

PENNSYLVANIA LIQUOR CONTROL BOARD
MEETING MINUTES

WEDNESDAY, NOVEMBER 20, 2013
NORTHWEST OFFICE BUILDING, CONFERENCE ROOM 117, HARRISBURG, PA

Joseph E. "Skip" Brion, Chairman
Robert S. Marcus, Board Member
Tim Holden, Board Member
Office of CEO
John Stark, Board Secretary

[Office of Chief Counsel](#)
[Bureau of Licensing](#)
[Bureau of Human Resources](#)
[Bureau of Purchasing and Contracting](#)

[Bureau of Real Estate](#)
[Bureau of Product Selection/Marketing](#)
[Financial Report](#)
[Other Issues](#)

PUBLIC MEETING – 11:00 A.M

Board Secretary John K. Stark indicated that a quorum of the Board was present and Chairman Brion called the meeting to order.

CALL TO ORDER *Chairman Brion*

Pledge of Allegiance to the Flag

OLD BUSINESS..... *Secretary Stark*

A. Motion to approve the previous Board Meeting Minutes of the November 6, 2013 meeting.

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) previous Board Minutes.

Chairman Brion welcomed Board Member Tim Holden.

PUBLIC COMMENT ON AGENDA ITEMS

There was no comment on the printed agenda items.

NEW BUSINESS

From the Office of Chief Counsel *Faith Smith Diehl, Chief Counsel*

(1) **Controversy, LLC**
R-3583 (LID 67226)
1635 West Carson Street
Pittsburgh, Pennsylvania 15219-1039
Docket No. SA-13-322 (Allegheny County)

Proposed Appeal to Commonwealth Court

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

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) – Do Not Appeal.

- (2) **Cibo & Amici, Inc.** Request to Modify Conditional Licensing Agreement
R-15423 (LID 68492)
395 South Main Street
Wilkes Barre, Pennsylvania 18701-2202

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Modified Conditional Licensing Agreement.

- (3) **E-Town Beverage, Inc.** Request to Modify Conditional Licensing Agreement
ID-689 (LID 57504)
1575 South Market Street, Suite 117
Elizabethtown, Pennsylvania 17022-2880

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Modified Conditional Licensing Agreement.

- (4) **Route 422 Ventures, LP** Request to Modify Conditional Licensing Agreement
R-20256 (LID 68685)
637 East Main Street, Unit 5-6
Hummelstown, Pennsylvania 17036-1839

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Modified Conditional Licensing Agreement.

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- (5) **4035 Market Enterprises, LLC** Request to Hire Former Employees
R-20227 (LID 68397)
4035 Market Street
Camp Hill, Pennsylvania 17011-4231

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to hire former employees.

- (6) **Mercurio Ventures, Inc., Transferor** Proposed Conversion of Suspension to
R-8730 (LID 32478) Fine
3128 Chartiers Avenue
Pittsburgh, Pennsylvania 15204-2218

El Patron Grande, LLC, Transferee

R-8730 (LID 67808)
125 South Highland Avenue
Pittsburgh, Pennsylvania 15206-3910

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Conversion of Suspension to a fine of \$1,000.00.

*From the Bureau of Licensing Jerry Waters, Director of Regulatory Affairs
Tisha Albert, Director, Bureau of Licensing*

- (1) **Guru Gopi Corp.** “Intermunicipal” Double
t/a Brown’s One-Stop Transfer – Restaurant
R-20955 (LID No. 68471)
1030 Beach Lake Highway
Berlin Township
Beach Lake, Wayne County

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Transfer.

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- (2) **High Tides Investors, LLC** Double Transfer - Restaurant
R-10275 (LID No. 67829) Case No. 13-9155
1057 Totem Road
Bensalem, Bucks County

Motion Made: Board Member Marcus

Seconded:

Board Decision: Hold by Board Member Marcus for a Conditional Licensing Agreement.

- (3) **Huha, LLC** Person-to-Person Transfer &
R-19479 (LID No. 68308) Request for Interior Connections
11147 State Route 29 with Another Business –
Bridgewater Township Restaurant
South Montrose, Susquehanna County

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Transfer & Request for Interior Connections with Another Business.

