

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

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WEDNESDAY, FEBRUARY 14, 2024

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

Tim Holden, Chairman
Randy Vulakovich, Board Member
Darrell Clarke, 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 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 January 24, 2024 meeting.

Motion Made: Board Member Vulakovich

Seconded: Board Member Clarke

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

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

The Board has reserved 10 minutes for public comment.

Dennis Barbagello appeared before the Board to offer his comments in opposition of the agency selling legalized marijuana in Fine Wine & Good Spirits Stores and that he understands that a business plan has been developed within the agency regarding the sale of marijuana. Chairman Holden informed Mr. Barbagello that any decision on legalization is at the discretion of the General Assembly and Governor and that a business plan to sell marijuana does not exist. Mr. Barbagello also repeated his desire from

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a previous meeting to assist in determining products for the Chairman's Selection. Chairman Holden stated that would require further discussions within the agency.

NEW BUSINESS

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

- (1) **Messersmith Properties, LLC** ALJ Appeal Consolidated for
t/a Bourbon Mill Purposes of Hearing
4797 York Road
New Oxford, PA 17350-9401
License No. R-17232/LID 98588
Citation Nos. 20-0822, 20-1246, 21-0450, and 21-0925

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to affirm the ALJ's decision and remand for action.

- (2) **GAMECHANGERWORLD OF PA, LLC** ALJ Appeal Consolidated for
6614C Ruppsville Road Purposes of Hearing
Allentown, PA 18106-9315
License No. R-15779/LID 87684
Citation Nos. 19-0028, 19-1283, and 20-0380

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to affirm the ALJ and the license remains revoked.

- (3) **Advisory Notice No.28 (1st Revision)** Advisory Notice

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to adopt Advisory Notice 28.

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

- (1) **3001 Castor, LLC** Requests for Hearing after
R-9527 (LID No. 56341) Case No. 23-9070 Revocation and *Nunc Pro Tunc* –
3001 Castor Avenue Renewals and Validations –
Philadelphia, Philadelphia County Restaurant

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Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of 3001 Castor, LLC. There was no response.

Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to refuse the request for *Nunc Pro Tunc* and the license remain revoked.

(2) **7-Eleven Sales Corporation**
t/a 7-Eleven
(LID No. 110676) Case No. 23-9050
147 Gettysburg Pike
Upper Allen Township
Mechanicsburg, Cumberland County

New & Request for Interior
Connections with Another Business
– Economic Development
Restaurant

Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of 7-Eleven Sales Corporation. Kenneth Bordieri from 7-Eleven Sales Corporation was recognized. Mr. Bordieri asked the Board if they had any questions regarding the application. Chairman Holden stated that he did not have any questions and in his opinion, the applicant did not meet the statutory requirements in the Liquor Code regarding the attempts to purchase a license on the open market. Board Member Vulakovich stated that in his opinion, no effort was made by the applicant to try and purchase a license. Board Member Clarke agreed with the positions of the other two Board Members and the position of the Chief Counsel. Mr. Bordieri offered that there were attempts to purchase on the open market but that he could not speak to specifics. Chairman Holden clarified that an attempt to purchase was made with three licensees but that it falls short of the requirements of the Liquor Code in his opinion. The Chairman asked Chief Counsel Jason Worley to provide further explanation. Mr. Worley offered that an administrative hearing was already held on this matter for the purpose of entering in evidence and that the record of the hearing was given to the Board. Mr. Worley stated that the board meeting is not an opportunity to provide further evidence, but that Mr. Bordieri may provide comments.

A second caller that desired to speak never unmuted themselves nor offered a written explanation via the Teams chat after given an opportunity to do so. At this point the comments were closed.

Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to refuse the economic development license.

