

**PENNSYLVANIA LIQUOR CONTROL BOARD**  
**MEETING MINUTES**  
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**WEDNESDAY, OCTOBER 5, 2022**

**NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA**  
**TELEPHONE CONFERENCE MEETING**

Tim Holden, Chairman  
Mike Negra, Board Member  
Mary Isenhour, 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**

**CALL TO ORDER** ..... *Chairman Holden*

Pledge of Allegiance to the Flag

Board Secretary Michael Vigoda indicated that a quorum of the Board was present, and Chairman Holden called the meeting to order.

**OLD BUSINESS**..... *Secretary Vigoda*

A. Motion to approve previous Board Meeting Minutes of the September 21, 2022 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**

There were no public comments or questions on the printed agenda items.

**NEW BUSINESS**

*From the Office of Chief Counsel* ..... *Rodrigo Diaz, Chief Counsel*

(1) Royal Oaks Vineyard & Winery, Inc. ALJ Appeal  
t/a Royal Oaks Vineyard & Winery  
399 Royal Road  
Lebanon, PA 17042  
License Number: LK-472/LID 72173  
Citation Number: 18-1401

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

At Board Member Mike Negra's request, Chief Counsel Rod Diaz provided the following background. The Pennsylvania State Police, Bureau of Liquor Control Enforcement (BLCE) appealed the decision of the Administrative Law Judge (ALJ) to dismiss two counts of BLCE's citation concerning access to licensee's records. The BLCE contends that it was not provided access to licensee's records as required; however, at a hearing before the ALJ, the licensee disputed that claim. The ALJ accepted licensee's position on the matter of access to the records. Mr. Diaz noted that such determinations of witness credibility are within the ALJ's discretion where, as here, there is evidence of record to support such determination. Therefore, the Chief Counsel's office recommended that the Board affirm the decision of the ALJ.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to affirm the ALJ's opinion.

(2) Virtual Hearing Regulation Proposed-Form Regulatory Change

Board Member Negra once again asked Chief Counsel Rod Diaz to provide background: Chief Counsel Diaz explained that this is a proposed regulatory change. He stated that during COVID, the PLCB had initiated virtual hearings via Microsoft Teams. He explained that it has proven to be successful in saving the parties and the Commonwealth money, along with being more convenient. He went on to say that this proposed regulatory change would codify what has been done regarding virtual hearings since the beginning of COVID. The public will have an opportunity to comment. Under the regulation there is still an opportunity to have live hearings if necessary and requested by both parties. He gave an example by saying that a hearing scheduled in a couple of weeks will have 70 protestants. In this case, a live hearing will work better.

Board Member Negra asked for clarification about live hearings and if they could happen if desired by both parties.

Mr. Diaz affirmed that it could but expounded by saying they would have to have a good reason to have a live hearing. He went further by saying that virtual hearings are more efficient, hearing examiners do not need to travel, and police officers who might have to work different shifts would not be as inconvenienced.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to approve the proposed regulatory change.

(3) Promotion with Licensees Final-Form Regulatory Change

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Board Member Mike Negra asked Chief Counsel Rod Diaz to provide background on the change: Chief Counsel Diaz explained that this was the final form change that the Board had previously seen. The regulatory change had then been posted for comments by IRRC and the public. Mr. Diaz went on to review the changes by saying that this change clarifies the difference between tasting and sampling and clarifies what venues and licensees are able to do in regard to tastings.

Mr. Diaz further explained that, if the Board approves this final form, the regulatory change will go back to IRRC for any further comments or questions from IRRC or the public.

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to approve the final regulatory change.

*From the Bureau of Licensing ..... Tisha Albert, Director of Regulatory Affairs  
Andrew Stuffick, Director, Bureau of Licensing*

(1) **Baics Restaurant & Tavern, LLC** Request to Sell Other Items on the  
R-5684 (LID No. 83830) Licensed Premises – Restaurant  
1867 Smith Township State Road  
Smith Township  
Slovan, Washington County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to approve the request to sell other items on the licensed premises.

(2) **El Pueblito Food and Beverage, Inc.** Double Transfer – Eating Place Malt  
**t/a El Pueblo** Beverage  
E-123 (LID No. 103475) Case No. 22-9082  
1137 South 9th Street  
Philadelphia, Philadelphia County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

(3) **Frog Pond Properties, LLC** Request for Hearing to Extend  
R-3072 (LID No. 90510) Case No. 22-9045 Safekeeping Period & Validation –  
1800 West Girard Avenue Restaurant  
Philadelphia, Philadelphia County

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**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to approve the request to extend safekeeping period & validation for one year with no fee.

