

# PENNSYLVANIA LIQUOR CONTROL BOARD

## MEETING MINUTES

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WEDNESDAY, DECEMBER 6, 2023

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

Tim Holden, Chairman  
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](#)

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### PUBLIC MEETING – 11:00 A.M

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

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

Pledge of Allegiance to the Flag

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

- A. Motion to approve previous Board Meeting Minutes of the November 15, 2023 meeting.

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve previous Board Meeting Minutes.

- B. Announcement by the Chairman for Ratification of a Board Action:

The following Board Action approved on November 20, 2023 was decided by Notational Voting after the adjournment of the Board’s last public meeting on November 15, 2023.

**Board Action:** Section 802 of the Liquor Code state that the monies in the State Stores Fund shall, from time to time be transferred over to the General Fund. Unlike most transfers which are mandated by statute this transfer requires a vote by the Board.

The Governor’s Office of Budget had requested the transfer of \$100 million dollars to the General Fund by the end of November, which is consistent with when the funds have been transferred in the past. With no further Board meetings scheduled in November, a notational vote was needed to comply with the request.

Chairman Holden and Member Vulakovich agreed (2-0 vote) to approve the transfer of \$100 million dollars from the State Stores Fund to the General Fund.

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**ANNOUNCEMENT OF EXECUTIVE SESSIONS**

As explained in the printed Meeting Agenda, certain matters being presented for “official action” at today’s meeting have been discussed during Executive Sessions held prior to today’s meeting as permitted by the Sunshine Act.

**PUBLIC COMMENT**

No public comments were offered.

**NEW BUSINESS**

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

- (1) **Eight Wonders of The Poconos, Inc.  
t/a Mullers Family Restaurant** ALJ Appeal  
5138 Milford Road  
East Stroudsburg, PA 18301-9106  
License No. R-20859/LID 48891  
Citation No. 21-0463

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ’s decision.

- (2) **Big Dog Craft Brewing, LLC** ALJ Appeal  
**t/a Big Dog Craft Brewing**  
1559 Manheim Pike  
Lancaster, PA 17601  
License No. G-45741/LID 103377  
Citation No. 21-0075

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ’s decision.

- (3) **Black Forest Brewery, LLC** ALJ Appeal  
**t/a Black Forest Brewery**  
301 West Main Street  
Ephrata, PA 17522-1713  
License No. G-539/LID 69698  
Citation No. 21-0017

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

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

(4) **Ye Olde Kopper Kettle, Inc.** ALJ Appeal

**t/a Ye Olde Kopper Kettle**  
2 Kopper Kettle Road  
Washington, PA 15301-3175  
License No. H-3791/LID 73092  
Citation No. 21-0207

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

(5) **Funck Brothers Enterprises, Inc.** ALJ Appeal

**t/a Rising Sun Tavern**  
2850 Horseshoe Pike  
Campbelltown, PA 17010  
License No. R-17287/LID 85938  
Citation No. 21-0332

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

(6) **Funck Brothers Enterprises, Inc.** ALJ Appeal

**t/a Funcks Restaurant**  
363 West Main Street  
Leola, PA 17540-2107  
License No. R-18359/LID 71957  
Citation No. 20-1244

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

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- (7) **Harper's Tavern, Inc.** ALJ Appeal  
**t/a Harper's Tavern**  
10486 Jonestown Road  
Annville, PA 17003-8434  
License No. R-12625/LID 53275  
Citation No. 21-0054
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (8) **Kris Bob, Inc** ALJ Appeal  
2350 North George Street  
York, PA 17406-3202  
License No. R-17998/LID 67788  
Citation No. 21-0084
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (9) **Kris Bob, Inc** ALJ Appeal  
2350 North George Street  
York, PA 17406-3202  
License No. R-17998/LID 67788  
Citation No. 21-0180
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (10) **Devils Eye Brewing Co., LLC** ALJ Appeal  
9 North U.S. Route 15  
Dillsburg, PA 17019  
License Nos. G-40181/LID 95161  
GP-40182/LID 95162  
Citation No. 21-0065
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

