 4x 355 mL Cans	16
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

### 2. Regular Recommended Delist

BRAND NAME AND SIZE	<u>CODE</u>
Jim Beam Co	
Pinnacle Orange Vodka 60 Proof	3036
Pinnacle Raspberry Vodka 60 Proof	5076
Pinnacle Tropical Punch Vodka 60 Proof	3140
Skinnygirl Margarita Cocktail 25 Proof	3343
Majestic WS USA Inc Rancho La Gloria Classic Lime Margarita Wine Cocktail 4x250 mL Cans Rancho La Gloria Mango Margarita Wine Cocktail 4x250 mL Cans Rancho La Gloria Strawberry Margarita Wine Cocktail 4x250 mL Cans	806 805 807
North Wales Wines Ravenswood Vintners Blend Zinfandel	4068
Trinity Flavors LLC	
Trinity Flavors Iced Irish Coffee 4x355 mL Cans	97107

EFFECTIVE DATE: The transference to closeout will become effective December 10, 2022

Motion Made:	Board Member Isenhour
Seconded:	Board Member Vulakovich
<b>Board Decision:</b>	Unanimously agreed (3-0 vote) to accept all Product Selection actions.

# 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)

ASSETS		<u>July 31, 2022</u>		<u>July 31, 2021</u>
Current assets:	•	10,000,050	•	40 500 000
Cash	\$	48,032,956	\$	49,599,392
Investments - short term		227,599,774		318,067,877
Accounts and claims receivable, net		8,630,509		6,812,654
Due from other funds - Note 9		-		2,048
Merchandise inventories, net		207,519,232		202,676,413
Operating supplies		471,703		400,739
Prepaid expenses		885,497		1,559,111
Total current assets		493,139,671		579,118,234
Non-current assets:				
Non-depreciable capital assets:				
Land		322,973		322,973
Depreciable or amortizable capital assets:				
Building		10,762,508		10,646,706
Leasehold improvements		209,134		209,134
Machinery and equipment		48,621,223		47,397,048
Intangible - internally generated software		55,497,662		22,479,466
Intangible - right to use leases - Note 10				
		365,334,155		329,560,381
Intangible - right to use IT subscriptions - Note 11		20,300,870		-
Less: accumulated depreciation or amortization		185,734,948		118,781,277
Net depreciable or amortizable capital assets		314,990,604		291,511,458
Total non-current capital assets		315,313,577		291,834,431
Total assets	\$	808,453,248	\$	870,952,665
Total deferred outflows of resources - Notes 5, 6	\$	182,990,205	\$	208,094,447
LIABILITIES				
Current liabilities:				
Trade accounts payable	\$	254,228,395	\$	320,479,681
Other accounts payable		19,109,051		25,992,893
Accrued expenses		24,862,340		21,361,214
OPEB - Note 6		-		-
Self-insurance, workers' compensation - Note 7		5,038,908		6,798,715
Due to other funds - Note 9		7,561,935		6,288,419
Due to fiduciary funds - Note 9		3,927,195		3,254,984
Due to other governments - Note 9		1,094,197		890,199
Right to use liabilities - Note 10		62,876,431		52,835,345
Total current liabilities		378,698,452		437,901,450
Non-current liabilities:		420 840 000		
OPEB - Note 6		430,810,000		505,686,000
Self-insurance, workers' compensation - Note 7		42,846,197		58,900,982
Net pension liability - Note 5		370,818,163		463,959,328
Compensated absences - Note 1		26,865,598		25,995,401
Right to use liabilities - Note 10		208,869,122		219,745,084
Total non-current liabilities		1,080,209,080		1,274,286,795
Total liabilities	\$	1,458,907,532	\$	1,712,188,245
Total deferred inflows of resources - Notes 5, 6	\$	385,868,486	\$	351,582,964
NET POSITION				
Net investment in capital assets	\$	43,568,024	\$	19,254,002
Deficit		(896,900,589)		(1,003,978,099)

### Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund Comparative Statements of Revenues, Expenses, and Changes in Net Position For the Month Ending July 31, 2022 and July 31, 2021 (Unaudited)

	2022-	23	2021-22*		
Sales net of taxes	\$	197,076,689	\$	201,824,115	
Cost of goods sold	Ŧ	(140,949,220)	Ţ	(139,004,843)	
Gross profit from sales		56,127,469		62,819,272	
Operating (expenses):					
Wholesale	(1,566,252)		(1,794,400)		
Retail	(27,518,305)		(26,566,403)		
E-Commerce	(186,297)		(160,512)		
Regulatory	(759,954)		(777,807)		
Enterprise	(5,618,522)		(4,976,266)		
Commonwealth provided services - Note 2	(1,514,990)	(07.404.000)	(1,180,942)	(05 450 000)	
Total		(37,164,320)		(35,456,330)	
Operating profit/(loss)		18,963,149		27,362,942	
Other operating revenues (expenses):					
Enforcement fines	150,413		102,875		
License fees	2,095,266		1,104,939		
Miscellaneous income	181,292	o	814,873		
Total		2,426,971		2,022,687	
Total operating income/(loss)		21,390,120		29,385,629	
Miscellaneous revenues (expenses): Interest income (expense)	(228,260)		(200 116)		
Other	(228,369) 2,483		(388,116) 1,179		
Total	2,403	(225,886)	1,179	(386,937)	
		<u> </u>			
Income/(Loss) before operating transfers		21,164,234		28,998,692	
Operating transfers out:					
PSP enforcement - Note 3	(2,712,320)	(2,712,320) <b>18,451,914</b>	(2,434,451)	(2,434,451) <b>26,564,241</b>	
Net Income/(Loss) from operations		18,451,914		26,564,241	
Statutory Transfers:					
General fund - Note 4	-		-		
Drug and alcohol programs - Note 4	-		-		
Total		<u> </u>		-	
Change in net position		18,451,914		26,564,241	
**Total net position - beginning 2022-23 Restated -		(074 704 470)		(4.044.000.000)	
Note 12	<b>•</b>	(871,784,479)	<u>^</u>	(1,011,288,338)	
Total net position - ending	\$	(853,332,565)	\$	(984,724,097)	
Liquor tax	35,706,943		36,191,390		
State Sales Tax Local Tax	14,053,367 876,479		14,236,369 859,843		
Taxes remitted to Dept.of Revenue PTD	876,479	50,636,789	859,843	51,287,602	
	Φ	50,050,769	Φ	51,207,002	

\* Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications did not affect Income after enforcement / before other transfers, Change in net position, or Total net position.

\*\*Beginning Net Position was restated from \$(872,154,418) at June 30, 2022 to \$(871,784,479) at July 1, 2022, a \$369,939 increase, due to the implementation of Governmental Accounting Standards Board Statement No. 96 – Subscription Based Information Technology Agreements.

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

Current assets:         \$         28,857,238         \$         46,019,400           Investments - short term Investments - short term Investment indust - Nues - Subsets         \$         28,837,128         \$         46,019,400           Due from outrinds - Nues - Subsets         \$         224,172,733         214,935,392         214,935,392           Marrinds supmentions, net Outrent assets         \$         221,172,733         214,935,392         10,243,113         11,543,027           Total current assets         \$         517,623,950         \$         603,249,521           Non-current assets:         \$         229,173         322,973         322,973         322,973           Depreciable or anortizable capital assets:         \$         208,134         209,132,202,28         112,202,284         207,709,813         204,202,204         209,039,934         204,217,709,813         204,217,709,813         204,217,709,813         204,217,709,813         204,217,218,842         207,7	ASSETS		<u>August 31, 2022</u>	<u>August 31, 202</u>		
S         28,857,238         5         46,019,400           Investments - short term         256,961,150         333,354,608         46,019,400           Due from other funds - Note 9         7,033,554         326,972,700         7,033,554           Operating supplies         261,172,733         214,935,382         214,935,382           Operating supplies         607,811         333,650           Prepaid expenses         1,024,318         1,543,027           Non-current assets:         Non-deprecible capital assets:         10,820,411         10,891,486           Depreciable capital assets:         10,820,411         10,891,986         124,171,493,532           Depreciable or amortizable capital assets:         209,134         209,134         209,134           Machinery and expenses         10,820,411         10,891,986         144,107,493           Leasehold improvements         209,134         209,134         209,134           Machinery and expenses         309,820,033,337,501         331,220,291         331,220,291           Total constrastion or monizable capital assets         309,250,281         297,268,640         297,268,640           Total assets         \$         827,197,204         \$         900,969,334           Total anon-current capital assets	Current assets:					
Investments - short term         256,981,150         333,384,508           Accounts and claims receivable, net         8,979,700         7,083,554           Due from other funds - Note 9         7         133,384,508           Merchandles inventories, net         221,173,733         214,895,382           Operating supplies         607,811         313,360           Prepaid expenses         1024,318         1,543,027           Total current assets         517,623,950         603,249,521           Non-current assets         322,973         322,973           Deliding         10,800,411         10,619,886           Lease of untrizzable capital assets:         322,973         322,973           Deliding         10,800,411         10,619,886           Lease of untrizzable capital assets:         322,973         322,973           Intangible - right to use lasses - Note 10         344,935,269         331,820,208           Intangible - right to use lasses + Note 10         344,935,269         331,820,208           Intangible - right to use lasses + S         309,257,3,254         297,709,813           Total assets         309,257,3,254         297,709,813           Total adefered outflows of resources - Notes 5, 6         \$ 111,625,405         \$ 205,770,047 <t< td=""><td></td><td>\$</td><td>28.857.238</td><td>\$</td><td>46.019.400</td></t<>		\$	28.857.238	\$	46.019.400	
Accounts and claims receivable, net         8,979,700         7,083,554           Due from other funds - Note 9         1         1           Merchandles inventories, net         221,173,733         214,985,382           Operating supplies         1,024,318         1,543,027           Total current assets         517,623,860         603,249,521           Non-deprecible capital assets:         10,820,411         10,891,986           Laadeble in anotizable capital assets:         10,820,411         10,891,986           Laadeble in growaments         209,134         209,134         209,134           Laadeble ingrowaments         209,134         209,134         209,134           Laadeble ingrowaments         209,134         209,134         209,134           Laadeble ingrowaments         209,134         209,134         209,134           Machinery and equipment         49,123,373         47,489,223         111           Intargible - right to use freases. Note 10         203,037         31,820,228         124,107,403           Use start anotizable capital assets         309,250,221         297,709,813         141,074,33           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           Laalutrites         204,442,813         <		Ŧ		Ŧ		
Marchandise inventories, net         221,173,733         214,935,382           Operating supplies         267,781         313,650           Prepaid expenses         1,024,318         1,543,027           Total current assets:         517,623,950         603,249,521           Non-current assets:         322,973         322,973           Depreciable capital assets:         322,973         322,973           Building         10,820,411         10,691,986           Leasehold improvements         209,134         209,134           Advahnery and equipment         44,123,373         47,489,523           Intangible - right to use leases - Note 10         364,935,269         331,220,298           Intangible - right to use leases - Note 11         20,300,870         -         -           Less: accurulated depreciation or amorization         191,388,826         124,107,493         390,973,254         297,709,813           Total assets         \$         827,197,204         \$         900,959,334           Total deferred outflows of resources - Notes 5, 6         \$         181,625,405         \$         205,770,047           Less:         accured tayler, funds - Note 9         2,454,283         2,667,78,804         -           Accured expenses         27,473,987						
Operating supplies         607.811         313.660           Prepaid exponses         1.024.316         1.543.027           Total current assets         517.623.950         603.249.521           Non-current assets:         322.973         322.973           Depreciable capital assets:         209.134         209.134           Building         10.820.411         10.691.986           Lead         322.973         322.973           Building         10.820.411         10.691.986           Leasehold improvements         209.134         209.134           Machiney and equipment         49.123.373         47.498.923           Intangible - internally generated software         55.250.050         31.820.298           Intangible - internally generated software         354.335.269         331.220.298           Intangible - right to use lassets         309.250.281         207.709.813           Total assets         309.250.281         207.709.813           Total assets         \$ 827.197.204         \$ 900.959.34           Total assets         \$ 82.827.197.204         \$ 900.959.34           Total assets         \$ 82.7197.204         \$ 900.959.34           Current liabilities:         \$ 827.197.204         \$ 900.959.34           T	Due from other funds - Note 9		-		-	