- (4) **Full Throttle Adrenaline Park – Pittsburgh, LLC** “Intermunicipal” Double Transfer &  
**t/a Full Throttle Adrenaline Park** Request for Interior Connections  
R-18435 (LID No. 112480) with Another Business – Restaurant  
360 Mall Circle Drive  
Monroeville, Allegheny County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

- (5) **Island of Misfit Toys, LLC** Return (Release) from Safekeeping –  
**t/a Harris Grill** Restaurant  
R-9750 (LID No. 84057) Case No. 22-9084  
245 Fourth Avenue  
Pittsburgh, Allegheny County

**Motion Made:** Board Member Negra

Chairman Holden asked if there was anyone in the listening audience who had any comments. There were no representatives in the queue or in person to speak on behalf of Island of Misfit Toys, LLC.

Board Member Isenhour asked for clarification that this issue is statutory such that the Board’s hands are tied on the matter.

Chief Counsel Diaz confirmed that this matter is governed by statute. The issue is whether the licensee who has decided to permanently close and has thus availed themselves of the statutory provision that allowed them to sell their inventory to another licensee may then change course and not permanently close. Mr. Diaz stated that the relevant statute does not authorize such action.

**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to refuse the return from safekeeping and that the license remains in safekeeping.

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- (6) **Pennsylvania Used Equipment Sales, LLC** New & Request for Interior  
**t/a Herring Farm Wines** Connections with Another Business  
(LID No. 112843) – Limited Winery  
355 Gibbon Glade Road  
Wharton Township  
Farmington, Fayette County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

- (7) **Srikrnsna, Inc.** Renewal – Restaurant  
R-12478 (LID No. 72777) Case No. 21-9108  
413 Railroad Street  
Bridgeville, Allegheny County

**Motion Made:** Board Member Negra

Chairman Holden asked if there was anyone in the listening audience who had any comments. There were no representatives in the queue or in person to speak on behalf of Srikrnsna, Inc.

**Seconded:** Board Member Isenhour

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

- (8) **Tunkhannock Beverage, Inc.** Place-to-Place Transfer & Request  
D-3489 (LID No. 102994) for Interior Connections with  
178 East Tioga Street Another Business – Distributor  
Tunkhannock Borough  
Tunkhannock, Wyoming County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

- (9) **American Legion Home Association of Elizabethtown PA** Renewal – District 2  
CC-5049 (LID No. 3925) Case No. 2022-3925  
240 N Hannover St  
P.O. Box 201  
Elizabethtown, Lancaster County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

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**(10) Liberty Lunch 450, Inc.** Renewal – District 4  
E-1136 (LID No. 64458) Case No. 2022-64458  
247 N 12th St  
Allentown, Lehigh County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

**(11) Waterfront Bar and Grill, LLC** Renewal – District 2  
R-16411 (LID No. 65373) Case No. 2022-65373  
13 S Main St  
Marysville, Perry County

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

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

Personnel Actions

There were 15 personnel actions presented for consideration.

- (1) Stephanie Bell – Affirm Removal**
- (2) Nyiem Bibbs – Removal**
- (3) Ashley Ezekiel – Affirm Removal**
- (4) Jalyn Futrell – Affirm Removal**
- (5) Saran Irving – Affirm Removal**
- (6) Casey Kerrigan – Removal**
- (7) Jamilet Leonardo – Affirm Removal**
- (8) Albert Lynch – 5 -Day Suspension**
- (9) Pamela Pentz – Affirm Removal**
- (10) Nicolle Rivers – 5 -Day Suspension**
- (11) Rashaad Scott – Affirm Removal**

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- (12) **Alec Smith – Affirm Removal**
- (13) **Anthony Sommers – Affirm Removal**
- (14) **Amadeus Stern – Affirm Removal**
- (15) **Jamie Zacour – Removal**

**Motion Made:** Board Member Negra  
**Seconded:** Board Member Isenhour

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

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

Procurement Actions:

- (1) **Cisco Smartnet Maintenance Renewal** – Renew Cisco Smartnet hardware and software maintenance support (next business day) for the PLCB’s Cisco network components such as switches, routers, access points, and other appliances. These components are installed in distribution centers, regional offices, PLCB Central Office, and Point of Sale (POS) stores. Procured via DGS Contract #4400020304 – **VENDOR: ePlus** – **TERM:** One year for period 11/1/2022 through 10/31/2023 - **\$113,394.92 estimated cost.**

Inter-Agency Charges:

- (1) **Department of General Services (DGS) Property Costs (JOB 7)** – Billing of \$89,294.28 for the first quarter of FY 2022-23 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, City of Harrisburg Fire Protection. This billing includes a \$27,147.97 credit for the true-up of FY 2021-22’s actual charges. The estimated quarterly charges for FY 22-23 will be \$116,442.28, which reflects the CPI adjustment of +7.3% (NE Urban 12 Month % Change) applied to last year’s actual charges for the year. Note: Despite the 7.3% increase from last year’s actual cost, the estimated charge is only 1% more (\$1,135/qtr) than last years estimated quarterly billings.