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- (11) **Devils Eye Brewing Co., LLC** ALJ Appeal  
9 North U.S. Route 15  
Dillsburg, PA 17019  
License Nos. G-40181/LID 95161  
GP-40182/LID 95162  
Citation No. 21-0083
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (12) **Devils Eye Brewing Co., LLC**  
9 North U.S. Route 15  
Dillsburg, PA 17019  
License Nos. G-40181/LID 95161  
GP-40182/LID 95162  
Citation No. 21-0313  
ALJ Appeal
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (13) **Devils Eye Brewing Co., LLC** ALJ Appeal  
9 North U.S. Route 15  
Dillsburg, PA 17019  
License Nos. G-40181/LID 95161  
GP-40182/LID 95162  
Citation No. 21-0489
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.
- (14) **Snitz Creek Brewery, Inc.** ALJ Appeal  
7 North 9<sup>th</sup> Street  
Lebanon, PA 17046-4902  
License No. G-509/LID 68566  
Citation No. 21-0032
- Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to affirm the ALJ's decision and remand for action.

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- (15) **Wrightstown Township** Municipal Petition for  
Case No. 23-NE-09 Exemption from Liquor  
Code Statute Regarding  
Amplified Sound

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the petition for  
Wrightstown Township for exemption from the Liquor Code statute  
regarding amplified sound for a three year period from December  
14, 2023 to December 14, 2026.

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

- (1) **Harvey’s Retail Operation, Inc.** Double Transfer & Requests for  
**t/a Harvey’s Retail** Interior Connections with  
D-3589 (LID No. 116323) Another Business & for  
14648 Old Turnpike Road Permission to Retain Other  
Lewis Township Employment – Distributor  
Millmont, Union County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the transfer and request for  
interior connections with another business and to retain other  
employment.

- (2) **JGB Holdings, LLC** “Intermunicipal” Double Transfer  
**t/a Shop N’ Save** & Request for Interior  
R-14412 (LID No. 114892) Case No. 23-9063 Connections with Another  
750 Ohio River Boulevard Business – Restaurant  
East Rochester Borough  
Rochester, Beaver County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the transfer and request for  
interior connections with another business.

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- (3) **Park Hotel Enterprises, LLC** Person-to-Person Transfer – Hotel  
**t/a The Park Hotel**  
H-1836 (LID No. 115758) Case No. 23-9072  
25 Pearl Street  
Port Allegany, McKean County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the transfer.

- (4) **Richland Greens Golf Center, Inc.** Notice of Change in Business  
R-19915 (LID No. 20628) Case No. 23-9054 Structure – Restaurant  
352 Luray Avenue  
Richland Township  
Johnstown, Cambria County

**HOLD 10/18/23 SESSION**

**Conditional Licensing Agreement**

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the change in business structure with a conditional licensing agreement.

- (5) **Shadyside Mex, LP** Person-to-Person Transfer –  
**t/a Mad Mex** Restaurant  
R-12636 (LID No. 112985) Case No. 23-9061  
220 South Highland Avenue  
Pittsburgh, Allegheny County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the transfer.

- (6) **2008 River Walck Saloon, LLC** Renewal – District 8  
R-10526 (LID No. 60586) Case No. 2022-60586  
101 Centre Street  
P.O. Box 277  
Parryville, Carbon County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

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- (7) **5261 Perez, Inc.** Renewal – District 10  
R-122 (LID No. 50641) Case No. 2022-50641  
5261 North 5th Street  
Philadelphia, Philadelphia County  
**HOLD 11/15/23 SESSION**  
**Conditional Licensing Agreement**

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.

