

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

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WEDNESDAY, DECEMBER 4, 2024

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

Darrell Clarke, Chairman
Randy Vulakovich, Board Member
Vacant, Board Member
Rodrigo Diaz, 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 Management](#)
[Financial Report](#)
[Other Issues](#)

PUBLIC MEETING – 11:00 A.M

CALL TO ORDER *Chairman Clarke*

Board Secretary Michael Vigoda indicated that a quorum of the Board was present, and Chairman Clarke 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 13, 2024 meeting.

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the previous Board Meeting Minutes of the November 13, 2024 meeting.

ANNOUNCEMENT OF EXECUTIVE SESSIONS

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

PUBLIC COMMENT

The Board reserved 10 minutes for public comment.

Mr. Stephen Dolhi criticized the pricing reforms under Acts 39 and 85, which allow prices to increase based on demand and availability, calling them a monopolistic practice that exploits Pennsylvanians. He emphasized that Pennsylvania operates as a control state, not a free market, and argued that pricing should align with MSRP rather than being driven by supply and demand. While control states are intended to

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ensure fair pricing, Mr. Dolhi expressed concerns that the current system falls short of that goal. He urged the PLCB to consider advocating for the repeal of these Acts.

Chairman Clarke thanked Mr. Dolhi for his comments, and Board Member Vulakovich requested that he submit his concerns in writing for further review. Executive Director Rodrigo Diaz clarified that flexible pricing was established by the legislature and can only be repealed through legislative action.

NEW BUSINESS

From the Office of Chief Counsel..... Jason Worley, Chief Counsel

- (1) **City of Allentown** Municipal Petition for Exemption from Liquor
Case No. 24-NE-13 Code Statute Regarding Amplified Sound

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the request for municipal noise exemption from the Liquor Code’s provisions regarding amplified sound for a five-year period from December 4, 2024 through December 4, 2029.

- (2) **Acme Markets, Inc.** Request for Modification of Conditional
480 North Main Street Licensing Agreement
Doylestown, PA 18901-3404
License No. R-21311
LID 70317

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve request for modification of the conditional licensing agreement.

- (3) **Acme Markets, Inc.** Request for Modification of Conditional
101 Byers Drive Licensing Agreement
Glen Mills, PA 19342-3319
License No. R-13586
LID 70289

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve request for modification of the conditional licensing agreement.

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- (4) **J&J Chestnut, LLC** Request for Recission of Conditional Licensing Agreement
123 Chestnut Street, 1st Floor
Philadelphia, PA 19106-3061
License No. R-9165
LID 127664
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve request for rescission of the conditional licensing agreement.
- (5) **Khalid and Natalies Service, Inc.** Request for Recission of Conditional Licensing Agreement
818 Fifth Avenue
Pittsburgh, PA 15219-4701
License No. R-16672
LID 72772
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve request for rescission of the conditional licensing agreement.
- (6) **Luna Enterprises, Inc.** Request for Recission of Conditional Licensing Agreement
1229 South Atherton Street
State College, PA 16801-6202
License No. R-18109
LID 70144
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve request for rescission of the conditional licensing agreement.
- (7) **Rock House Bar & Restaurant, LLC** Request for Modification of Conditional Licensing Agreement
2560 William Flynn Highway
Butler, PA 16001-8024
License No. R-18911
LID 57625
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve request for modification of the conditional licensing agreement.

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- (8) **The Giant Company, LLC** Request for Modification of Conditional
116 West Township Line Road Licensing Agreement
Havertown, PA 19380-0000
License No. R-2524
LID 66663

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve request for modification of the conditional licensing agreement.

- (9) **C&M Entertainment, LLC** Resolution of Appeal Pending in the Court of
101 Jackson Street Common Pleas of Schuylkill County
Port Carbon, PA 17965-1808
License No. R-15725
LID 96572

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to resolve the pending appeal by renewing the license subject to the signed conditional licensing agreement.