Prepaid expenses         1.024.318         1.543.027           Total current assets:         617,623.950         603,249,521           Non-current assets:         322.973         322.973           Depreciable capital assets:         10.820,411         10.0691,986           Leasehold improvements         209,134         209,134           Machinery and equipment         49,123,373         47,489,523           Intangible - infernit generated software         55,550,963         331,220,296           Intangible - infernit generated software         53,250,853         124,107,493           Intangible - infernit generated software         300,570         124,107,493           Intangible - infernit generated software         300,573,254         297,306,840           Net depreciable or anortization or amortization         191,388,266         124,107,493           Net depreciable or anortizatio assets         300,573,254         297,709,813           Total assets         \$ 262,144,517         \$ 205,770,047           Lease to anort assets         \$ 262,144,517         \$ 334,343,323           Total assets         \$ 262,144,517         \$ 334,343,323           OPEB - Note 6         \$ 181,625,405         \$ 205,770,047           Lease to ther governments - Note 9         8,26471,679         23,34	Merchandise inventories, net		221,173,733		214,935,382	
Total current assets         517,623,950         603,249,521           Non-current assets:         Non-depreciable capital assets:         322,973         322,973           Depreciable or amontzable capital assets:         206,134         209,134         209,134           Building         208,134         209,134         209,134         209,134           Intangible - internally generated software         55,250,650         31,883,322         31,220,288           Intangible - internally generated software         55,250,650         31,883,326         124,107,483           Net depreciable or amontzable capital assets         309,257,264         297,386,840         297,386,840           Total non-current capital assets         309,257,264         297,386,840         297,386,840           Total assets         309,257,264         297,709,813         297,386,840           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,77,0,047            S         827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,77,0,047            S         262,144,517         \$ 334,343,323           Other accounts payable         \$ 2,454,403         326,626,224         \$ 2,252,51,486			607,811		313,650	
Non-current assets:         322,973         322,973           Depreciable capital assets:         10,820,411         10,691,986           Building         209,134         209,134           Depreciable or amoritzable capital assets:         322,973         322,973           Building         209,134         209,134         209,134           Intangible - internally generated software         55,250,050         31,883,322           Intangible - internally generated software         364,985,269         331,220,288           Intangible - right to use IT subscriptions - Note 11         20,300,870         -22,236,840           Total non-current capital assets         309,257,281         297,386,840           Total assets         309,257,281         297,709,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047 <b>LABILITES</b> Trade accounts payable         20,454,253         23,867,143           OPEB - Note 6         \$ 262,144,517         \$ 334,343,323         26,677,864           OPEB - Note 6         \$ 262,144,517         \$ 334,343,323         26,778,047           Due to fundary funds - Note 9         \$ 2,454,440         3,266,623         27,789,817	Prepaid expenses		1,024,318		1,543,027	
Non-depreciable capital assets:         322,973         322,973           Depreciable or amortizable capital assets:         10,820,411         10,681,986           Building         10,820,411         10,681,986           Leasehold improvements         209,134         209,134           Machinery and squipment         49,123,373         47,489,523           Intangible - internally generated software         55,220,650         31,883,392           Intangible - internally generated software         55,220,650         31,823,922           Intangible - internally generated software         302,973,254         207,709,813           Net depreciable or amortizable capital assets         309,573,254         207,709,813           Total assets         \$         827,197,204         \$         900,959,334           Total assets         \$         20,454,283         20,577,00,47           Lease counts payable           Current liabilities:         \$         20,454,283         28,671,769           Accured expenses         27,437,947         23,324,433,323         26,671,769           Accured expenses         27,478,944         3,4243,323         26,671,769           Actual dupon-current labilities:         Note 6         \$         1,19,415         387,075      <	Total current assets		517,623,950		603,249,521	
Land         322,973         322,973           Depreciable or amorizable capital assets:         0.820,411         0.680,411         0.680,411           Building         209,134         209,134         209,134           Machinery and equipment         49,123,373         47,489,523           Intangible - infer lose leases - Note 10         364,335,269         331,220,289           Intangible - infer lose leases - Note 11         20,300,870         212,02,289           Intangible - infer lose leases - Note 11         20,300,870         212,02,89           Intangible - infer lose depreciation or amoritzation         191,388,826         124,107,493           Net depreciable or amoritzation         191,388,826         124,107,493           Total non-current capital assets         309,250,281         297,798,813           Total cerrent capital assets         309,250,281         297,709,813           Total assets         \$         827,197,204         \$         900,959,334           Total cerrent liabilities:         Trade accounts payable         \$         20,454,281         28,717,047           LABILITIES         S         262,144,517         \$         334,343,323         20,674,283         28,671,769           OPEB - Note 6         \$         10,74,473,987         23,521,436<	Non-current assets:					
Depreciable or amoritable capital assets:         0,620,411         10,661,986           Building         10,820,411         10,661,986           Leasehold improvements         209,134         209,134           Machinery and equipment         49,123,373         47,489,523           Intangible - internally generated software         55,250,050         31,883,392           Intangible - internally generated software         364,935,269         331,220,298           Intangible - internally generated software         309,673,254         297,709,812           Less: accumulated depreciation or amortization         191,388,626         124,107,493           Net depreciatible or amoritable capital assets         309,250,281         297,709,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           LABILITIES         Current liabilities:         \$ 262,144,517         \$ 334,343,323           OPEB - Note 6         \$ 20,454,283         28,671,768           Accrued expenses         27,437,987         23,521,436           OPEB - Note 6         \$ 20,842,440         3,526,622           Due to other funds - Note 9         4,254,440         3,526,624           Due to other funds - Note	Non-depreciable capital assets:					
Building         10,820,411         10,861,986           Leasehold improvements         209,134         209,134         209,134           Machinery and equipment         49,123,373         47,489,523           Intangible - internally generated software         364,935,289         31,1220,298           Intangible - right to use leases - Note 10         20,300,870         -           Intangible - right to use leases - Note 11         20,300,870         -           Less: accumulated depreciation or amoritzation         191,386,826         124,107,493           Net depreciable or amoritzation         191,386,826         227,708,813           Total assets         309,573,254         297,386,840           Total assets         309,573,254         297,398,640           Current liabilities:         Tatal assets         309,573,254         297,398,640           Current liabilities:         Nate of countrastic assets         20,454,243         28,677,098,13           Current liabilities:         Nate of countrastic asse			322,973		322,973	