- (8) **Bourbon at the Mill, LLC** Renewal – District 2  
**t/a Bourbon Mill**  
R-17232 (LID No. 98588) Case No. 2022-98588  
4797 York Road  
Oxford Township  
New Oxford, Adams County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

- (9) **C & D Bar and Grill, Inc.** Renewal – District 2  
H-5656 (LID No. 64275) Case No. 2022-64275  
6465 York Road  
Berwick Township  
New Oxford, Adams County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

- (10) **Duffer's Beer and Soda Corp** Renewal – District 3  
**t/a Duffer's Beverage**  
D-704 (LID No. 106065) Case No. 2023-106065  
403 Greenwich Street  
Kutztown, Berks County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.



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- (11) **Harue, Inc,** Renewal – District 1  
**t/a South Mountain Hotel & Bar**  
H-3126 (LID No. 46271) Case No. 2023-46271  
10479 Dixon Road  
P.O. Box 102  
Quincy Township  
South Mountain, Franklin County

**HOLD 11/15/23 SESSION**

**Conditional Licensing Agreement**

**Motion Made:** Board Member Vulakovich

**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.

- (12) **Messersmith Enterprise, LLC** Renewal – District 2  
**t/a Bourbon Bar and Grill**  
H-6293 (LID No. 65876) Case No. 2022-65876  
1080 Carlisle Street  
Hanover, York County

**Motion Made:** Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of Messersmith Enterprise, LLC. There was no response.

**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to refuse the renewal.

- (13) **Pittston Six Packs To Go, LLC** Renewal – District 8  
R-13119 (LID No. 66804) Case No. 2022-66804  
308 Route 315 Highway  
Pittston, Luzerne County

**Motion Made:** Board Member Vulakovich

**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal.

- (14) **R & E Six Packs, Inc.** Renewal – District 6  
**t/a Six Packs Bar & Grill**  
R-18090 (LID No. 48359) Case No. 2022-48359  
3708 Ellwood Road  
Shenango Township  
New Castle, Lawrence County

**Motion Made:** Board Member Vulakovich

**Seconded:** Chairman Holden

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**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

- (15) **Sons of Poland Beneficial Society** Renewal – District 3  
C-1361 (LID No. 914) Case No. 2023-914  
21 North Oak Street  
P.O. Box 201  
Mount Carmel, Northumberland County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

- (16) **T & A H, Inc.** Renewal – District 3  
**t/a Laughters**  
H-1654 (LID No. 106137) Case No. 2023-106137) **HOLD 10/18/23 SESSION**  
123 South Third Street **Conditional Licensing Agreement**  
Sunbury, Northumberland County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.

- (17) **Tin Lizzy, Inc.** Renewal – District 6  
R-15787 (LID No. 53320) Case No. 2022-53320  
259 Main Street  
P.O. Box 403  
Youngstown, Westmoreland County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.

- (18) **Washington Tavern, Inc.** Renewal – District 3  
**t/a Washington Tavern**  
R-9309 (LID No. 50684) Case No. 2023-50684 **HOLD 11/1/23 SESSION**  
10 King Street **Conditional Licensing Agreement**  
Northumberland, Northumberland County

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

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**Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.

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

Personnel Actions

There were 21 personnel actions presented for consideration.

- (1) **Joseph Ali – Affirm Removal**
- (2) **Stefani Alona – Affirm Removal**
- (3) **Shane Bedillion – Affirm Removal**
- (4) **Lisa Bergey –Removal**
- (5) **Zy’Mir Blythe – Affirm Removal**
- (6) **Chad Bourne – Affirm Removal**
- (7) **Maniah Buck – Removal**
- (8) **Josias Dixon – Affirm Removal**
- (9) **Sonya Ford – Affirm Removal**
- (10) **Regina Gannon – Affirm Removal**
- (11) **Dillon Gast – Removal**
- (12) **Morgan Gore – Affirm Removal**
- (13) **Danielle Hagen – Affirm Removal**
- (14) **Kenneth Hoffman – Removal**
- (15) **Kristian Lovelace - Removal**
- (16) **Anthony Massa - Removal**
- (17) **Unique Phillips - Removal**
- (18) **Lauren Senick – Affirm Removal**
- (19) **Danna Sheldon - Demotion**

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**(20) Jonathan Silva –Removal**

**(21) Kristin Vicente – Removal**

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the personnel actions presented by the Bureau of Human Resources.