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

- (1) **The Bros. Shim-Phase I, Inc.** Requests for Hearing After
t/a The Bros. Shim-Phase I Revocation and *Nunc Pro Tunc* –
R-14452 (LID No. 16739) Case No. 24-9079 Extension of
9701 Bear Creek Boulevard Safekeeping – Restaurant
Bear Creek Township
Bear Creek Township, Luzerne County

Motion Made: Board Member Vulakovich

Chairman Clarke asked if anyone in the audience wished to speak on behalf of The Brothers. Shim-Phase I, Inc. There was no response.

Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to deny request for Nunc Pro Tunc relief to extend the safekeeping period and that the license should remain administratively revoked by operation of law.

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- (2) **Green Gables, Inc.** Requests for Hearing After
R-19621 (LID No. 20399) Case No. 24-9070 Revocation and *Nunc Pro Tunc* –
7712 Somerset Pike Extension of Safekeeping –
P. O. Box 205 Restaurant
Jennerstown, Somerset County

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to conditionally reinstate the license for 30-days to file and extend safekeeping period with fees and to file outstanding renewals and validations. If not filed within 30-days the license shall remain revoked.

- (3) **Lafin Beer Depot, LLC** Place-to-Place Transfer & Request
D-646 (LID No. 97567) for Interior Connections with
1853 Highway 315 Another
Lafin Borough Business – Distributor
Pittston, Luzerne County

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the transfer but that the Board deny the request for interior connection with another business.

- (4) **Ninkovich, LLC** Requests for Hearing After
R-16170 (LID No. 67302) Case No. 24-9060 Revocation and *Nunc Pro Tunc* –
800 Cumberland Street Extension of
Lebanon, Lebanon County Safekeeping – Restaurant

Motion Made: Board Member Vulakovich

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

Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to deny request for *Nunc Pro Tunc* relief to extend the safekeeping period and that the license should remain administratively revoked by operation of law.

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- (5) **SAI Belleview Beer, LLC** Extension of License & Request for Interior Connections with Another Business – Importing Distributor
t/a SAI Belleview Beer
ID-468 (LID No. 114584)
20 South Kishacoquillas Street, Suites A & B
Union Township
Belleville, Mifflin County
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve extension of license and request for interior connection with another business.
- (6) **D.O. Bar & Restaurant, LLC** Renewal – District 8
t/a Latin Fusion Restaurant
R-17802 (LID No. 106239) Case No. 2024-106239 **Conditional Licensing Agreement**
369 South Main Street
Wilkes Barre, Luzerne County
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.
- (7) **Jenny Heng, Inc.** Renewal – District 11
t/a O’Hagan’s Bar & Restaurant
R-16736 (LID No. 72952) Case No. 2023-72952 **Hold 10/30/24 Session**
929-931 MacDade Boulevard
Collingdale, Delaware County **Conditional Licensing Agreement**
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with a conditional licensing agreement.
- (8) **Mile Nine Enterprises, LLC** Renewal – District 6
t/a Mikes Main Street Bar & Grill
H-43059 (LID No. 98517) Case No. 2022-98517 **Hold 8/21/24 Session**
708-710 Lawrence Avenue
Ellwood City, Lawrence County **Conditional Licensing Agreement**
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Clarke
- Board Decision:** Unanimously agreed (2-0 vote) to approve the renewal with an amended conditional licensing agreement.

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(9) Sarge’s Soups & Sandwiches, Inc.
R-11652 (LID No. 41600) Case No. 2021-41600 and
2023-41600
538 North Centre Street
Pottsville, Schuylkill County

Renewal – District 3
Conditional Licensing Agreement

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

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

(10) Two Boyz, Inc.
R-20 (LID No. 68267) Case No. 2018-68267, 2020
68267, 2022-68267 and 2024-68267
898 Sanger Street
Philadelphia, Philadelphia County