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 Negra  
**Seconded:** Board Member Isenhour

**Board Decision:** Unanimously agreed (3-0 vote) to approve all Procurement Actions and Inter-Agency Charges.

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

None

*From the Bureau of Product Selection .....Tom Bowman, Director of Product Selection*

**VENDOR – ITEM NAME**

**BOARD ACTION REQUESTED**

Various  
Various  
Various

1. Regular New Items Accepted
2. Regular PA New Items Accepted
3. Regular Recommended Delist

**1. Regular New Items Accepted**

**BRAND NAME AND SIZE**

**REASON**

**Majestic Wine and Spirits USA Inc**

Rancho La Gloria AgaVida Green Apple Agave Wine 750 mL	18
Rancho La Gloria AgaVida Mango Agave Wine 750 mL	18
Rancho La Gloria AgaVida Peach Agave Wine 750 mL	18
Rancho La Gloria AgaVida Strawberry Agave Wine 750 mL	18

**North Wales Wines**

High Noon Peach Vodka Hard Seltzer Tray Pack 24x355 mL Cans	18
High Noon Pineapple Vodka Hard Seltzer Tray Pack 24x355 mL Cans	18
High Noon Watermelon Vodka Hard Seltzer Tray Pack 24x355 mL Cans	18
LIQS Margarita Wine Cocktail 3 L	18
LIQS Mojito Wine Cocktail 3 L	18
LIQS Strawberry Margarita Wine Cocktail 3 L	18

**Southern Glazers Wine and Spirits of PA**

Chalk Hill Pinot Noir Sonoma Coast 750 mL	2
H3 Sauvignon Blanc Horse Heaven Hills 750 mL	2, 3
Intrinsic Sauvignon Blanc Columbia Valley 750 mL	2, 3
JaM Cellars Butter Cabernet Sauvignon 750 mL	2, 3
Rickshaw Cabernet Sauvignon 750 mL	7
Rickshaw Chardonnay 750 mL	7
Rickshaw Pinot Noir 750 mL	7
Rickshaw Sauvignon Blanc 750 mL	7

RECOMMENDED ACTION: We recommend the Board approve this action



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**2. Regular PA New Items Accepted**

<u><b>BRAND NAME AND SIZE</b></u>	<u><b>REASON</b></u>
<u><b>Confluence Distilling DBA</b></u>	
Jaggerbush American Dry Gin 750 mL	16
The T Hard Iced Tea Cocktail 4x355 mL Cans	16
<u><b>Four Birds Distilling Company</b></u>	
Four Birds Craft Mojito Vodka Cocktail 4x355 mL Cans	16
Four Birds Moscow Mule Vodka Cocktail 4x355 mL Cans	16
Four Birds Orange Crush Vodka Cocktail 4x355 mL Cans	16
Kickstand Charred Pineapple Poblano Vodka Cocktail 4x355 mL Cans	16
Kickstand Roasted Jalapeno Cucumber Vodka Cocktail 4x355 mL Cans	16
Kickstand Torched Peach Chipotle Vodka Cocktail 4x355 mL Cans	16
Sea Isle Spiked Iced Tea Vodka Cocktail 4x355 mL Cans	16
<u><b>Holy Water Distillery LLC</b></u>	
KLYR Krush Rum Cocktail 4x355 mL Cans	16
KLYR Water Rum Cocktail 4x355 mL Cans	16
<u><b>Oasis Wine and Spirits LLC</b></u>	
Holla Candy on Top Cotton Candy Vodka 750 mL	10, 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

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### 3. Regular Recommended Delist