Leasehold improvements         209 134         209 134           Machinery and equipment         40 123 373         47 489 523           Intangible - internally generated software         55 250 050         31 883 392           Intangible - right to use leases - Note 10         364 393 2293         31 220 298           Intangible - right to use leases - Note 11         20,300 870         124 107,493           Less: accumulated depreciation or amorization         191 388 826         124 107,493           Net depreciable or amorizable capital assets         309,573 254         297,709,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total assets         \$ 205,770,047         \$           LABILITIES         \$ 205,770,047           Current liabilities:         \$ 204,542,833         28,671,769           Trade accounts payable         \$ 246,714         \$ 334,343,323           Other accounts payable         \$ 246,717         \$ 334,343,323           Other accounts payable         \$ 262,144,517         \$ 34,671,769           Accrued expenses         \$ 246,717         \$ 34,671,769           OPEE - Note 6         \$ 77,86,940         \$ 245,713           Bue to induciary funds - Note 9         \$ 9,91482         \$ 6,778,804           Due to other						
Machinery and equipment         49,123,73         47,489,523           Intangible - internal generated software         52,50,050         31,1883,392           Intangible - internal generated software         52,520,050         31,120,238           Intangible - internal generated software         364,935,269         331,220,238           Intangible - internal generated software         191,388,826         124,107,493           Net depreciable or amortizable capital assets         309,573,254         297,386,840           Total assets         309,573,254         297,708,813           Total assets         309,573,254         297,708,013           Total assets         309,573,254         297,709,013           Current liabilities:         Trade accounts payable         \$         206,471,768           Current liabilities:         Trade accounts payable         \$         262,144,517         \$         334,343,323           OPEB - Note 6         \$         181,625,405         \$         206,770,047           UABILITIES         \$         262,144,517         \$         334,343,323           OPEB - Note 6         \$         181,625,405         \$         206,777,684           Due to fuduciary funds - Note 9         8,981,822         6,7778,804         \$						
Intangible - internally generated software         55,250,050         31,883,392           Intangible - right to use lF subscriptions - Note 11         20,300,870         -           Less: accumulated depreciation or amortization         191,388,826         124,107,493           Net depreciable or amortizable capital assets         309,250,281         297,386,440           Total non-current capital assets         309,957,3,254         297,700,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           LIABILITIES         Current liabilities:         7 334,343,323         28,671,769           Current liabilities:         7 334,343,323         28,671,769         28,287,1769           Current liabilities:         7 4,379,897         23,321,436         7 8,044           OPEB - Note 6         -         -         -         -           Self-insurance, workers' compensation - Note 7         5,038,908         6,298,715         9 87,075           Due to drive funds - Note 9         4,254,440         3,626,825         -         -           Due to corter liabilities:         391,949,956         457,063,292         452,235,345         -           OPEB - Note 6         24,946,50						
Intangible - right to use leases - Note 10         366,395,269         331,220,289           Intangible - right to use l'asubscriptions - Note 11         20,300,870         -           Less: accumulated depreciation or amortization         191,388,826         227,386,640           Net depreciable or amortizable capital assets         309,573,254         297,708,613           Total assets         \$         827,197,204         \$         900,959,334           Total assets         \$         827,197,204         \$         900,959,334           Total assets         \$         827,197,204         \$         900,959,334           Total deferred outflows of resources - Notes 5, 6         \$         181,625,405         \$         205,770,047           LIABILITIES         Current liabilities:         Trade accounts payable         \$         262,144,517         \$         334,343,323           Other accounts payable         \$         264,7437,997         23,521,436         -         -           OpEB - Note 6         \$         1,984,182         6,7778,804         -         -           Due to diver funds - Note 9         1,254,440         3,262,625         5,233,245         -           Non-current liabilities         Note 9         1,254,524         52,835,345         -						
Intangible - ngin to use IT subscriptions - Note 11         20.300.870         124.107.483           Less: accumulated depreciation or amortization         191.388.826         124.107.483         309.250.281         297.386.840           Total non-current capital assets         309.250.281         297.708.813         297.708.813         297.708.813           Total assets         \$ 827.197.204         \$ 900.959.334         297.708.813         297.708.813           Total deferred outflows of resources - Notes 5. 6         \$ 181.625.405         \$ 205.770.047           LABILITIES         Current liabilities:         \$ 262.144.517         \$ 34.343.323           Trade accounts payable         \$ 264.745.783         28.671.523         28.671.524           Other accounts payable         \$ 264.744.517         \$ 34.343.323         28.671.524           OPEB - Note 6         \$ 27.437.987         23.521.436         OPEB - Note 6         \$ 2.08.715           Due to fuducary funds - Note 9         \$ 4.254.440         3.626.825         \$ 2.86.715           Not current liabilities         \$ 391.949.956         \$ 52.83.5345         \$ 52.83.5345           Total current liabilities         \$ 391.949.956         \$ 52.83.5345         \$ 52.83.5345           Not current liabilities         \$ 391.949.956         \$ 52.83.5345         \$ 52.85.524 </td <td></td> <td></td> <td></td> <td></td> <td></td>						
Less: accumulated depreciation or amortization         191,388,826         124,107,493           Net depreciable or amortizable capital assets         309,250,281         297,709,813           Total non-current capital assets         309,250,281         297,709,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           LIABILITIES         Current liabilities:         \$ 262,144,517         \$ 334,343,323           Cher accounts payable         \$ 262,144,517         \$ 334,343,323           Accrued expenses         27,437,987         225,21,436           OPEB - Note 6         -         -         -           Self-insurace, workers' compensation - Note 7         5,038,908         6,298,715           Due to other governments - Note 9         4,254,440         3,626,825           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities - Note 10         62,458,524         52,83,345           Total current liabilities:         31,949,956         457,063,292           Non-current liabilities         319,499,956         457,063,292           Non-current liabilities         1,292,465,000         499,001,000           Self-i					331,220,298	
Net depreciable or amortizable capital assets         309,250,281         297,386,840           Total non-current capital assets         \$ 827,197,204         \$ 900,959,334           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           LIABILITIES         Current liabilities:         \$ 262,144,517         \$ 334,343,323           Other accounts payable         \$ 20,454,283         226,745,293         \$ 28,671,769           Accrued expenses         27,437,987         23,521,436         \$ 900,953,344           OPEB - Note 6         \$ 262,144,517         \$ 334,343,323         \$ 26,717,694           Self-insurace, workers' compensation - Note 7         5,038,908         6,298,715         \$ 266,7178,804           Due to fiduciarly tunds - Note 9         4,254,440         3,628,825         \$ 52,853,455           Total current liabilities - Note 9         1,199,415         987,0075         \$ 980,001,000           Self-insurace, workers' compensation - Note 7         \$ 429,465,000         \$ 499,001,000         \$ 52,853,545           Total current liabilities         \$ 331,949,956         \$ 457,063,292         \$ 22,853,545         \$ 22,893,401         \$ 28,803,833         \$ 465,300,028         \$ 29,94,610         \$ 28,665,3					-	