Renewal – District 10
Hold 10/16/24 Session
Conditional Licensing Agreement

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

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) Vincent Andolina – Affirm Removal**
- (2) Marcus Brown – Removal**
- (3) Keith Calhoun - Removal**
- (4) Kimberly Clymer - Removal**
- (5) Gregory Dragovits - Removal**
- (6) Breannan Gallagher – Affirm Removal**
- (7) Joshua Glass – Removal**
- (8) Gregory Harvey – Affirm Removal**
- (9) Raymond Jemison – Affirm Removal**

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- (10) **Jamaica Johnson - Removal**
- (11) **Roger Latham – Affirm Removal**
- (12) **Marisol Limardo – Affirm Removal**
- (13) **Alyxzandria Miller – Affirm Removal**
- (14) **Tracy Reddix - Removal**
- (15) **Joseph Romano – Removal**
- (16) **Seth Sherman – Removal**
- (17) **Katherine Smith – Affirm Removal**
- (18) **Jared Thompkins – Affirm Removal**
- (19) **Pamela Tito – Removal**
- (20) **Donyae Turner – Removal**
- (21) **Gary Wesolowski - Removal**

Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the proposed personnel actions received from the Bureau of Human Resources.

*From the Bureau of Accounting & Purchasing Rodrigo Diaz, Executive Director
Josh Greene, Acting Chief, Purchasing & Contracting Administration
Ijeoma Ezekoye, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

- (1) **Identity and Access Management (IAM) Administrator Staff Augmentation** – As part of the PLCB Security Team, this resource supports user creation, provisioning, access reviews, auditing, governance, and other cross-functional security team support as needed in hybrid on-premises and cloud environments. This individual is familiar with established policies, procedures, audit, compliance requirements, IAM systems and tools used to support and maintain operations and appropriate access to applications agency-wide. This resource is needed to support our expanding IAM responsibilities introduced by Project New Horizon.

Procured via DGS Contract #4400024749 – **VENDOR: OST, Inc.** – **TERM:** Six months for period 1/1/2025 through 6/30/2025 - **\$143,000.00 estimated cost.**

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Inter-Agency Charges:

- (1) **Office of Comptroller Operations** – Net billing of \$1,512,182.87 for the first quarter of FY 2024-25 from the Office of Comptroller Operations, which includes a “true-up” credit of \$55,436.89 for FY2023-24’s estimated fourth quarter billing. The first quarter’s gross billing increased \$392,558.24 or (+35.1%) specifically relates to the run rate of the last three quarters the prior year.
- (2) **Department of General Services (DGS) Vehicle Leases (Job 35)** – The billing of \$53,370.47 for September/2024 to reimburse DGS 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 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 Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the Procurement Actions and Inter-Agency Charges received from the Bureau of Accounting and Purchasing.

From the Office of Retail Operations..... Rodrigo Diaz, Executive Director

1. **#0299 – 11695 Penn Hills Drive, Pittsburgh
Amendment**
2. **#2202 – 1200 North Third Street, Harrisburg
Amendment**
3. **#2304 – Edgemont Square, 4839 West Chester Pike, Newtown Square
Amendment**
4. **#11XX – 420 Main Street, Johnstown
New Store (to replace #1101)**
5. **#11XX – Richland Town Center, 340 Town Center Drive, Johnstown
New Store (to consolidate #1102 and #1118)**
6. **#2605 – 213 Penn Street, Point Marion
Closing**

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Motion Made: Board Member Vulakovich
Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the recommended lease actions received from the Office of Retail Operations, specifically 1-5, but hold action number 6 of the lease actions until the December 18, 2024 Board Meeting.