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- (3) **Club Capri, Inc.** Notice of Change in Business Structure – Restaurant
R-19209 (LID No. 20050) Case No. 23-9115
5300 Emilie Road
Bristol Township
Levittown, Bucks County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to hold for a conditional licensing agreement and approve notice of change in business structure.
- (4) **Fountain Springs Country Inn, Inc.** Notice of Change in Business Structure & Request for Dual Employment – Restaurant
t/a Fountain Springs Country Inn
R-17773 (LID No. 52456) Case No. 23-9096
52 Country Club Road
P.O. Box 257
Butler Township
Ashland, Schuylkill County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to approve the notice of change in business structure and request for dual employment.
- (5) **Glimer Brothers 2, LLC** Request for Hearing after Administrative Cancellation – Person-to-Person Transfer – Restaurant
t/a Los Inmortales
R-8677 (LID No. 113067) Case No. 23-9068
2318 Broadway Avenue
Pittsburgh, Allegheny County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to approve request to reinstate the application and approve the transfer.
- (6) **Middletown Beverages Corporation** Request for Interior Connections with Another Business – Distributor
t/a Middletown Beverages
D-693 (LID No. 114950)
209 East Main Street
Middletown, Dauphin County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to approve the request for interior connection with another business.

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- (7) **Nferraro, LLC** “Intermunicipal” Double Transfer –
R-20904 (LID No. 116306) Case No. 23-9076 Restaurant
3815 Route 115
Tunkhannock Township
Blakeslee, Monroe County

Motion Made: Board Member Vulakovich

Seconded: Board Member Clarke

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

- (8) **Thomas & Thompson, Inc.** Request for Hearing to Extend
t/a The Back Door Café Safekeeping Period – Restaurant
R-6714 (LID No. 46275) Case No. 23-9098
402 Chestnut Street
Johnstown, Cambria County

Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of Thomas & Thompson, Inc. There was no response.

Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to refuse the request to extend safekeeping without payment of necessary extension fees.

- (9) **Tulunes in the City Corp.** Person-to-Person Transfer –
R-11934 (LID No. 115817) Case No. 23-9100 Restaurant
90 Lulay Street
Suite 2
Geistown Borough
Johnstown, Cambria County

Motion Made: Board Member Vulakovich

Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to hold for a conditional licensing agreement.

- (10) **1115 Coopers Bar & Grill Inc.** Renewal – District 11
R-1491 (LID No. 97483) Case No. 2023-97483
1115 Powell Road **Conditional Licensing Agreement**
Chester Township
Chester, Delaware County

Motion Made: Board Member Vulakovich

Seconded: Board Member Clarke

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Board Decision: Unanimously agreed (3-0 vote) to hold for a conditional licensing agreement, offer-in-compromise terms.

- (11) **1330 Walnut Partners, LLC** Renewal – District 10
R-5089 (LID No. 69273) Case No. 2020-69273 &
2022-69273 **HOLD 11/15/23 SESSION**
1330 Walnut Street **Conditional Licensing Agreement**
Philadelphia, Philadelphia County

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

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

- (12) **2008 River Walck Saloon, LLC** Renewal – District 8
R-10526 (LID No. 60586) Case No. 2022-60586 **HOLD 12/6/23 SESSION**
101 Centre Street **Conditional Licensing Agreement**
P.O. Box 277
Parryville, Carbon County

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

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

- (13) **Goodfellas, Inc.** Renewal – District 3
R-17704 (LID No. 43431) Case No. 2021-43431 2023-
43431 **HOLD 11/15/23 SESSION**
1105 South Centre Street **Conditional Licensing Agreement**
Mount Carbon
Pottsville, Schuylkill County

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

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

- (14) **Hot Rod Bar & Grill, LLC** Renewal – District 3
t/a Hot Rod Bar & Grill
R-15942 (LID No. 90528) Case No. 2023-90528
15 17 19 Front Street
Cressona, Schuylkill County

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Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to hold for a conditional licensing agreement.

- (15) **M & EM, Inc.** Renewal – District 2
t/a Glenville Station
R-19450 (LID No. 91470) Case No. 2022-91470 **HOLD 11/15/23 SESSION**
7945 Glenville Road **Conditional Licensing Agreement**
Codorus Township
Glenville, York County

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to hold the application.

As part of his motion, Board Member Vulakovich stated the motion to hold was being made at the request of the counsel for the Licensee due to a pending citation matter.

- (16) **McGuire's Pub, Inc.** Renewal – District 3
t/a McGuire's Pub
R-17708 (LID No. 64128) Case No. 2023-64128
130 West Centre Street
Mahanoy, Schuylkill County

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to hold for an amended conditional licensing agreement.

- (17) **Ralph E. Moore Peggy Moore** Renewal – District 6
t/a Old Trails Café
R-2569 (LID No. 10578) Case No. 2022-10578 **HOLD 8/9/23 SESSION**
669 National Pike East
South Strabane Township
Washington, Washington County

Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of Ralph E. Moore & Peggy Moore. There was no response.

Seconded: Board Member Clarke

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

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- (18) **RFG, Inc.** Renewal – District 8
t/a Shamrock Grill
R-10686 (LID No. 14511) Case No. 2022-14511
762-764 West 4th Street
Williamsport, Lycoming County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to hold for an amended conditional licensing agreement.

- (19) **Sardaar Shibe, Inc.** Renewal – District 7
t/a Lucky’s Food Mart 2
R-7030 (LID No. 100270) Case No. 2023-100270
701 State Street
Erie, Erie County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 vote) to approve the renewal.

- (20) **Wright Kobilka, Inc.** Renewal – District 1
t/a Village Tavern
R-32635 (LID No. 60619) Case No. 2023-60619 **Conditional Licensing Agreement**
9459 Main Street
Henderson Township
Huntingdon, Huntingdon County
- Motion Made:** Board Member Vulakovich
Seconded: Board Member Clarke
- Board Decision:** Unanimously agreed (3-0 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 15 personnel actions presented for consideration.

- (1) **Kayonnah Adams – Removal**
- (2) **Jack Bressi – Affirm Removal**
- (3) **Clarissa Cline – Affirm Removal**

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- (4) **Demetrius Coleman – Removal**
- (5) **Bridgette Edwards – Removal**
- (6) **Athan Gillespie – Affirm Removal**
- (7) **Damir Hopson – Affirm Removal**
- (8) **Kelly Houtz – Removal**
- (9) **Mercedes Jones – Affirm Removal**
- (10) **Qwaghyere Keith - Affirm Removal**
- (11) **Lawrence McFadden – Affirm Removal**
- (12) **Randy Palenchar – Affirm Removal**
- (13) **Francine Ruyak – Removal**
- (14) **Matthew Vitushinsky – Removal**
- (15) **Josh Warwick – Affirm Removal**

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to approve the proposed personnel actions presented by the Bureau of Human Resources.

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

Procurement Actions:

- (1) **Hearing Examiner Services** – Represent the Board in the capacity of a Hearing Examiner for administrative hearings conducted in the Commonwealth of Pennsylvania regarding matters which the Board shall adjudicate as required by law.

Procured via Sole Source – VENDOR: **Thomas R. Miller, Esquire** – TERM: One year for period 4/1/2024 through 3/31/2025 - **\$250,000.00 estimated cost.**

Inter-Agency Charges:

- (1) **Office of Comptroller Operations** – Billing of \$1,835,776.57 for FY23-24 Q2 for actual expenses represent October, November, and December from the Office of Comptroller Operations. This billing

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is \$100,973.50 or (+5.8%) more than last year’s quarterly billing. The increase includes an extra payroll and a scheduled salary increase that occurred in the second quarter.

- (2) **Civil Service Commission (SCSC) Services (Job 46)** – Billing of \$237,531.90 for SCSC services for January – June 2024. The billing was based on the PLCB’s average salary and wage position headcount (7,166) for the six-month period of May/2023 through October/2023.
- (3) **Office of Administration – IT Shared Services** – Billing of \$736,601.00 for the FY 2023-24 Q3 estimate for OA’s IT Enterprise Technology Essential Services. The estimated FY23 billing is higher on average while the FY22 bill had a significant true-up credit -\$243K in Q3.

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: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to approve the procurement actions and interagency charges received from the Bureau of Accounting and Purchasing.

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

- 1. **#0242- 4524 Broadway Blvd., Monroeville
Amendment**
- 2. **#2334- 1751 Wilmington Pike, Glen Mills,
Amendment**
- 3. **#3918- 3060 Center Valley Parkway, Center Valley,
Amendment**
- 4. **#2004- 180-188 Newberry Parkway, Eppers
Exercise Option**

Motion Made: Board Member Vulakovich
Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to approve the recommendations received 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
Various
Various
Varius

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

1. Regular New Item Accepted

BRAND NAME AND SIZE

REASON

Southern Glazers Wine and Spirits of PA

Frisk Prickly Riesling 750 mL

11, 14, 19

RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular PA New Items Accepted

BRAND NAME AND SIZE

REASON

City Distilling LLC

City Swigs Orange Crush Cocktail 750 mL

16

City Teas Cocktail 4x355 mL Cans

16

Hidden Still Inc

Hidden Still Spirits Bourbon and Ginger Cocktail 4x355 mL Cans

16

Hidden Still Spirits Margarita Cocktail 4x355 mL Cans

16

Hidden Still Spirits Paloma Cocktail 4x355 mL Cans

16

Hidden Still Spirits Vodka Iced Tea Cocktail 4x355 mL Cans

16

Midstate Distillery Inc

Midstate Distillery Gin 750 mL

16

Social Still Distillery

Social Still Mango Margarita 4x355 mL Cans

16

Social Still Vodka Rita 4x355 mL Cans

16

RECOMMENDED ACTION: We recommend the Board approve this action

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3. Regular PA New Items Accepted Revision

BRAND NAME AND SIZE

REASON

PRICING

Horse Hollow Distillery

Horse Hollow Distillery Jimmy Juice Cranberry Citrus Cocktail 4x355 mL Cans	16
Horse Hollow Distillery Jimmy Juice Orange Fizzy Cocktail 4x355 mL Cans	16

NOTE: These items went to board 1-24-24 with incorrect pricing

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

4. Regular Recommended Delist

BRAND NAME AND SIZE

CODE

Brown Forman Corp

El Jimador Silver Tequila 1 L	96425
Sonoma Cutrer Chardonnay Russian River Valley 750 mL	6670

Capital Wine and Spirits

Lobster Reef Sauvignon Blanc 750 mL	96430
Maschio Brut Prosecco Non Vintage 187 mL	96520
Maschio Prosecco Extra Dry Veneto 187 mL	96521

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Diageo

Casamigos Blanco Tequila 80 Proof 1 L 96659

Four Birds Distilling

Sea Isle Spiked Iced Tea 4x355 mL Cans 96213

Jackson Family Wines

Kendall Jackson Chardonnay Vintners Reserve Special Select 750 mL 96433

Jim Beam Brands Co

Sauza Hornitos Plata Tequila 1 L 96653

Majestic

Harken Winemaker's Select Chardonnay 750 mL 96617

Josh Cellars Craftman's Collection Cabernet Sauvignon California 750 mL 96507

Josh Cellars Craftman's Collection Chardonnay California 750 mL 96508

North Wales Wines

Canyon Road Cabernet Sauvignon 1.5 L 96522

Canyon Road Cabernet Sauvignon 750 mL 96523

Canyon Road Chardonnay 1.5 L 96524

Canyon Road Chardonnay 750 mL 96525

Canyon Road Pinot Grigio 1.5 L 96526

Canyon Road Pinot Grigio 750 mL 96527

Canyon Road Pinot Noir 750 mL 96528

Canyon Road Sauvignon Blanc 750 mL 96529

New Amsterdam Vodka 1 L 96431

Totts Extra Dry Champagne Non Vintage 750 mL 96604

Wycliff Brut 750 mL 96605

Survive Enterprises

Veuve Du Vernay Sparkling Blend Champagne Non Vintage 750 mL 96631

Sutter Home

Avissi Prosecco Non Vintage 750 mL 96608

Sycamore Lane Cabernet Sauvignon 1.5 L 96609

Sycamore Lane Cabernet Sauvignon 750 mL 96610

Sycamore Lane Chardonnay 1.5 L 96611

Sycamore Lane Pinot Grigio 1.5 L 96612

Vintage Imports

Stoneburn Sauvignon Blanc 750 mL 96616

Wine Merchant

Acinum Prosecco 750 mL 96624

Arona Sauvignon Blanc Marlborough 750 mL 96625

Avia Pinot Grigio 1.5 L 96626

Avia Pinot Grigio 750 mL 96627

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Canyon Oaks Cabernet Sauvignon 1.5 L	96638
Canyon Oaks Cabernet Sauvignon 750 mL	96645
Canyon Oaks Chardonnay 1.5 L	96639
Daou Cabernet Sauvignon Paso Robles 750 mL	96636
Montefresco Pinot Grigio Veneto 750 mL	96628
Oak Grove Pinot Noir California 2018 750 mL	96654
Simonet Vin Mousseux Blanc de Blancs 750 mL	96629
Stanford Blanc de Blanc Governors Cuvee California 750 mL	96640