Total non-current capital assets         309,573,254         297,709,813           Total assets         \$ 827,197,204         \$ 900,959,334           Total deferred outflows of resources - Notes 5, 6         \$ 181,625,405         \$ 205,770,047           LIABILITIES         Current liabilities:         \$ 262,144,517         \$ 334,343,323           Trade accounts payable         \$ 262,144,517         \$ 334,343,323         28,671,769           Accrued expenses         27,437,987         23,521,436         \$ 26,298,715           OPEB - Note 6         -         -         -         -           Due to other funds - Note 9         8,961,882         6,778,804         -         -           Due to other governments - Note 9         4,254,440         3,626,825         50,238,345         50,770,03,23           Non-current liabilities:         0PEB - Note 9         4,254,440         3,626,825         52,635,345           OPEB - Note 6         5 20,333         465,300,029         465,300,029         429,465,000         499,001,000           Self-insurace, workers' compensation - Note 7         43,346,197         59,900,983         465,300,028         20,627,48           OPEB - Note 6         204,203,139         216,665,588         22,596,401         204,203,139         216,665,586         25						
Total assets         \$         827,197,204         \$         900,959,334           Total deferred outflows of resources - Notes 5, 6         \$         181,625,405         \$         205,770,047           LIABILITIES         Current liabilities:         *         324,343,323         28,671,769           Accrued expenses         27,437,987         23,521,435         28,671,769           Accrued expenses         27,437,987         23,521,435         28,671,769           Due to other funds - Note 9         5,038,908         6,298,715         5           Due to other funds - Note 9         8,961,882         6,778,804         362,825           Due to other governments - Note 9         1,199,415         987,075         Right to use liabilities         391,949,956         457,063,292           Non-current liabilities:         391,949,956         457,063,292         457,063,292         10,000           Self-insurance, worker' compensation - Note 7         372,590,363         465,300,028         20,465,500         499,001,000           Self-insurance, worker' compensation - Note 7         27,62,748         372,590,363         465,300,28         21,076,47,48           Corpensated absences - Note 1         28,865,598         21,865,538         21,076,47,48         21,076,47,48         21,076,47,48						
Total deferred outflows of resources - Notes 5, 6         \$         181,625,405         \$         205,770,047           LLABILITIES         Current liabilities:         *         262,144,517         \$         334,343,323           Other accounts payable         \$         20,454,283         28,671,769         Accrued expenses         20,454,283         28,671,769           OPEB - Note 6         \$         27,437,987         23,521,436         S         6,298,715           Due to other funds - Note 9         4,254,440         3,626,825         0,245,283         24,458,440         3,626,825           Due to other governments - Note 9         4,254,440         3,626,825         0,775         8,961,882         6,778,804           OPEB - Note 6         \$         3,91,949,956         457,053,292         0,775         8,961,824         52,235,345         52,2458,244         52,235,345         53,346,197         59,900,983         465,300,028         26,665,598         25,954,001         499,001,000         861-insurance, workers' compensation - Note 7         43,346,197         59,900,983         465,300,028         26,865,598         25,954,001         204,203,139         216,865,336         26,865,598         25,954,001         204,203,139         21,686,336         465,300,028         26,865,598         25,954,001	·			<u>^</u>		
LIABILITIES           Current liabilities:         Trade accounts payable         \$ 262,144,517         \$ 334,343,323           Other accounts payable         20,454,283         28,671,769           Accrued expenses         27,437,987         23,521,436           OFEB - Note 6         27,437,987         23,521,436           Due to other funds - Note 9         8,961,882         6,778,804           Due to other governments - Note 9         4,254,440         3,626,825           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities         391,949,956         457,063,292           Non-current liabilities:         391,949,956         457,063,292           Not person liability - Note 5         372,590,363         465,000,028           Compensated absences - Note 1         26,865,598         25,95,401           Right to use liabilities         1,076,470,297         1,267,062,748           Total labilities         1,724,	lotal assets	\$	827,197,204	\$	900,959,334	
Current liabilities:       \$ 262,144,517       \$ 334,343,323         Other accounts payable       \$ 20,454,283       28,671,769         Accrued expenses       27,437,987       23,521,435         OPEB - Note 6       -       -         Self-insurance, workers' compensation - Note 7       5,038,908       6,298,715         Due to other funds - Note 9       8,961,882       6,778,804         Due to other governments - Note 9       4,254,440       3,626,825         Due to other governments - Note 9       1,199,415       987,075         Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities       391,949,956       4457,063,292         Non-current liabilities       392,965,336       465,300,028         Compensated absences - Note 1       26,865,588       25,995,401         Right to use liabilities       1,076,470,297       1,267,062,748         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)	Total deferred outflows of resources - Notes 5, 6	\$	181,625,405	\$	205,770,047	
Trade accounts payable       \$ 262,144,517       \$ 334,343,323         Other accounts payable       20,454,283       28,671,769         Accrued expenses       27,437,987       23,521,436         OPEB - Note 6       -       -         Self-insurance, workers' compensation - Note 7       5,038,908       6,298,715         Due to other funds - Note 9       8,961,882       6,778,804         Due to other funds - Note 9       4,254,440       3,626,825         Due to other governments - Note 9       1,199,415       987,075         Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities       331,949,956       457,063,292         Non-current liabilities:       0PEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liabilities:       204,203,139       216,865,398       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336       216,865,336         Total non-current liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132<	LIABILITIES					
Other accounts payable         20,454,283         28,671,769           Accrued expenses         27,437,987         23,521,436           OPEB - Note 6         -         -           Self-insurance, workers' compensation - Note 7         5,038,908         6,298,715           Due to other funds - Note 9         4,254,440         3,626,825           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities - Note 10         62,458,524         52,835,345           Total current liabilities         331,949,956         457,063,292           Non-current liabilities:         9PEB - Note 6         429,465,000         499,001,000           Self-insurance, workers' compensation - Note 7         43,346,197         59,900,983           Net pension liabilities:         372,590,363         465,300,028           Compensated absences - Note 1         26,865,598         25,995,401           Right to use liabilities         Note 10         204,203,139         216,865,336           Total non-current liabilities         \$ 1,468,420,253         \$ 1,724,126,040           Total liabilities         Notes 5, 6         \$ 374,943,486         \$ 346,998,264           NET POSITION          28,009,132         28,009,132           Deficit		<u>^</u>		•		