- (4) **Krishna Corporation** Request to Sell Other Items on the
R-12365 (LID No. 68504) Licensed Premises - Restaurant
1518 Mt. Nebo Road
Ohio Township
Sewickley, Allegheny County

Motion Made: Board Member Marcus

Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Request to Sell Other Items on the Licensed Premises.

- (5) **Roman Restaurants, LLC** Conditional Licensing Agreement
R-3057 (LID No. 65260) Case No. 13-9067 Extension of License – Restaurant
243 Bainbridge Street & 627 South Third Street
Philadelphia, Philadelphia County
HOLD – 7/24/13 SESSION

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

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Extension with Modified Conditional Licensing Agreement.

- (6) **Beaner's Restaurant, Inc.** Renewal & Amusement Permit – District 3
R-927 (LID No. 58996) Case No. 13-9055
208-212 Bridge Street
Phoenixville, Chester County **HOLD – 10/2/13 SESSION**

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Refuse Renewal and Amusement Permit.

- (7) **Doc's Union Pub, Inc.** Conditional Licensing Agreement
R-8197 (LID No. 44979) Case No. 12-9179 Renewal & Amusement Permit – District 10
1843 South 2nd Street
Philadelphia, Philadelphia County **HOLD – 5/1/13 & 7/24/13 SESSIONS**

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Renewal and Amusement Permit with Conditional Licensing Agreement.

- (8) **JW & JW, Inc.** Renewal – District 7
t/a J & J Tavern
R-12102 (LID No. 34542) Case No. 13-9146
601 East 25th Street
Erie, Erie County

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Refuse Renewal.

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- (9) **Papa George's, Inc.** Renewal – District 7
t/a Papa George Country Bar & Grill
R-5173 (LID No. 49996) Case No. 13-9142
1021-23 State Street
Erie, Erie County

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Refuse Renewal.

- (10) **S R Station Square, LLC** Renewal – District 5
t/a The Saddle Ridge
R-10373 (LID No. 59246) Case No. 13-9128
1 & 4 Station Square Drive East
Pittsburgh, Allegheny County

Motion Made: Board Member Marcus
Seconded:

Board Decision: Hold by Board Member Marcus for a Conditional Licensing Agreement.

- (11) **Anthony R. Sanutti** Conditional Licensing Agreement
t/a Brass Key Renewal – District 3
R-8041 (LID No. 57370) Case No. 13-9057
200 Reagan Street
Sunbury, Northumberland County

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Approve Renewal with Conditional Licensing Agreement.

- (12) **Village Pub, Inc.** Renewal – District 7
t/a Jimmy Z's Time Out Tavern
R-18662 (LID No. 19592) Case No. 13-9140
3406 Buffalo Road
Wesleyville, Erie County

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

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously agreed (3-0 vote) to Refuse Renewal.

From the Bureau of Human ResourcesDana Barry, Acting Director of Human Resources

- (1) **Christian Betha – Removal Action**
- (2) **Melissa Bey – Removal Action**
- (3) **Janean Campbell – Affirm Removal Action**
- (4) **Michelle Campbell – Removal Action**
- (5) **Jeffrey Coffee – Removal Action**
- (6) **Louis Cohn – Removal Action**
- (7) **Jordan Hunt – Affirm Removal Action**
- (8) **Tina Lyles – Removal Action**
- (9) **Daniel Pascoe – Affirm Removal Action**
- (10) **Diane Roper – Demotion Action**
- (11) **Salahadeen Tabb – Removal Action**

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) all Personnel Actions.