EFFECTIVE DATE: The transference to closeout will become effective March 15, 2024

Motion Made: Board Member Vulakovich

Seconded: Board Member Clarke

Board Decision: Unanimously agreed (3-0 vote) to approve the recommendations received 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>November 30, 2023</u>	<u>November 30, 2022</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 53,200,364	\$ 45,524,876
Investments - short term	268,159,799	102,721,191
Accounts and claims receivable, net	7,201,605	6,676,095
Due from other funds - Note 9	-	-
Merchandise inventories, net	208,331,829	244,681,632
Operating supplies	882,361	516,123
Prepaid expenses	<u>2,656,486</u>	<u>2,783,585</u>
Total current assets	<u>540,432,444</u>	<u>402,903,502</u>
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable or amortizable capital assets:		
Building	10,923,350	10,820,411
Leasehold improvements	209,134	209,134
Machinery and equipment	64,941,844	52,661,757
Intangible - internally generated software	82,252,935	58,032,416
Intangible - right to use leases - Note 10	419,498,193	374,705,423
Intangible - right to use IT subscriptions - Note 11	<u>16,337,949</u>	<u>20,300,870</u>
Less: accumulated depreciation or amortization	<u>283,524,622</u>	<u>210,956,019</u>
Net depreciable or amortizable capital assets	<u>310,638,783</u>	<u>305,773,992</u>
Total non-current capital assets	<u>310,961,756</u>	<u>306,096,965</u>
Total assets	<u>\$ 851,394,200</u>	<u>\$ 709,000,467</u>
Total deferred outflows of resources - Notes 5, 6	\$ 254,785,028	\$ 177,531,005
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	\$ 350,320,769	\$ 218,035,514
Other accounts payable	19,153,165	23,725,087
Accrued expenses	30,572,146	23,878,837
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,795,551	5,038,908
Due to other funds - Note 9	7,832,234	9,270,444
Due to fiduciary funds - Note 9	4,199,357	2,970,931
Due to other governments - Note 9	1,231,504	856,169
Right to use liabilities - Note 10	<u>62,887,922</u>	<u>62,903,186</u>
Total current liabilities	<u>480,992,648</u>	<u>346,679,076</u>
Non-current liabilities:		
OPEB - Note 6	374,929,000	425,430,000
Self-insurance, workers' compensation - Note 7	45,795,622	44,846,197
Net pension liability - Note 5	576,547,330	377,906,963
Compensated absences - Note 1	24,484,695	26,865,598
Right to use liabilities - Note 10	<u>177,827,146</u>	<u>197,872,779</u>
Total non-current liabilities	<u>1,199,583,793</u>	<u>1,072,921,537</u>
Total liabilities	<u>\$ 1,680,576,441</u>	<u>\$ 1,419,600,613</u>
Total deferred inflows of resources - Notes 5, 6	\$ 220,731,926	\$ 342,168,486
<u>NET POSITION</u>		
Net investment in capital assets	\$ 70,246,688	\$ 45,321,000
Deficit	<u>(865,375,827)</u>	<u>(920,558,627)</u>
Total net position - Note 12	<u>\$ (795,129,139)</u>	<u>\$ (875,237,627)</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 November 30, 2023 and November 30, 2022
(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 233,954,202	\$ 221,537,295
Cost of goods sold	<u>(158,393,427)</u>	<u>(157,416,583)</u>
Gross profit from sales	75,560,775	64,120,712
Operating (expenses):		
Wholesale	(2,691,648)	(1,626,938)
Retail	(39,955,553)	(28,811,202)
E-Commerce	(215,312)	(253,363)
Regulatory	(1,156,866)	(855,401)
Enterprise	(10,005,595)	(7,504,107)
Commonwealth provided services - Note 2	<u>(2,200,202)</u>	<u>(1,553,553)</u>
Total	<u>(56,225,176)</u>	<u>(40,604,564)</u>
Operating profit/(loss)	19,335,599	23,516,148
Other operating revenues (expenses):		
Enforcement fines	84,512	170,154
License fees	2,761,278	2,742,993
Miscellaneous income	<u>167,591</u>	<u>435,032</u>
Total	<u>3,013,381</u>	<u>3,348,179</u>
Total operating income/(loss)	22,348,980	26,864,327
Miscellaneous revenues (expenses):		
Interest income (expense)	1,258,885	179,698
Other	<u>-</u>	<u>-</u>
Total	<u>1,258,885</u>	<u>179,698</u>
Income/(Loss) before operating transfers	23,607,865	27,044,025
Operating transfers out:		
PSP enforcement - Note 3	(2,744,710)	(2,853,867)
Net Income/(Loss) from operations	<u>20,863,155</u>	<u>24,190,158</u>
Statutory Transfers:		
General fund - Note 4	(100,000,000)	(100,000,000)
Drug and alcohol programs - Note 4	-	-
Total	<u>(100,000,000)</u>	<u>(100,000,000)</u>
Change in net position	(79,136,845)	(75,809,842)
**Total net position - beginning - Note 12	<u>(715,992,294)</u>	<u>(799,427,785)</u>
Total net position - ending	<u>\$ (795,129,139)</u>	<u>\$ (875,237,627)</u>
Liquor tax	41,173,307	39,528,915
State Sales Tax	16,198,842	15,549,390
Local Tax	1,029,604	1,007,541
Taxes remitted to Dept.of Revenue PTD	<u>\$ 58,401,753</u>	<u>\$ 56,085,846</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.

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Five Months Ending November 30, 2023 and November 30, 2022
(Unaudited)

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 1,042,495,163	\$ 1,017,125,944
Cost of goods sold	<u>(700,220,607)</u>	<u>(721,334,252)</u>
Gross profit from sales	342,274,556	295,791,692
Operating (expenses):		
Wholesale	(12,245,717)	(9,237,698)
Retail	(171,636,566)	(142,515,521)
E-Commerce	(983,480)	(1,162,339)
Regulatory	(5,918,597)	(4,419,061)
Enterprise	(42,799,235)	(34,856,946)
Commonwealth provided services - Note 2	<u>(8,402,811)</u>	<u>(8,618,721)</u>
Total	<u>(241,986,406)</u>	<u>(200,810,286)</u>
Operating profit/(loss)	100,288,150	94,981,406
Other operating revenues (expenses):		
Enforcement fines	515,774	765,041
License fees	12,956,979	12,364,017
Miscellaneous income	<u>894,562</u>	2,159,390
Total	<u>14,367,315</u>	<u>15,288,448</u>
Total operating income/(loss)	114,655,465	110,269,854
Miscellaneous revenues (expenses):		
Interest income (expense)	5,188,208	76,656
Other	<u>17,008</u>	<u>55,374</u>
Total	<u>5,205,216</u>	<u>132,030</u>
Income/(Loss) before operating transfers	119,860,681	110,401,884
Operating transfers out:		
PSP enforcement - Note 3	(13,632,375)	(13,855,032)
Net Income/(Loss) from operations	<u>106,228,306</u>	<u>96,546,852</u>
Statutory Transfers:		
General fund - Note 4	(100,000,000)	(100,000,000)
Drug and alcohol programs - Note 4	-	-
Total	<u>(100,000,000)</u>	<u>(100,000,000)</u>
Change in net position	6,228,306	(3,453,148)
**Total net position - beginning 2022-23 - Note 12	<u>(801,357,444)</u>	<u>(871,784,479)</u>
Total net position - ending	<u>\$ (795,129,138)</u>	<u>\$ (875,237,627)</u>
Liquor tax	183,397,340	182,551,316
State Sales Tax	72,272,066	71,834,506
Local Tax	5,057,162	4,641,127
Taxes remitted to Dept.of Revenue PTD	<u>\$ 260,726,568</u>	<u>\$ 259,026,949</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

None

PUBLIC COMMENT

The Board has reserved 10 minutes for public comment.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, February 28, 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

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

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST:

Secretary