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>Majestic W S USA Inc</u>	
Underwood Pinot Gris 375 mL Can	42885
Underwood Rosé 375 mL Can	74034
<u>Oasis Wine and Spirits LLC</u>	
Holla Buji Fuji Apple Vodka 750 mL	98663
<u>Pernod Ricard USA</u>	
Absolut Vodka Soda Grapefruit and Rosemary Cocktail 4x355 mL Cans	820
Absolut Vodka Soda Lime and Cucumber Cocktail 4x355 mL Cans	821
Absolut Vodka Soda Raspberry and Lemongrass Cocktail 4x355 mL Cans	822
<u>The Wine Merchant LTD</u>	
75 Wine Company Cabernet Sauvignon 750 mL	36886

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

**Motion Made:** Board Member Negra

**Seconded:** Board Member Isenhour

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

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**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>June 30, 2022</u>	<u>June 30, 2021*</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 33,708,656	\$ 28,209,507
Investments - short term	198,354,076	318,346,788
Accounts and claims receivable, net	8,430,957	6,629,034
Due from other funds - Note 9	-	2,048
Merchandise inventories, net	209,229,245	216,042,411
Operating supplies	416,740	470,245
Prepaid expenses	968,922	91,991
	<hr/>	<hr/>
Total current assets	451,108,596	569,792,024
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable capital assets:		
Building	10,762,508	10,583,822
Leasehold improvements	209,134	209,134
Machinery and equipment	48,581,156	47,337,828
Intangible - internally generated software	54,994,168	22,330,818
Intangible - right to use leases - Note 10	363,584,227	322,265,989
	<hr/>	<hr/>
Less: accumulated depreciation	179,359,578	113,523,578
Net depreciable capital assets	298,771,615	289,204,013
Total non-current capital assets	299,094,588	289,526,986
	<hr/>	<hr/>
Total assets	\$ 750,203,184	\$ 859,319,010
	<hr/>	<hr/>
Total deferred outflows of resources - Notes 5, 6	\$ 184,355,005	\$ 210,418,847
 <b><u>LIABILITIES</u></b>		
Current liabilities:		
Trade accounts payable	\$ 218,092,423	\$ 328,795,530
Other accounts payable	21,313,123	29,492,530
Accrued expenses	23,730,090	18,643,728
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	5,038,908	6,298,715
Due to other funds - Note 9	11,455,997	8,503,838
Due to fiduciary funds - Note 9	3,370,405	2,776,737
Due to other governments - Note 9	995,975	787,416
Right to use liabilities - Note 10	55,609,020	52,835,345
	<hr/>	<hr/>
Total current liabilities	339,605,941	448,133,839
Non-current liabilities:		
OPEB - Note 6	432,155,000	512,371,000
Self-insurance, workers' compensation - Note 7	42,346,197	58,900,983
Net pension liability - Note 5	369,045,963	462,618,628
Compensated absences - Note 1	26,865,598	25,995,401
Right to use liabilities - Note 10	199,900,422	216,838,680
	<hr/>	<hr/>
Total non-current liabilities	1,070,313,181	1,276,724,692
	<hr/>	<hr/>
Total liabilities	\$ 1,409,919,122	\$ 1,724,858,531
	<hr/>	<hr/>
Total deferred inflows of resources - Notes 5, 6	\$ 396,793,486	\$ 356,167,664
 <b><u>NET POSITION</u></b>		
Net investment in capital assets	\$ 43,585,146	\$ 19,852,961
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Deficit	(915,739,564)	(1,031,141,299)
	<hr/>	<hr/>
Total net position - Note 12	\$ (872,154,418)	\$ (1,011,288,338)
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\* 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.

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**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statements of Revenues, Expenses, and Changes in Net Position  
For the Month Ending June 30, 2022 and June 30, 2021  
(Unaudited)**

	<u>2021-22</u>	<u>2020-21</u>
Sales net of taxes	\$ 195,982,960	\$ 192,233,631
Cost of goods sold	<u>(130,631,293)</u>	<u>(132,932,094)</u>
Gross profit from sales	65,351,667	59,301,537
Operating (expenses):		
Retail operations	(5,499,628)	(29,953,430)
Marketing & merchandising	(3,008,576)	(4,642,645)
Supply chain	344,717	(346,469)
Wholesale operations	132,730	(109,204)
Information technology services	(33,741)	(6,417,850)
Regulatory affairs	1,389,921	(1,025,290)
Administration	663,822	(676,534)
Finance	256,510	(167,729)
Board & secretary	(467,341)	(435,387)
Legal	(389,249)	(306,318)
Commonwealth provided services - Note 2	<u>(2,292,164)</u>	<u>(1,671,398)</u>
Total	<u>(8,902,999)</u>	<u>(45,752,254)</u>
Operating profit/(loss)	56,448,668	13,549,283
Other operating revenues (expenses):		
Enforcement fines	150,067	75,073
License fees	2,020,982	981,510
Miscellaneous income	263,589	232,915
Administrative law judge	<u>(250,372)</u>	<u>(229,390)</u>
Total	<u>2,184,266</u>	<u>1,060,108</u>
Total operating income/(loss)	58,632,934	14,609,391
Miscellaneous revenues (expenses):		
Interest income (expense)	(281,950)	(388,442)
Other	<u>-</u>	<u>(1,686,559)</u>
Total	<u>(281,950)</u>	<u>(2,075,001)</u>
Income/(Loss) before operating transfers	58,350,984	12,534,390
Operating transfers out:		
PSP enforcement - Note 3	(2,501,541)	(2,225,621)
<b>Net Income/(Loss) from operations</b>	<b>55,849,443</b>	<b>10,308,769</b>
Statutory Transfers:		
General fund - Note 4	-	(42,500,000)
Drug and alcohol programs - Note 4	(6,617,019)	(5,297,166)
Total	<u>(6,617,019)</u>	<u>(47,797,166)</u>
Change in net position	49,232,424	(37,488,397)
Total net position - beginning	<u>(921,386,842)</u>	<u>(973,799,941)</u>
Total net position - ending	<u>\$ (872,154,418)</u>	<u>\$ (1,011,288,338)</u>
Liquor tax	34,813,092	34,849,045
State Sales Tax	13,685,876	13,714,042
Local Tax	904,951	870,558
Taxes remitted to Dept.of Revenue PTD	<u>\$ 49,403,919</u>	<u>\$ 49,433,645</u>

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**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statements of Revenues, Expenses, and Changes in Net Position  
For the Twelve Months Ending June 30, 2022 and June 30, 2021  
(Unaudited)**

	<u>2021-22</u>	<u>2020-21</u>
Sales net of taxes	\$ 2,405,547,154	\$ 2,317,842,844
Cost of goods sold	<u>(1,653,534,004)</u>	<u>(1,574,366,426)</u>
Gross profit from sales	752,013,150	743,476,418
Operating (expenses):		
Retail operations	(319,217,203)	(361,343,135)
Marketing & merchandising	(13,980,900)	(15,324,884)
Supply chain	(3,665,335)	(7,047,839)
Wholesale operations	(1,095,957)	(1,520,220)
Information technology services	(21,993,029)	(31,422,993)
Regulatory affairs	(12,291,990)	(15,869,386)
Administration	(7,739,381)	(9,359,624)
Finance	(2,015,953)	(2,577,206)
Board & secretary	(12,023,736)	(3,821,345)
Legal	(4,348,101)	(3,524,128)
Commonwealth provided services - Note 2	<u>(18,624,348)</u>	<u>(14,932,983)</u>
Total	(416,995,933)	(466,743,743)
Operating profit/(loss)	335,017,217	276,732,675
Other operating revenues (expenses):		
Enforcement fines	1,927,326	987,585
License fees	26,128,051	21,889,007
Miscellaneous income	5,697,148	3,156,831
Administrative law judge	<u>(2,857,558)</u>	<u>(2,723,139)</u>
Total	30,894,967	23,310,284
Total operating income/(loss)	365,912,184	300,042,959
Miscellaneous revenues (expenses):		
Interest income (expense)	(4,376,215)	(4,277,530)
Other	<u>49,085</u>	<u>(1,671,143)</u>
Total	(4,327,130)	(5,948,673)
Income/(Loss) before operating transfers	361,585,054	294,094,286
Operating transfers out:		
PSP enforcement - Note 3	(30,734,115)	(29,236,001)
<b>Net Income/(Loss) from operations</b>	<b>330,850,939</b>	<b>264,858,285</b>
Statutory Transfers:		
General fund - Note 4	(185,100,000)	(185,100,000)
Drug and alcohol programs - Note 4	(6,617,019)	(5,297,166)
Total	<u>(191,717,019)</u>	<u>(190,397,166)</u>
Change in net position	139,133,920	74,461,119
Total net position - beginning - Note 12	(1,011,288,338)	(1,085,749,457)
Total net position - ending	<u>\$ (872,154,418)</u>	<u>\$ (1,011,288,338)</u>
Liquor tax	431,264,479	415,839,371
State Sales Tax	169,651,110	163,877,596
Local Tax	10,668,624	9,642,553
Taxes remitted to Dept.of Revenue YTD	<u>\$ 611,584,213</u>	<u>\$ 589,359,520</u>

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

All three board members congratulated the entire PLCB team for doing a great job to achieve these results.

**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, October 19, 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