*From the Bureau of Purchasing and ContractingAugust Hehemann, Chief Financial Officer
Director, Bureau of Purchasing & Contracting*

- (1) **Websphere and Filenet Software Maintenance – DGS Statewide Contract – VENDOR: IBM – TERM: One (1) year – Websphere software provides continuous internet security for communication between our retail stores, central office, gift card service and the ecommerce website. Filenet software allows Licensing and the Administrative Law Judge to conduct their daily operations electronically. It is also used by the Chief Counsel’s Office for electronic document retrieval – \$266,555.00 estimated cost.**

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- (2) **Printed Register Tape** – DGS Statewide Contract – VENDOR: Sandt Products, Inc. – Register receipt tape with printed legal language, return policy and social media outlets printed on the back of the tape. The printed register tape will be inventoried at the Department of General Services, Forms & Publications Warehouse. Stores will order as needed – \$52,387.20 estimated cost.
- (3) **Elevator Maintenance** – DGS Statewide Contract – VENDOR: Schindler Elevator Corp. – TERM: One (1) year – Provide elevator maintenance and repair services for the North West Office Building – \$14,160.00 estimated cost.
- (4) **Snow Removal Services** – Request for Quotes – VENDOR: A & S Asphalt Sealing – TERM: Two (2) years – Provide snow plowing and removal for the North West Office Building’s nine (9) parking lots – \$20,000.00 estimated cost.
- (5) **Steel Shelving** – DGS Statewide Contract – VENDOR: Kent Fixture Corp. – Steel shelving for the standard branding of store #3621 in Lancaster – \$26,664.04 estimated cost.
- (6) **Steel Shelving** – DGS Statewide Contract – VENDOR: Kent Fixture Corp. –Steel shelving for the standard branding of store #1407 in Bellefonte – \$27,671.63 estimated cost.
- (7) **Database Administrator Staff Augmentation** – DGS Statewide Contract – VENDOR: Computer Aid Inc. – TERM: Six (6) months – Provide database assistance to support the ERP and POS environments. Attempts to hire employees within the Commonwealth have met with limited to no success. Candidates rarely surface with even rudimentary skills in Oracle technology, much less that needed to run an environment as complex as the PLCB. Only two (2) of the current DBA’s are Commonwealth employees – \$86,866.34 estimated cost.
- (8) **Database Administrator Staff Augmentation** – DGS Statewide Contract – VENDOR: Computer Aid Inc. – TERM: Six (6) months – Provide database assistance for the training environment to support the training academies – \$86,866.34 estimated cost.
- (9) **Database Administrator Staff Augmentation** – DGS Statewide Contract – VENDOR: Computer Aid Inc. – TERM: Six (6) months – Provide database assistance to support the ERP and POS environments. Attempts to hire employees within the Commonwealth have met with limited to no success. Candidates rarely surface with even rudimentary skills in Oracle technology, much less that needed to run an environment as complex as the PLCB. Only two (2) of the current DBA’s are Commonwealth employees – \$86,866.34 estimated cost.
- (10) **Database Administrator Staff Augmentation** – DGS Statewide Contract – VENDOR: Computer Aid Inc. – TERM: Six (6) months – Provide database assistance to support the ERP and POS environments. Attempts to hire employees within the Commonwealth have met with limited to no success. Candidates rarely surface with even rudimentary skills in Oracle technology, much less that needed to run an environment as complex as the PLCB. Only two (2) of the current DBA’s are Commonwealth employees – \$86,866.34 estimated cost.
- (11) **System Administrator Staff Augmentation** – DGS Statewide Contract – VENDOR: Computer Aid Inc. – TERM: Six (6) months – Provide database assistance to the server support team for the ERP, POS and warehouse environments – \$58,172.84 estimated cost.

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Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) all Purchasing & Contracting matters.

*From the Bureau of Real EstateAugust Hehemann, Chief Financial Officer
William Matsko, Director, Bureau of Real Estate*

- (1) **Store #4616** – 100 Main Street, Schwenksville
Amendment
- (2) **Store #4619** – 24 East 4th Street, Bridgeport
Amendment
- (3) **Store #4626** – 251 West Ridge Pike, Norristown
Amendment
- (4) **Store #21XX** – 3515 Old Gettysburg Road, Camp Hill
New Store/Relocation/Consolidation
- (5) **Store #4027** – Pittston Crossing, The Shopping Center, Unit 130, Route 15, Pittston
New Store/Relocation

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) all Real Estate Actions.

From the Bureau of Product Selection/MarketingJim Short, Director of Marketing

1. New Items – Recommended Listings – Regular Stock

<u>Brand Description</u>	<u>Reason</u>	<u>Size</u>	<u>Case Cost</u>	<u>Retail</u>
<u>North Wales Wines</u>				
Barefood Bubbly Fusion Berry	2, 12	750 ML	\$65.16	\$12.99
Cost Change Effective After Initial Buy			\$88.32	\$12.99
Barefood Bubbly Fusion Citrus	2, 12	750 ML	\$65.16	\$12.99
Cost Change Effective After Initial Buy			\$88.32	\$12.99

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Barefood Bubbly Fusion Tropical	2, 12	750 ML	\$65.16	\$12.99
Cost Change Effective After Initial Buy			\$88.32	\$12.99

**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

2. Cost and Retail Decreases – Regular Stock – November

<u>Code</u>	<u>Brand Name and Description</u>	<u>Proposed Cost</u>	<u>Proposed Retail</u>
<u>North Wales Wines</u>			
6888	Carlo Rossi Chardonnay 4 L, 4 Units Per Case	\$34.88	\$15.99

3. Voluntary Delists – Retail Price Reductions – Regular Stock

<u>Code</u>	<u>Brand Name</u>	<u>Size</u>	<u>Present Retail</u>	<u>Proposed Retail Effective 02/01/14</u>	<u>Proposed Retail Effective 04/01/14</u>
6624	Fish Eye Sweet Red	3 L	\$19.99	\$15.99	11.99
6376	Ooh La La Pinot Grigio	750 ML	\$9.99	\$7.99	5.99

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6380	Ooh La La Riesling	750 ML	\$9.99	\$7.99	5.99
7018	Ooh La La Rose	750 ML	\$9.99	\$7.99	5.99

4. Online Exclusive Items – Recommended Approvals

BRAND DESCRIPTION

<u>Diageo North America</u>	<u>Proposed Cost</u>	<u>Proposed Retail</u>
Talisker Storm Scotch 750 ML, 6 Units per case	\$241.08	\$64.99
<u>Weygandt Metzler Importing</u>		
Chateau Grange Cochard Cote du Py 2010 750 ML, 12 units per case	\$175.44	\$24.99
Pichler-Krutzler Riesling Loibenberg Wachau 2011 750 ML, 6 units per case	\$314.16	\$42.99
<u>Regal Wine Imports, Inc</u>		
Anderson Right Bank Red Blend 2010 750 ML, 6 Units per case	\$275.04	\$74.99
Collelceeto Elia Brunello di Montalcino Reserva 2007 750 ML, 12 units per case	\$275.04	\$74.99
La Rasina II Divasco Brunello di Montalcino 2007 750 ML, 12units per case	\$485.04	\$64.99
<u>Sazerac Company Inc</u>		
Buffalo Trace Single Oak Project Release #11 375 ML, 12 units per case	\$354.80	\$48.49
<u>Nationwide Wine & Spirits</u>		
Smooth Ambler Stillhouse Collection Barrel Aged Gin 750 ML, 6 units per case	\$122.28	\$32.99
<u>Capital Wine & Spirits</u>		
Lail J Daniels Cuvee Cabernet Sauvignon 2009 750 ML, 6 units per case	\$586.32	\$144.99
K Vintners King Coal Cabernet Syrah 2009 750 ML, 12 units per case	\$762.60	\$99.99
Alain Voge Cotes du Rhone Les Peyrouses 2010 750 ML, 12 units per case	\$142.92	\$19.99
Whistle Pig The Boss Hog Rye Whiskey 750 ML, 6 units per case	\$604.74	\$149.99

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The Wine Merchant

Bodegas Luna Beberide Mencia 2012	\$88.68	\$12.99
750 ML, 12 units per case		

5. Online Cost and Retail Decreases—November, 2013

<u>CODE</u>	<u>BRAND NAME AND SIZE</u>	<u>PRESENT</u>		<u>PROPOSED</u>	
		Cost	Retail	Cost	Retail
<u>Diageo North America</u>					
30304	Dalwhinnie Distiller's Edition				
	750 ml 6 units per case	\$261.54	\$73.99	\$248.88	\$69.99
	Cost Per Unit:	\$43.59		\$41.48	
	Decrease in cost and retail from vendor				
30310	Lagavulin Distiller's Edition Scotch				
	750 ml 6 units per case	\$422.64	\$99.99	\$376.68	\$99.99
	Cost Per Unit:	\$70.44		\$62.78	
	Decrease in cost from vendor				
<u>The Wine Merchant</u>					
2736	Casa L'Angel Ecologic DO Valencia 2011				
	750 ml 12 units per case	\$96.24	\$13.99	\$77.04	\$11.49
	Cost Per Unit:	\$8.02		\$6.42	
	Decrease in cost from vendor				

6. Online Cost and Retail Increases - November, 2013

		Cost	Retail	Cost	Retail
<u>Diageo North America</u>					
9778	Caol Ila 12 YO Single Malt Scotch				
	750 ml 6 units per case	\$174.96	\$29.69	\$221.76	\$59.99
	Cost Per Unit:	\$29.11		\$59.99	
<u>Majestic Wine & Spirits</u>					
30989	Old Raj Red Label Dry Gin				
	750 ml 6 units per case	\$193.68	\$51.49	\$197.34	\$53.99
	Cost Per Unit:	\$32.28		\$32.89	

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The Wine Merchant

30956	Montenegro Amaro Bitters				
	750 ml 6 units per case	\$98.22	\$27.99	\$77.04	\$27.99
	Cost Per Unit:	\$15.87		\$16.84	

Moet Hennessy USA Inc

31018	Glenmorangie 18 Year Old Single Malt Scotch				
	750 ml 6 units per case	\$426.72	\$109.99	\$452.94	\$115.99
	Cost Per Unit:	\$71.12		\$75.49	

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) all Bureau of Product Selection/Marketing Actions.

From the Board Secretary John Stark, Board Secretary

2014 BOARD MEETING SCHEDULE

The public meetings will commence at 11:00 AM in the Northwest Office Building, Conference Room 117, as listed below.

- Wednesday, January 15, 2014
- Wednesday, January 29, 2014
- Wednesday, February 12, 2014
- Wednesday, February 26, 2014
- Wednesday, March 19, 2014
- Wednesday, April 2, 2014
- Tuesday, April 15, 2014
- Wednesday, April 30, 2014
- Wednesday, May 14, 2014
- Wednesday, June 4, 2014
- Wednesday, June 25, 2014
- Wednesday, July 16, 2014
- Wednesday, July 30, 2014
- Wednesday, August 13, 2014
- Wednesday, August 27, 2014
- Wednesday, September 10, 2014
- Wednesday, September 24, 2014
- Wednesday, October 8, 2014
- Wednesday, October 29, 2014

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Wednesday, November 19, 2014
Wednesday, December 3, 2014
Wednesday, December 17, 2014

Motion Made: Board Member Marcus
Seconded: Board Member Holden

Board Decision: Unanimously approved (3-0 vote) 2014 Board Meeting Schedule.

FINANCIAL REPORT *Anna Maria Kiehl, Comptroller Operations, Office of Budget*

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

	<u>October 31, 2013</u>	<u>October 31, 2012</u>
Assets:		
Current Assets:		
Cash	\$ 20,407,465	\$ 43,679,159
Investments-Short Term	159,154,976	212,840,128
Accounts and Claims Receivable (Net)	356,303	2,487,171
Inventory - Merchandise	248,549,513	226,289,844
Inventory - Operating Supplies	813,305	726,903
Prepaid Expenses	2,355,430	1,891,017
Total Current Assets	431,636,992	487,914,222
Fixed Assets:		
Land	322,973	322,973
Buildings	19,620,370	19,620,370
Leasehold Improvements	2,911,837	3,034,513
Machinery and Equipment	37,524,150	36,193,278
Computer Software - Internally Generated	62,739,357	58,164,931
Total Fixed Assets	123,118,687	117,336,065
Less: Accumulated Depreciation/Amortization	81,779,867	68,401,664
Net Fixed Assets	41,338,820	48,934,401
Total Assets	\$ 472,975,812	\$ 536,848,623
<u>Liabilities and Fund Equity</u>		
Liabilities:		
Trade Accounts Payable	\$ 267,115,855	\$ 275,242,441
Other Accounts Payable	6,839,219	10,907,564
Other Accounts Payable - OPEB (Note 4)	59,852,885	49,546,688
Accrued Payroll-Related Expenses	39,998,492	37,866,784
Workers' Compensation Liability (Note 5)	31,118,369	30,717,411
Due to Other Funds	4,676,380	4,536,503
Advances From the General Fund	-	110,000,000
Total Liabilities	409,601,200	518,817,391
Net Assets:		
Invested in Capital Assets, net of related debt	41,338,820	48,934,401
Unrestricted	22,035,792	(30,903,169)
Total Net Assets	\$ 63,374,612	\$ 18,031,232