*From the Bureau of Accounting & Purchasing .....Michael Demko, Executive Director  
Elizabeth Brassell, Deputy Executive Director  
Ijeoma Ezekoye, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

**(1) System Administrator Staff Augmentation** – This resource provides vital Oracle Cloud migration and ongoing support cloud assistance, through various scripts, manual configuration, and research, with the New Horizon project, utilizing knowledge and skills as a Unix Administrator. As part of Infrastructures directive to move much of our equipment out of the NWOB, this resource continues to supply much needed assistance in this project and performed vital pieces of a similar move from DPH to PACS. This project should be completed sometime in 2024. Some other tasks include SSH keys, user and folder security, and server application migrations.

Procured via DGS Contract #4400024749 – VENDOR: **OST, Inc.** – TERM: Six months for period 1/1/2024 through 6/30/2024 - **\$72,196.80 estimated cost.**

**(2) Oracle SME/Database Administrator Staff Augmentation** – This resource has played a vital role in the success of the PLCB New Horizons Cloud migration project moving from our legacy on-premises ERP Business system to the Oracle Cloud utilizing extensive OIC (Oracle Integration Cloud) Application Programming Interface experience, which has been beneficial to efficiently executing many New Horizon Cutover project tasks. His responsibilities have been and will continue to be supporting our New Horizons Cloud migrations in upcoming releases and providing post go-live support for all Oracle ERP Cloud applications, databases, and integrations. He also provides performance improvement and problem solving for the autonomous databases, OIC integrations, and Cloud WebLogic installation, configuration, and security patching.

Procured via DGS Contract #4400024749 – VENDOR: **OST, Inc.** – TERM: Six months for period 1/1/2024 through 6/30/2024 - **\$114,400.00 estimated cost.**

**(3) Database Administrator Staff Augmentation** – This resource provides direct production support as new staff members are trained and we continue to capitalize on the specialized support of LCB Oracle databases in performance management, storage management and system enhancements. Responsibilities have been and will be centered around supporting the New Horizons project and migrating to the Oracle ERP Cloud. He provides performance improvement and problem solving for the Oracle and Azure SQL databases and has been able to reduce PLCB's storage needs, provided performance improvements that delayed or eliminated the need to add CPU and memory, and often solved system or implementation issues that threatened to impact PLCB's business. As the PLCB moves towards new platforms and a new approach to Data Warehousing, he continues

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to provide advice and solutions that have facilitated or, in some cases, opened new opportunities for PLCB.

Procured via DGS Contract #4400024749 – VENDOR: **OST, Inc.** – TERM: Six months for period 1/1/2024 through 6/30/2024 - **\$114,400.00 estimated cost.**

Inter-Agency Charges:

- (1) **State Employee’s Defined Contribution Plan** – Billing of \$184,146.48 for FY 2023-24 for Defined Contribution Plan costs from the State Employees Retirement System (SERS). Act 23 of 2020 allows SERS to assess charges to cover the administrative costs for the newly defined contribution (DC) retirement plans.
- (2) **Department of General Services (DGS) Vehicle Leases (Job 35)** – October’s billing to reimburse DGS \$50,758.00 for July/2023 vehicle leases in accordance with Management Directive 615.3. This billing is for the 101 vehicles leased by the PLCB and includes the monthly lease costs for Telematic (GPS) devices. The monthly lease billing from DGS is typically under \$50,000 so this charge normally appears on the Executive Director memo of inter-agency charges.
- (3) **Department of General Services (DGS) Property Costs (JOB 7)** – Billing of \$ 95,722.45 with a \$13,357.62 true-up originating charge of 109,080.08 for the first quarter of FY 2023-24 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.
- (4) **Office of Comptroller Operations** – Net billing of \$1,119,624.63 for the first quarter of FY 2023-24 from the Office of Comptroller Operations, which includes a “true-up” credit of \$257,039.52 for FY2022-23’s estimated fourth quarter billing.