Accrued expenses       27,437,987       23,521,436         OPEB - Note 6       -       -         Self-insurance, workers' compensation - Note 7       5,038,908       6,298,715         Due to other funds - Note 9       8,961,882       6,778,804         Due to other governments - Note 9       1,199,415       987,075         Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities:       391,949,956       457,063,292         Non-current liabilities:       0PEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       4465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities       1,076,470,297       1,267,062,748         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION        8 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)       992,404,055)		\$		\$		
OPEB - Note 6         -         -           Self-insurance, workers' compensation - Note 7         5,038,908         6,298,715           Due to other funds - Note 9         8,961,882         6,778,804           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities - Note 10         62,458,524         52,835,345           Total current liabilities         391,949,956         457,063,392           Non-current liabilities:         987,075         99,001,000           OPEB - Note 6         429,465,000         499,001,000           Self-insurance, workers' compensation - Note 7         43,346,197         59,900,983           Net pension liability - Note 5         372,590,363         465,300,028           Compensated absences - Note 1         204,203,139         216,865,336           Total non-current liabilities         1,076,470,297         1,267,062,748           Total liabilities         \$ 1,468,420,253         \$ 1,724,126,040           Total on-current liabilities         \$ 374,943,486         \$ 346,998,264           NET POSITION         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)						
Self-insurance, workers' compensation - Note 7         5,038,908         6,298,715           Due to other funds - Note 9         8,961,882         6,778,804           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities - Note 10         62,458,524         52,835,345           Total current liabilities         391,949,956         457,063,292           Non-current liabilities:         0PEB - Note 6         429,465,000         499,001,000           Self-insurance, workers' compensation - Note 7         43,346,197         59,900,983           Net pension liability - Note 5         372,590,363         465,300,028           Compensate absences - Note 1         26,865,598         25,995,401           Right to use liabilities         Note 10         204,203,139         216,865,336           Total non-current liabilities         1,076,470,297         1,267,062,748           Total liabilities         \$ 1,468,420,253         \$ 1,724,126,040           Total deferred inflows of resources - Notes 5, 6         \$ 374,943,486         \$ 346,998,264           NET POSITION         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)	-		21,431,901		23,321,430	
Due to other funds - Note 9         8,961,882         6,778,804           Due to fiduciary funds - Note 9         4,2254,440         3,626,825           Due to other governments - Note 9         1,199,415         987,075           Right to use liabilities - Note 10         6,2,458,524         52,835,342           Total current liabilities         391,949,956         457,063,292           Non-current liabilities:         0PEB - Note 6         429,465,000         499,001,000           Self-insurance, workers' compensation - Note 7         43,346,197         59,900,983           Net pension liability - Note 5         372,590,363         465,300,028           Compensated absences - Note 1         26,865,398         25,995,401           Right to use liabilities - Note 10         204,203,139         216,865,336           Total non-current liabilities         1,076,470,297         1,267,062,748           Total liabilities         \$ 1,468,420,253         \$ 1,724,126,040           Total deferred inflows of resources - Notes 5, 6         \$ 374,943,486         \$ 346,998,264           NET POSITION         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)			5 038 008		6 208 715	
Due to fiduciary funds - Note 9       4,254,440       3,626,825         Due to other governments - Note 9       1,199,415       987,075         Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities       391,949,956       457,063,292         Non-current liabilities:       0PEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities       1,076,470,297       1,267,062,748         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)	•					
Due to other governments - Note 9       1,199,415       987,075         Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities       391,949,956       457,063,292         Non-current liabilities:       0PEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities       1,076,470,297       1,267,062,748         Total non-current liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)						
Right to use liabilities - Note 10       62,458,524       52,835,345         Total current liabilities       391,949,956       457,063,292         Non-current liabilities:       0PEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       204,203,139       216,865,336         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)						
Total current liabilities         391,949,956         457,063,292           Non-current liabilities:         0PEB - Note 6         429,465,000         499,001,000           Self-insurance, workers' compensation - Note 7         43,346,197         59,900,983           Net pension liability - Note 5         372,590,363         465,300,028           Compensated absences - Note 1         26,865,598         25,995,401           Right to use liabilities - Note 10         204,203,139         216,865,336           Total non-current liabilities         1,076,470,297         1,267,062,748           Total liabilities         \$ 1,468,420,253         \$ 1,724,126,040           Total deferred inflows of resources - Notes 5, 6         \$ 374,943,486         \$ 346,998,264           NET POSITION         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)						
OPEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)	•					
OPEB - Note 6       429,465,000       499,001,000         Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)	Non-current liabilities:					
Self-insurance, workers' compensation - Note 7       43,346,197       59,900,983         Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)			429 465 000		499 001 000	
Net pension liability - Note 5       372,590,363       465,300,028         Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)			, ,			
Compensated absences - Note 1       26,865,598       25,995,401         Right to use liabilities - Note 10       204,203,139       216,865,336         Total non-current liabilities       1,076,470,297       1,267,062,748         Total liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       Net investment in capital assets       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)						
Right to use liabilities - Note 10 Total non-current liabilities       204,203,139 1,076,470,297       216,865,336 1,267,062,748         Total non-current liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       Net investment in capital assets       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)						
Total non-current liabilities       1,076,470,297       1,267,062,748         Total liabilities       \$ 1,468,420,253       \$ 1,724,126,040         Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       Value       Value       Value         Net investment in capital assets       \$ 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)						
Total deferred inflows of resources - Notes 5, 6       \$ 374,943,486       \$ 346,998,264         NET POSITION       * 42,911,591       \$ 28,009,132         Deficit       (877,452,721)       (992,404,055)	Total non-current liabilities		1,076,470,297		1,267,062,748	
NET POSITION           Net investment in capital assets         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)	Total liabilities	\$	1,468,420,253	\$	1,724,126,040	
Net investment in capital assets         \$ 42,911,591         \$ 28,009,132           Deficit         (877,452,721)         (992,404,055)	Total deferred inflows of resources - Notes 5, 6	\$	374,943,486	\$	346,998,264	
Deficit (877,452,721) (992,404,055)	NET POSITION					
	Net investment in capital assets	\$	42,911,591	\$	28,009,132	
	Deficit		(877,452,721)		(992,404,055)	
	Total net position - Note 12	\$	(834,541,130)	\$	(964,394,923)	

### Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund Comparative Statements of Revenues, Expenses, and Changes in Net Position For the Month Ending August 31, 2022 and August 31, 2021 (Unaudited)

_	2022-23			2021-22*		
Sales net of taxes Cost of goods sold Gross profit from sales		\$	192,738,147 (135,612,291) 57,125,856		\$	187,371,728 (129,991,855) 57,379,873
Closs plott from sales			57,125,050			57,575,675
Operating (expenses):						
Wholesale	(1,780,586)			(1,813,908)		
Retail	(27,996,040)			(26,257,871)		
E-Commerce	(281,734)			(204,338)		
Regulatory	(1,015,095)			(774,654)		
Enterprise	(7,150,385)			(5,732,682)		
Commonwealth provided services - Note 2	(1,418,433)			(1,143,164)		
Total			(39,642,273)			(35,926,617)
Operating profit/(loss)			17,483,583			21,453,256
Other operating revenues (expenses):						
Enforcement fines	139,305			6,491		
License fees	2,621,511			1,162,095		
Miscellaneous income	969,556			164,843		
Total			3,730,372			1,333,429
Total operating income/(loss)			21,213,955			22,786,685
Miscellaneous revenues (expenses): Interest income (expense)	(91,096)			(382,629)		
Other	(91,096) 19,331			(382,829) 45,241		
Total	19,331	•	(71,765)	40,241		(337,388)
, otai			(11,100)			(001,000)
Income/(Loss) before operating transfers			21,142,190			22,449,297
Operating transfers out:						
PSP enforcement - Note 3	(2,350,755)		(2,350,755)	(2,120,123)		
Net Income/(Loss) from operations			18,791,435			20,329,174
Statutory Transfers:						
General fund - Note 4	-			-		
Drug and alcohol programs - Note 4 Total	-			-		-
Change in net position			18,791,435			20,329,174
**Total net position - beginning 2022-23 Restated -						
Note 12			(853,332,565)			(984,724,097)
Total net position - ending		\$	(834,541,130)		\$	(964,394,923)
Liquor tax	34,318,517			33,498,657		
State Sales Tax	13,508,305			13,179,607		
Local Tax	873,107	<b></b>	40.000.000	814,867	¢	47 400 404
Taxes remitted to Dept.of Revenue PTD		\$	48,699,929		\$	47,493,131

\* Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications did not affect Income after enforcement / before other transfers, Change in net position, or Total net position.

\*\*Beginning Net Position was restated from \$(872,154,418) at June 30, 2022 to \$(871,784,479) at July 1, 2022, a \$369,939 increase, due to the implementation of Governmental Accounting Standards Board Statement No. 96 – Subscription Based Information Technology Agreements.

### Commonwealth of Pennsylvania Pennsylvania Liquor Control Board State Stores Fund Comparative Statements of Revenues, Expenses, and Changes in Net Position For the Two Months Ending August 31, 2022 and August 31, 2021 (Unaudited)

_	2022-23			2021-22*		
Sales net of taxes Cost of goods sold Gross profit from sales		\$	389,814,836 (276,561,510) 113,253,326	-	\$	389,195,843 (268,996,698) 120,199,145
			110,200,020			120,100,110
Operating (expenses):						
Wholesale	(3,346,838)			(3,608,308)		
Retail	(55,514,345)			(52,824,274)		
E-Commerce	(468,030)			(364,850)		
Regulatory	(1,775,048)			(1,552,460)		
Enterprise	(12,768,909)			(10,708,947)		
Commonwealth provided services - Note 2	(2,933,423)			(2,324,106)		
Total			(76,806,593)	-		(71,382,945)
Operating profit/(loss)			36,446,733			48,816,200
Other operating revenues (expenses):						
Enforcement fines	289,718			109,366		
License fees	4,716,776			2,267,034		
Miscellaneous income	1,150,848			979,715		
Total			6,157,342	_		3,356,115
Total operating income/(loss)			42,604,075			52,172,315
Miscellaneous revenues (expenses):	(040,405)			(770 740)		
Interest income (expense) Other	(319,465)			(770,746) 46,420		
Total	21,814	•	(207 651)	46,420		(724,326)
Total			(297,651)	-		(724,320)
Income/(Loss) before operating transfers			42,306,424			51,447,989
Operating transfers out:						
PSP enforcement - Note 3	(5,063,075)		(5,063,075)	(4,554,574)		
Net Income/(Loss) from operations			37,243,349			46,893,415
Statutory Transfers:						
General fund - Note 4	-			-		
Drug and alcohol programs - Note 4 Total	-			-		
Change in net position			37,243,349			46,893,415
**Total net position - beginning 2022-23 Restated · Note 12			(071 704 470)			(1 011 000 000)
Total net position - ending		\$	(871,784,479) (834,541,130)	-	\$	(1,011,288,338) (964,394,923)
		φ	(004,041,130)	=	φ	(304,334,323)
Liquor tax	70,025,459			69,690,047		
State Sales Tax	27,561,672			27,415,976		
Local Tax	1,749,587			1,674,710	<b>^</b>	
Taxes remitted to Dept.of Revenue PTD		\$	99,336,718		\$	98,780,733

\* Certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation. Such reclassifications did not affect Income after enforcement / before other transfers, Change in net position, or Total net position.

\*\*Beginning Net Position was restated from \$(872,154,418) at June 30, 2022 to \$(871,784,479) at July 1, 2022, a \$369,939 increase, due to the implementation of Governmental Accounting Standards Board Statement No. 96 – Subscription Based Information Technology Agreements.

### **OTHER ISSUES**

None

### PUBLIC COMMENT

The Board has reserved 10 minutes for public comment.

Patty Smith inquired as to how the PLCB's Russian vodka inventory was being handled. She also requested information regarding the shelf life of products within this category.

Chairman Holden affirmed that at the time of the meeting, such products were in storage and therefore not being sold. After requesting that a member of the Executive Team address the shelf life question, Director of Product Selection Tom Bowman stated that vodka has an indefinite shelf life. To clarify information from an article to which Ms. Smith had referred, Director Bowman indicated that although vodka does not improve over time like whiskey, straight vodka does not deteriorate.

### NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, November 30, 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 Isenhour, seconded by Board Member Vulakovich, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary