

PENNSYLVANIA LIQUOR CONTROL BOARD

MEETING MINUTES

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WEDNESDAY, JANUARY 10, 2024

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

Tim Holden, Chairman

Randy Vulakovich, Board Member

Rodrigo Diaz, Acting 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 December 20, 2023 meeting.

Motion Made: Board Member Vulakovich

Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 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.

No public comments were offered.

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

NEW BUSINESS

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

- (1) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 20-0776

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.

- (2) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 21-0066

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.

- (3) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 21-0088

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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- (4) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 21-0335
- 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) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 21-0373
- 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) **Spagnolo Bros., LLC** ALJ Appeal
t/a Red Rose Restaurant & Lounge
5370 Lincoln Hwy
York, PA 17406-9007
License No. R-18342/LID 64941
Citation No. 21-0458
- 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.
- (7) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 20-0780
- 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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- (8) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0110
- 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) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0175
- 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) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0217
- 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.
- (11) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0320
- 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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(12) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0404

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) **Ronald E. Richter** ALJ Appeal
t/a Tombstone Inn
637 State Route 187
Mehoopany, PA 18629-9666
License No. R-20032/LID 61520
Citation No. 21-0505

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) **Brookside Diner and Lounge, Inc.** ALJ Appeal
1360 Eisenhower Boulevard
Harrisburg PA 17111-2319
License No. R-391/LID 23495
Citation No. 21-0107

Motion Made: Board Member Vulakovich
Seconded: Chairman Holden

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

(15) **Brookside Diner and Lounge, Inc.** ALJ Appeal
1360 Eisenhower Boulevard
Harrisburg PA 17111-2319
License No. R-391/LID 23495
Citation No. 21-1139

Motion Made: Board Member Vulakovich
Seconded: Chairman Holden

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

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- (16) **C&M Entertainment, LLC** ALJ Appeal
t/a The Port Bar & Grill
101 Jackson Street
Port Carbon, PA 17965-1808
License No. R-15725/LID 96572
Citation No. 20-0383
- 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.
- (17) **C&M Entertainment, LLC** ALJ Appeal
t/a The Port Bar & Grill
101 Jackson Street
Port Carbon, PA 17965-1808
License No. R-15725/LID 96572
Citation No. 21-0236
- 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.
- (18) **C&M Entertainment, LLC** ALJ Appeal
t/a The Port Bar & Grill
101 Jackson Street
Port Carbon, PA 17965-1808
License No. R-15725/LID 96572
Citation No. 21-0321
- 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.
- (19) **C&M Entertainment, LLC** ALJ Appeal
t/a The Port Bar & Grill
101 Jackson Street
Port Carbon, PA 17965-1808
License No. R-15725/LID 96572
Citation No. 21-0574
- 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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(20) Old Mexico of Washington, Inc. Resolution of Appeal Pending in the
125 Murtland Avenue Court of Common Pleas of Washington
Washington, Pennsylvania 15301-2844 County
Restaurant Liquor License No. R-9897
LID 48275

Motion Made: Board Member Vulakovich
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to resolve the appeal by renewing the license.

(21) Old Mexico of Belle Vernon, Inc. Resolution of Appeal Pending in the
124 Sara Way Court of Common Pleas of
Belle Vernon, Pennsylvania 15012-1960 Westmoreland County
Restaurant Liquor License No. R-14390
LID 64977

Motion Made: Board Member Vulakovich
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to resolve the appeal by renewing the license.

(22) Seifert Distributing, Inc. Resolution of Appeal Pending in the
Route 119 Memorial Boulevard Court of Common Pleas of Fayette
Connellsville, Pennsylvania 15425 County
Distributor License No. D-2630
LID 52149

Motion Made: Board Member Vulakovich
Seconded: Chairman Holden

Board Decision: Unanimously agreed (2-0 vote) to resolve the pending appeal by entering into a conditional licensing agreement for offer-in-compromise.

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

(1) 21 E. Chelten Inc. Renewal – Restaurant
R-2064 (LID No. 72426) Case No. 23-9004
19-21 East Chelten Avenue
Philadelphia, Philadelphia County

Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of 21 East Chelten Inc. There was no response.

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Seconded: Chairman Holden

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

- (2) **Orion Fuels, LLC** “Intermunicipal” Double Transfer &
t/a Orion Market Request for Interior Connections with
R-8316 (LID No. 109885) Case No. 23-9041 Another Business – Restaurant
1933 Route 611
Pocono Township
Swiftwater, Monroe 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.

- (3) **O & Y Food, Inc.** Renewal – Restaurant
t/a Old Town Pizza and Restaurant
R-15739 (LID No. 72020) Case No. 23-9024
2301 Grays Ferry Avenue
Philadelphia, Philadelphia County

Motion Made: Board Member Vulakovich

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

Seconded: Chairman Holden

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

- (4) **RMT Hospitality Group, LLC** Double Transfer – Restaurant
R-10137 (LID No. 115608) Case No. 23-9062
116 Bakery Square Boulevard
Pittsburgh, Allegheny County

Motion Made: Board Member Vulakovich

Seconded: Chairman Holden

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

- (5) **Shickshinny Joe’s, Inc.** Renewal – Importing Distributor
ID-70 (LID No. 52715) Case No. 22-9194
171 SR 239
Union Township
Shickshinny, Luzerne County

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

Motion Made: Board Member Vulakovich

Chairman Holden asked if anyone in the audience wished to speak on behalf of Shickshinny Joe's, Inc. There was no response.

Seconded: Chairman Holden

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

- (6) **TCA Mendez LLC** Renewal – Restaurant
t/a Down Home Kitchen
R-9266 (LID No. 109436) Case No. 23-9034
201 Shade Street
Shade Township
Hooverville, Somerset County

Motion Made: Board Member Vulakovich

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

Seconded: Chairman Holden

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

- (7) **By-Bar, Inc.** Renewal – District 3
t/a Penn Street Tavern
R-13976 (LID No. 16453) Case No. 2023-16453
220 Penn Street
Reading, Berks County

Motion Made: Board Member Vulakovich

Seconded: Chairman Holden

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

- (8) **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
- HOLD 12/6/23 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.

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- (9) **Italian American Democratic Club** Renewal – District 3
C-3247 (LID No. 1556) Case No. 2023-1556
243 Chestnut Street
West Reading
Reading, Berks County
- Motion Made:** Board Member Vulakovich
Seconded: Chairman Holden
- Board Decision:** Unanimously agreed (2-0 vote) to hold for a conditional licensing agreement.
- (10) **Major Dan, Inc.** Renewal – District 8
t/a Screwy Moose Saloon
R-15868 (LID No. 97694) Case No. 2022-97694 **HOLD 11/15/23 SESSION**
462 West State Street **Conditional Licensing Agreement**
Larksville
Plymouth, Luzerne 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.
- (11) **R & E Six Packs, Inc.** Renewal – District 6
t/a Six Packs Bar & Grill
R-18090 (LID No. 48359) Case No. 2022-48359 **HOLD 12/6/23 SESSION**
3708 Ellwood Road **Conditional Licensing Agreement**
Shenango Township
New Castle, Lawrence 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.
- (12) **Sons Of Poland Beneficial Society** Renewal – District 3
C-914 (LID No. 914) Case No. 2023-914 **HOLD 12/6/23 SESSION**
21 North Oak Street **Conditional Licensing Agreement**
P.O. Box 201
Mount Carmel, 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.

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

Personnel Actions

There were 18 personnel actions presented for consideration.

- (1) Theodore Andrews - Removal
- (2) Mark Farrell – Affirm Removal
- (3) Christina Fredley – Affirm Removal
- (4) April Hawkins – Removal
- (5) Thomas Hershey – Affirm Removal
- (6) Michelle Janowiak – Removal
- (7) Nikye King – Affirm Removal
- (8) Brian Konowal – Removal
- (9) Jan Landis – Removal
- (10) Tiffanie McCall – Affirm Removal
- (11) Bruce Miller – Affirm Removal
- (12) David Miller - Removal
- (13) John Pollack – Removal
- (14) Eric Rainey – Removal
- (15) Miguel Ramirez – Affirm Removal
- (16) Tyra Skerrett – Affirm Removal
- (17) Linda Slaski – Removal
- (18) Kimberly Wentz - 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.

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*From the Bureau of Accounting & PurchasingRodrigo Diaz, Acting Executive Director
Elizabeth Brassell, Deputy Executive Director
Ijeoma Ezekoye, Director, Bureau of Financial Management & Analysis*

Procurement Actions:

None

Inter-Agency Charges:

- (1) **Executive Offices JOB 78-OCRIM** – FY 2023-24 billing of \$77,211.58 to reimburse the Executive Offices for services provided by the Office of Continuity and Records Information Management (OCRIM) to operate the Executive Management Directives system, continuity and preparedness operations, and the ALERTPA notification system (CodeRed). The methodology for allocating the FY 2023 billing is based on “benefit eligible employee” head count for the last fiscal year, (no change in methodology.)

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 interagency charges presented from the Bureau of Accounting and Purchasing.

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

1. **#3102- 25 West Water Street, Mt. Union
Amendment**
2. **#4810-3926 Nazareth Pike, Ste 11, Bethlehem
Amendment**
3. **#5120-3246 Red Lion Road, PHILADELPHIA
Amendment**
4. **#6703- 1446 BALTIMORE ST., UNIT G, HANOVER
Amendment**
5. **#1705- 1824 Daisy St., Clearfield
Exercise Option**

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

“These items went to Board for the public meeting without pricing”

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

1. Regular New Items Accepted

BRAND NAME AND SIZE

REASON

Brown Forman Corporation

Chambord Raspberry Liqueur 700 mL 10

Oasis Wine and Spirits of PA LLC

Hikari Red Plum Wine 750 mL 14, 19

Hikari White Plum Wine 750 mL 14, 19

Choya Umeshu Plum and Fruit Wine 50 mL 14, 19

Southern Glazers Wine and Spirits

Revel Stoke Sonofapeach Peach Whisky 3, 5

Stemmari Pinot Nero Sicilia 750 mL 5, 11, 19

Wine Guy LLC

Barramundi Weekender White Blend Wine 750 mL 14, 19

RECOMMENDED ACTION: We recommend the Board approve this action

2. Regular New Items Accepted Revision

BRAND NAME AND SIZE

REASON

REVISION

Majestic Wine and Spirits

Kentucky Coffee Coffee Whiskey 750 mL 12

NOTE: Sent to Board 12-20-23 under wrong supplier

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

3. Regular Recommended Delist

BRAND NAME AND SIZE

CODE

Bacardi USA

Bacardi Bahama Mama Cocktail 4x355 mL Cans	97168
Bacardi Limon and Lemonade Cocktail 4x355 mL Cans	812
Bombay Sapphire East Gin 750 mL	6300
Bombay Sapphire Gin and Tonic Cocktail 4x250 mL Cans	97705

Brown Forman

Chambord Raspberry Liqueur 750 mL	7457
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Evaki Inc

Bixby Creek Bridge Red Blend Napa Valley 750 mL	98914
Robert Willis Homestead Collection Cabernet Sauvignon Horse	98878
Heaven Hills 750 mL	

Majestic Wine and Spirits

Ballard Road Pinot Noir Oregon 750 mL	98429
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Monsieur Touton

Conti Torraiole Trebbiano 750 mL	97101
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EFFECTIVE DATE: The transference to closeout will become effective February 9, 2024

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4. Regular Recommended Delist Revision

<u>BRAND NAME AND SIZE</u>	<u>CODE</u>
<u>REVISION</u>	
<u>Paterno Imports</u>	
Riazul Tequila Anejo 750 mL	2983
Rutherford Hill Cabernet Sauvignon Napa Valley 750 mL	4888
<u>Sutter Home Winery</u>	
Del Mar Margarita Wine Cocktail 1.5 L	96186
Del Mar Strawberry Margarita Wine Cocktail 1.5 L	96187
Joel Gott Pinot Noir Santa Barbara County 750 mL	9545
Sutter Home Fruit Infusions Tropical Pineapple White Blend 1.5 L	97310

Note: This was sent to Board December 20, 2023 with wrong supplier

RECOMMENDED ACTION: We recommend the Board approve this action

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)**

ASSETS	September 30, 2023	September 30, 2022
Current assets:		
Cash	\$ 66,145,605	\$ 42,077,173
Investments - short term	348,003,964	185,550,019
Accounts and claims receivable, net	6,606,591	9,127,745
Due from other funds - Note 9	-	-
Merchandise inventories, net	196,977,670	222,992,826
Operating supplies	210,574	663,388
Prepaid expenses	2,263,442	1,233,168
Total current assets	<u>620,207,846</u>	<u>461,644,319</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	62,454,446	49,832,726
Intangible - internally generated software	80,179,455	55,254,952
Intangible - right to use leases - Note 10	408,927,696	366,305,784
Intangible - right to use IT subscriptions - Note 11	16,554,170	20,300,870
Less: accumulated depreciation or amortization	<u>(272,853,034)</u>	<u>197,965,328</u>
Net depreciable or amortizable capital assets	<u>306,395,217</u>	<u>304,758,549</u>
Total non-current capital assets	<u>306,718,190</u>	<u>305,081,522</u>
Total assets	<u>\$ 926,926,036</u>	<u>\$ 766,725,841</u>
Total deferred outflows of resources - Notes 5, 6	\$ 257,304,828	\$ 180,260,605
LIABILITIES		
Current liabilities:		
Trade accounts payable	\$ 376,563,840	\$ 212,558,355
Other accounts payable	17,989,438	16,322,371
Accrued expenses	19,361,392	18,537,778
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,795,551	5,038,908
Due to other funds - Note 9	7,794,128	8,605,897
Due to fiduciary funds - Note 9	2,460,031	2,224,689
Due to other governments - Note 9	670,931	625,118
Right to use liabilities - Note 10	63,042,866	62,340,588
Total current liabilities	<u>492,678,177</u>	<u>326,253,704</u>
Non-current liabilities:		
OPEB - Note 6	391,363,000	428,120,000
Self-insurance, workers' compensation - Note 7	44,795,622	43,846,197
Net pension liability - Note 5	573,594,130	374,362,563
Compensated absences - Note 1	24,484,695	26,865,598
Right to use liabilities - Note 10	176,251,528	200,948,506
Total non-current liabilities	<u>1,210,488,975</u>	<u>1,074,142,864</u>
Total liabilities	<u>\$ 1,703,167,152</u>	<u>\$ 1,400,396,568</u>
Total deferred inflows of resources - Notes 5, 6	\$ 218,110,926	\$ 364,018,486
NET POSITION		
Net investment in capital assets	\$ 67,423,796	\$ 41,792,428
Deficit	<u>(804,471,010)</u>	<u>(859,221,036)</u>
Total net position - Note 12	<u>\$ (737,047,214)</u>	<u>\$ (817,428,608)</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 September 30, 2023 and September 30, 2022
(Unaudited)

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 202,113,267	\$ 198,253,629
Cost of goods sold	<u>(136,201,184)</u>	<u>(140,925,792)</u>
Gross profit from sales	65,912,083	57,327,837
Operating (expenses):		
Wholesale	(2,343,528)	(2,496,060)
Retail	(32,674,013)	(28,259,323)
E-Commerce	(154,995)	(142,509)
Regulatory	(1,115,514)	(838,155)
Enterprise	(7,055,296)	(5,700,851)
Commonwealth provided services - Note 2	<u>(1,369,432)</u>	<u>(2,048,971)</u>
Total	<u>(44,712,778)</u>	<u>(39,485,869)</u>
Operating profit/(loss)	21,199,305	17,841,968
Other operating revenues (expenses):		
Enforcement fines	426,819	181,542
License fees	2,816,998	2,449,994
Miscellaneous income	<u>148,828</u>	<u>256,755</u>
Total	<u>3,392,645</u>	<u>2,888,291</u>
Total operating income/(loss)	24,591,950	20,730,259
Miscellaneous revenues (expenses):		
Interest income (expense)	954,851	112,170
Other	<u>(2,453)</u>	<u>33,560</u>
Total	<u>952,398</u>	<u>145,730</u>
Income/(Loss) before operating transfers	25,544,348	20,875,989
Operating transfers out:		
PSP enforcement - Note 3	(3,775,858) <u>(3,775,858)</u>	(3,763,467) <u>(3,763,467)</u>
Net Income/(Loss) from operations	21,768,490	17,112,522
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	21,768,490	17,112,522
*Total net position - beginning - Note 12	<u>(758,815,704)</u>	<u>(834,541,130)</u>
Total net position - ending	<u>\$ (737,047,214)</u>	<u>\$ (817,428,608)</u>
Liquor tax	35,571,706	35,458,979
State Sales Tax	14,037,235	13,956,511
Local Tax	991,321	913,963
Taxes remitted to Dept.of Revenue PTD	<u>\$ 50,600,262</u>	<u>\$ 50,329,453</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 Three Months Ending September 30, 2023 and September 30, 2022
(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 602,995,849	\$ 588,068,465
Cost of goods sold	<u>(404,318,631)</u>	<u>(417,487,303)</u>
Gross profit from sales	198,677,218	170,581,162
Operating (expenses):		
Wholesale	(6,926,484)	(5,842,898)
Retail	(98,366,055)	(83,773,667)
E-Commerce	(590,687)	(610,540)
Regulatory	(3,392,040)	(2,613,203)
Enterprise	(23,587,339)	(18,469,758)
Commonwealth provided services - Note 2	<u>(4,578,599)</u>	<u>(4,982,394)</u>
Total	<u>(137,441,204)</u>	<u>(116,292,460)</u>
Operating profit/(loss)	61,236,014	54,288,702
Other operating revenues (expenses):		
Enforcement fines	428,441	471,260
License fees	7,898,312	7,166,768
Miscellaneous income	<u>543,109</u>	<u>1,407,604</u>
Total	<u>8,869,862</u>	<u>9,045,632</u>
Total operating income/(loss)	70,105,876	63,334,334
Miscellaneous revenues (expenses):		
Interest income (expense)	2,834,545	(207,295)
Other	<u>(2,453)</u>	<u>55,374</u>
Total	<u>2,832,092</u>	<u>(151,921)</u>
Income/(Loss) before operating transfers	72,937,968	63,182,413
Operating transfers out:		
PSP enforcement - Note 3	(8,627,738)	(8,826,542)
Net Income/(Loss) from operations	<u>64,310,230</u>	<u>54,355,871</u>
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	64,310,230	54,355,871
*Total net position - beginning 2022-23 - Note 12	<u>(801,357,444)</u>	<u>(871,784,479)</u>
Total net position - ending	<u>\$ (737,047,214)</u>	<u>\$ (817,428,608)</u>
Liquor tax	105,750,764	105,484,439
State Sales Tax	41,621,990	41,518,183
Local Tax	3,070,881	2,663,549
Taxes remitted to Dept.of Revenue PTD	<u>\$ 150,443,635</u>	<u>\$ 149,666,171</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

Oracle Change Requests.....Elizabeth Brassell, Deputy Executive Director

In support of the Oracle Enterprise Resource Planning platform, the PLCB has identified and approved 25 change requests to enhance the overall solution. This statement of work provides \$712,500 in funding for design, development and testing for those change requests, some of which are already in production and some of which will go into production in the new year, so as not to interrupt the high-volume holiday sales season. Due to continued vacancies in the PLCB Finance team, this statement of work also includes \$285,000 in staff augmentation for that team. Such funding remains within the overall Board-approved amount for the Oracle Master Agreement (procured via Contract Agreement #63017408), valid through Feb. 26, 2030.

PUBLIC COMMENT

The Board has reserved 10 minutes for public comment.

No public comments were offered.

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, January 24, 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 motion by Board Member Vulakovich and seconded by Chairman Holden, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

ATTEST:

Secretary