From the Bureau of Product Management.....Megan Painter, Director of Product Management

VENDOR – ITEM NAME

BOARD ACTION REQUESTED

Various
Various
Various

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

1. Regular PA New Items Accepted

BRAND NAME AND SIZE

REASON

Clover Hill Enterprises

| | |
|---|----|
| Clover Hill Spirits Brandy 750 mL | 16 |
| Clover Hill Spirits Vodka 750 mL | 16 |
| Clover Hill Spirits White Brandy 750 mL | 16 |

Lancaster Brewing Company

| | |
|---|----|
| Criterion Hop Infused Gin 750 mL | 16 |
| Euphoria Hop Infused Gin 750 mL | 16 |
| Lancaster Stout Cask Rare Single Malt Whiskey 750 mL | 16 |
| Lancaster Ale Cask Rare Bourbon 6 Year Old 750 mL | 16 |

Mabsco Enterprises LLC

| | |
|----------------------------------|----|
| Blood Orange Vodka 750 mL | 16 |
| Espresso Martini Cocktail 750 mL | 16 |
| Espresso Vodka 750 mL | 16 |
| Salted Caramel Vodka 750 mL | 16 |

One Tier LLC

| | |
|--|----|
| Bird Gang Silver Tequila 750 mL | 16 |
| Bird Gang Habanero Flavored Tequila 750 mL | 16 |

RECOMMENDED ACTION: We recommend the Board approve this action.

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**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

| <u>BRAND NAME AND SIZE</u> | <u>Code</u> |
|--|--------------------|
| <u>North Wales</u> | |
| New Amsterdam Wildcard Classic Hard Punch 4x355 mL Cans | 96054 |
| <u>Sazerac Company Inc</u> | |
| Southern Comfort 750 mL | 2467 |
| <u>The Wine Group</u> | |
| Cave and Cove Peach Moscato 750 mL | 96176 |
| Cave and Cove Strawberry Moscato 750 mL | 96177 |
| Creative Juice Pinot Grigio Colombard 1.5 L | 98852 |
| Creative Juice Cabernet Sauvignon 1.5 L | 98849 |

EFFECTIVE DATE: The transference to closeout will become effective January 3, 2025

3. Regular Recommended Delist Revision

| <u>BRAND NAME AND SIZE</u> | <u>CODE</u> |
|--|--------------------|
| <u>Sweet Grace Distilling Co LLC</u> | |
| Stateside Vodka Soda Pineapple 4x355 mL Cans | 96667 |

Note: This was on board 11-13-24 under wrong s

EFFECTIVE DATE: The transference to closeout will become effective December 13, 2024

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

Motion Made: Board Member Vulakovich

Seconded: Chairman Clarke

Board Decision: Unanimously agreed (2-0 vote) to approve the recommended product actions received from the Bureau of Product Management.

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

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

| ASSETS | June 30, 2024 | June 30, 2023 |
|--|-------------------------|-------------------------|
| Current assets: | | |
| Cash | \$ 64,713,902 | \$ 46,272,735 |
| Investments - short term | 240,010,109 | 341,784,005 |
| Accounts and claims receivable, net | 1,589,459 | 5,387,863 |
| Due from other funds - Note 9 | - | - |
| Merchandise inventories, net | 217,628,296 | 211,931,972 |
| Operating supplies | 704,424 | 895,851 |
| Prepaid expenses | 2,223,090 | 1,982,027 |
| Total current assets | 526,869,280 | 608,254,453 |
| Non-current assets: | | |
| Non-depreciable capital assets: | | |
| Land | 322,973 | 322,973 |
| Depreciable or amortizable capital assets: | | |
| Building | 10,837,326 | 10,923,350 |
| Leasehold improvements | 209,134 | 209,134 |
| Machinery and equipment | 45,084,347 | 56,166,544 |
| Intangible - internally generated software | 82,252,936 | 70,232,259 |
| Intangible - right to use leases - Note 10 | 452,422,066 | 394,613,531 |
| Intangible - right to use IT subscriptions - Note 11 | 20,835,288 | 16,554,170 |
| Less: accumulated depreciation or amortization | 317,920,756 | 252,882,651 |
| Net depreciable or amortizable capital assets | 293,720,340 | 295,816,337 |
| Total non-current capital assets | 294,043,313 | 296,139,310 |
| Total assets | \$ 820,912,593 | \$ 904,393,763 |
| Total deferred outflows of resources - Notes 5, 6 | \$ 193,316,974 | \$ 261,084,528 |
| LIABILITIES | | |
| Current liabilities: | | |
| Trade accounts payable | \$ 322,484,332 | \$ 332,284,725 |
| Other accounts payable | 27,487,035 | 25,232,465 |
| Accrued expenses | 26,739,483 | 24,292,565 |
| OPEB - Note 6 | - | - |
| Self-insurance, workers' compensation - Note 7 | 4,767,807 | 4,795,551 |
| Due to other funds - Note 9 | 6,019,139 | 66,854,774 |
| Due to fiduciary funds - Note 9 | 4,023,696 | 3,648,404 |
| Due to other governments - Note 9 | 1,183,798 | 1,038,014 |
| Right to use liabilities - Note 10 | 63,474,715 | 61,080,481 |
| Total current liabilities | 456,180,005 | 519,226,979 |
| Non-current liabilities: | | |
| OPEB - Note 6 | 317,406,000 | 416,014,000 |
| Self-insurance, workers' compensation - Note 7 | 42,229,790 | 43,295,622 |
| Net pension liability - Note 5 | 537,784,715 | 569,164,330 |
| Compensated absences - Note 1 | 26,266,236 | 24,484,695 |
| Right to use liabilities - Note 10 | 176,885,959 | 180,470,683 |
| Total non-current liabilities | 1,100,572,700 | 1,233,429,330 |
| Total liabilities | \$ 1,556,752,705 | \$ 1,752,656,309 |
| Total deferred inflows of resources - Notes 5, 6 | \$ 206,690,667 | \$ 214,179,426 |
| NET POSITION | | |
| Net investment in capital assets | \$ 53,682,639 | \$ 54,588,146 |
| Deficit | (802,896,444) | (855,945,590) |
| Total net position - Note 12 | \$ (749,213,805) | \$ (801,357,444) |

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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, 2024 and June 30, 2023
(Unaudited)**

| | <u>2023-24</u> | <u>2022-23</u> |
|--|--------------------------|-------------------------|
| Sales net of taxes | \$ 205,416,542 | \$ 216,047,561 |
| Cost of goods sold | <u>(136,851,035)</u> | <u>(144,734,001)</u> |
| Gross profit from sales | 68,565,507 | 71,313,560 |
| Operating (expenses): | | |
| Wholesale | (799,038) | (3,368,504) |
| Retail | (31,472,057) | (49,207,218) |
| E-Commerce | (91,750) | (337,216) |
| Regulatory | 26,646 | (2,017,390) |
| Enterprise | (8,233,086) | (14,174,381) |
| Commonwealth provided services - Note 2 | <u>(2,213,784)</u> | <u>(2,070,115)</u> |
| Total | <u>(42,783,069)</u> | <u>(71,174,824)</u> |
| Operating profit/(loss) | 25,782,438 | 138,736 |
| Other operating revenues (expenses): | | |
| Enforcement fines | 341,871 | 165 |
| License fees | 2,422,379 | 2,431,549 |
| Miscellaneous income | <u>166,726</u> | <u>1,201,027</u> |
| Total | <u>2,930,976</u> | <u>3,632,741</u> |
| Total operating income/(loss) | 28,713,414 | 3,771,477 |
| Miscellaneous revenues (expenses): | | |
| Interest income (expense) | 624,593 | 909,759 |
| Other | <u>14,780</u> | <u>(887)</u> |
| Total | <u>639,373</u> | <u>908,872</u> |
| Income/(Loss) before operating transfers | 29,352,787 | 4,680,349 |
| Operating transfers out: | | |
| PSP enforcement - Note 3 | (2,372,458) | (2,414,175) |
| Net Income/(Loss) from operations | <u>26,980,329</u> | <u>2,266,174</u> |
| Statutory Transfers: | | |
| General fund - Note 4 | - | - |
| Drug and alcohol programs - Note 4 | (4,841,707) | (5,215,423) |
| Total | <u>(4,841,707)</u> | <u>(5,215,423)</u> |
| Change in net position | 22,138,622 | (2,949,249) |
| **Total net position - beginning - Note 12 | <u>(771,352,427)</u> | <u>(798,408,195)</u> |
| Total net position - ending | <u>\$ (749,213,805)</u> | <u>\$ (801,357,444)</u> |
| Liquor tax | 36,392,680 | 38,553,788 |
| State Sales Tax | 14,410,122 | 15,206,484 |
| Local Tax | 923,690 | 999,412 |
| Taxes remitted to Dept.of Revenue PTD | <u>\$ 51,726,492</u> | <u>\$ 54,759,684</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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**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, 2024 and June 30, 2023
(Unaudited)**

| | <u>2023-24</u> | <u>2022-23</u> |
|--|-------------------------|-------------------------|
| Sales net of taxes | \$ 2,545,114,055 | \$ 2,513,588,329 |
| Cost of goods sold | <u>(1,725,332,882)</u> | <u>(1,749,390,619)</u> |
| Gross profit from sales | 819,781,173 | 764,197,710 |
| Operating (expenses): | | |
| Wholesale | (29,046,701) | (22,860,718) |
| Retail | (414,824,412) | (363,806,695) |
| E-Commerce | (2,285,715) | (3,268,145) |
| Regulatory | (13,436,505) | (11,417,913) |
| Enterprise | (113,009,823) | (92,394,628) |
| Commonwealth provided services - Note 2 | <u>(19,541,691)</u> | <u>(21,218,509)</u> |
| Total | <u>(592,144,847)</u> | <u>(514,966,608)</u> |
| Operating profit/(loss) | 227,636,326 | 249,231,102 |
| Other operating revenues (expenses): | | |
| Enforcement fines | 1,327,067 | 1,557,182 |
| License fees | 32,763,562 | 31,918,107 |
| Miscellaneous income | <u>2,337,900</u> | <u>5,855,843</u> |
| Total | <u>36,428,529</u> | <u>39,331,132</u> |
| Total operating income/(loss) | 264,064,855 | 288,562,234 |
| Miscellaneous revenues (expenses): | | |
| Interest income (expense) | 11,023,171 | 4,478,657 |
| Other | <u>31,788</u> | <u>50,410</u> |
| Total | <u>11,054,959</u> | <u>4,529,067</u> |
| Income/(Loss) before operating transfers | 275,119,814 | 293,091,301 |
| Operating transfers out: | | |
| PSP enforcement - Note 3 | (33,034,468) | (32,320,143) |
| Net Income/(Loss) from operations | 242,085,346 | 260,771,158 |
| Statutory Transfers: | | |
| General fund - Note 4 | (185,100,000) | (185,100,000) |
| Drug and alcohol programs - Note 4 | (4,841,707) | (5,215,423) |
| Total | <u>(189,941,707)</u> | <u>(190,315,423)</u> |
| Change in net position | 52,143,639 | 70,455,735 |
| **Total net position - beginning 2022-23 - Note 12 | <u>(801,357,444)</u> | <u>(871,813,179)</u> |
| Total net position - ending | <u>\$ (749,213,805)</u> | <u>\$ (801,357,444)</u> |
| Liquor tax | 448,754,834 | 450,755,325 |
| State Sales Tax | 177,385,891 | 177,567,317 |
| Local Tax | 11,855,070 | 11,534,349 |
| Taxes remitted to Dept.of Revenue PTD | <u>\$ 637,995,795</u> | <u>\$ 639,856,991</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.

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

OTHER ISSUES

None

PUBLIC COMMENT

The Board reserved 10 minutes for public comment.

No comments were offered.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, December 18, 2024 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.

ADJOURNMENT

Board Member Vulakovich extended congratulatory remarks to newly appointed Chairman Darrell Clarke. He expressed great respect for Chairman Clarke's past accomplishments and his vision for the PLCB, adding that he looks forward to collaborating with him in the coming years.

On a motion by Board Member Vulakovich and seconded by Board Member Clarke, the meeting was adjourned.

Chairman

Member

ATTEST:

Secretary