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 Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the procurement actions and inter-agency charges presented from the Bureau of Accounting and Purchasing.

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

- (1) **#0214 – Water Works, 974 Freeport Road, Pittsburgh  
New Lease**

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the recommendations from the Office of Retail Operations.

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

**VENDOR – ITEM NAME**

**BOARD ACTION REQUESTED**

Various

1. Regular New Items Accepted

**1. Regular New Items Accepted**

**BRAND NAME AND SIZE**

**REASON**

**Majestic Wine and Spirits**

Opici Vineyards Madeira 750 mL

14, 15, 19

Opici Vineyards Marsala 750 mL

14, 15, 19

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

**Motion Made:** Board Member Vulakovich

**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to approve the recommendations from the Bureau of Product Selection.

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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>July 31, 2023</u>	<u>July 31, 2022</u>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 92,690,190	\$ 48,032,956
Investments - short term	233,220,321	227,599,774
Accounts and claims receivable, net	6,358,179	8,630,509
Due from other funds - Note 9	-	-
Merchandise inventories, net	190,942,692	207,519,232
Operating supplies	733,756	471,703
Prepaid expenses	<u>2,101,779</u>	<u>885,497</u>
Total current assets	<u>526,046,917</u>	<u>493,139,671</u>
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable or amortizable capital assets:		
Building	10,923,350	10,762,508
Leasehold improvements	209,134	209,134
Machinery and equipment	57,380,966	48,621,223
Intangible - internally generated software	70,250,070	55,497,662
Intangible - right to use leases - Note 10	399,942,660	365,334,155
Intangible - right to use IT subscriptions - Note 11	<u>16,554,170</u>	<u>20,300,870</u>
Less: accumulated depreciation or amortization	<u>259,562,415</u>	<u>185,734,948</u>
Net depreciable or amortizable capital assets	<u>295,697,935</u>	<u>314,990,604</u>
Total non-current capital assets	<u>296,020,908</u>	<u>315,313,577</u>
Total assets	<u>\$ 822,067,825</u>	<u>\$ 808,453,248</u>
Total deferred outflows of resources - Notes 5, 6	\$ 259,824,628	\$ 182,990,205
<b>LIABILITIES</b>		
Current liabilities:		
Trade accounts payable	\$ 298,125,992	\$ 254,228,395
Other accounts payable	19,462,094	19,109,051
Accrued expenses	26,035,886	24,862,340
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,795,551	5,038,908
Due to other funds - Note 9	5,357,548	7,561,935
Due to fiduciary funds - Note 9	3,880,885	3,927,195
Due to other governments - Note 9	1,101,424	1,094,197
Right to use liabilities - Note 10	<u>61,520,393</u>	<u>62,876,431</u>
Total current liabilities	<u>420,279,773</u>	<u>378,698,452</u>
Non-current liabilities:		
OPEB - Note 6	407,797,000	430,810,000
Self-insurance, workers' compensation - Note 7	43,795,622	42,846,197
Net pension liability - Note 5	570,640,930	370,818,163
Compensated absences - Note 1	24,484,695	26,865,598
Right to use liabilities - Note 10	<u>180,512,075</u>	<u>208,869,122</u>
Total non-current liabilities	<u>1,227,230,322</u>	<u>1,080,209,080</u>
Total liabilities	<u>\$ 1,647,510,095</u>	<u>\$ 1,458,907,532</u>
Total deferred inflows of resources - Notes 5, 6	\$ 215,489,926	\$ 385,868,486
<b>NET POSITION</b>		
Net investment in capital assets	\$ 53,988,440	\$ 43,568,024
Deficit	<u>(835,096,008)</u>	<u>(896,900,589)</u>
Total net position - Note 12	<u>\$ (781,107,568)</u>	<u>\$ (853,332,565)</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 Month Ending July 31, 2023 and July 31, 2022  
(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 196,120,658	\$ 197,076,689
Cost of goods sold	<u>(132,287,966)</u>	<u>(140,949,220)</u>
Gross profit from sales	63,832,692	56,127,469
Operating (expenses):		
Wholesale	(2,140,114)	(1,566,252)
Retail	(31,457,666)	(27,518,305)
E-Commerce	(251,299)	(186,297)
Regulatory	(1,117,362)	(759,954)
Enterprise	(8,209,296)	(5,618,522)
Commonwealth provided services - Note 2	<u>(1,605,736)</u>	<u>(1,514,990)</u>
Total	<u>(44,781,473)</u>	<u>(37,164,320)</u>
Operating profit/(loss)	19,051,219	18,963,149
Other operating revenues (expenses):		
Enforcement fines	1,289	150,413
License fees	2,218,922	2,095,266
Miscellaneous income	<u>202,539</u>	<u>181,292</u>
Total	<u>2,422,750</u>	<u>2,426,971</u>
Total operating income/(loss)	21,473,969	21,390,120
Miscellaneous revenues (expenses):		
Interest income (expense)	934,801	(228,369)
Other	<u>-</u>	<u>2,483</u>
Total	<u>934,801</u>	<u>(225,886)</u>
Income/(Loss) before operating transfers	22,408,770	21,164,234
Operating transfers out:		
PSP enforcement - Note 3	(2,158,894)	(2,712,320)
<b>Net Income/(Loss) from operations</b>	<b><u>20,249,876</u></b>	<b><u>18,451,914</u></b>
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	20,249,876	18,451,914
**Total net position - beginning 2022-23 - Note 12	<u>(801,357,444)</u>	<u>(871,784,479)</u>
Total net position - ending	<u>\$ (781,107,568)</u>	<u>\$ (853,332,565)</u>
Liquor tax	36,492,634	35,706,943
State Sales Tax	14,321,311	14,053,367
Local Tax	959,160	876,479
Taxes remitted to Dept.of Revenue PTD	<u>\$ 51,773,105</u>	<u>\$ 50,636,789</u>

\*\*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.



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**OTHER ISSUES**

*Special Order Logistics, Transportation and Merchandising Factor Change.....Michael Demko,  
Executive Director*

Following consideration of feedback from licensees, suppliers and others – and considering the popularity of direct delivery of Special Orders between suppliers and licensees, which has decreased the operational impact of Special Orders on the PLCB – The PLCB proposes reducing the Logistics, Transportation and Merchandising Factor (LTMF, or PLCB handling fee) on Special Orders that pass through a PLCB location from \$2.47 per unit to \$2 per unit, effective with orders placed on or after Jan. 1, 2024.

Does the Board approve the reduction of the LTMF?

**Motion Made:** Board Member Vulakovich  
**Seconded:** Chairman Holden

**Board Decision:** Unanimously agreed (2-0 vote) to reduce the Special Order Logistics, Transportation and Merchandising Factor to a rate of \$2 effective January 1, 2024.

Chairman Holden stated for the record that this change occurred after consultation with licensees, vendors, the General Assembly and the Governor’s Office, and he is pleased to make this change.

**PUBLIC COMMENT**

No public comments were offered.

**NEXT BOARD MEETING**

**The next meeting of the PLCB will be a formal meeting on Wednesday, December 20, 2023 beginning at 11:00 A.M. Prior to the public meeting, an Executive Session or Sessions will be held for the specific purposes as regularly set forth in the printed Board Agenda.**

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**ADJOURNMENT**

On motion by Board Member Vulakovich and seconded by Chairman Holden, the meeting was adjourned.

The foregoing actions are hereby officially approved.

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Chairman

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Member

ATTEST:

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Secretary