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**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Assets
For The Month Ending October 31, 2013 and October 31, 2012
(Unaudited)**

	October 2013-14	October 2012-13
Sales Net of Taxes	\$ 144,878,111	\$ 137,911,411
Cost of Goods Sold	100,595,507	95,143,608
Gross Revenue from Sales	44,282,604	42,767,803
Operating Expenses:		
Purchasing, Storage & Transportation	1,636,371	1,543,896
Stores' Operations & Supervision	26,351,106	23,442,064
Central Administrative Support	5,403,244	5,837,454
Comptroller Operations	394,217	390,366
Commonwealth-Provided Services (Note 2)	966,737	909,566
Total	34,751,675	32,123,346
Operating Income	9,530,929	10,644,457
Nonoperating Revenues (Expenses):		
Enforcement Fines	181,886	131,046
Interest Income	26,383	42,601
License Fees	860,144	819,123
Miscellaneous Income	162,286	(152,028)
Administrative Law Judge	(197,722)	(186,557)
Legal	(256,603)	(220,333)
Licensing & Investigations	(914,578)	(942,871)
Total	(138,204)	(509,019)
Income Before Operating Transfers	9,392,725	10,135,438
Operating Transfers Out:		
PSP Enforcement (Note 3)	1,932,984	1,964,071
Income After Enforcement/Before Other Transfers	7,459,741	8,171,367
Change in Net Assets	7,459,741	8,171,367
Total Net Assets - Beginning	55,914,871	9,859,865
Total Net Assets - Ending	\$ 63,374,612	\$ 18,031,232
Liquor tax	26,000,598	24,853,404
State Sales Tax	10,108,339	9,672,408
Local Tax	698,381	654,990
Taxes remitted to Dept.of Revenue PTD	36,807,318	35,180,802

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**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Assets
For The Four Months Ending October 31, 2013 and October 31, 2012
(Unaudited)**

	2013-14	2012-13
Sales Net of Taxes	\$ 561,233,862	\$ 538,629,719
Cost of Goods Sold	387,761,787	371,918,426
Gross Revenue from Sales	173,472,075	166,711,293
Operating Expenses:		
Purchasing, Storage & Transportation	5,358,221	5,955,118
Stores' Operations & Supervision	104,873,122	96,860,886
Central Administrative Support	21,434,203	22,418,963
Comptroller Operations	1,508,914	1,627,853
Commonwealth-Provided Services (Note 2)	3,862,270	3,783,494
Total	137,036,730	130,646,314
Operating Income	36,435,345	36,064,979
Nonoperating Revenues (Expenses):		
Enforcement Fines	535,067	502,655
Interest Income	107,918	163,106
License Fees	3,801,738	3,647,702
Miscellaneous Income	1,036,829	712,606
Administrative Law Judge	(758,507)	(723,729)
Legal	(1,185,590)	(882,949)
Licensing & Investigations	(3,736,846)	(3,661,907)
Total	(199,391)	(242,516)
Income Before Operating Transfers	36,235,954	35,822,463
Operating Transfers Out:		
PSP Enforcement (Note 3)	8,841,455	7,972,706
Income After Enforcement/Before Other Transfers	27,394,499	27,849,757
Change in Net Assets	27,394,499	27,849,757
Total Net Assets - Beginning	35,980,113	(9,818,525)
Total Net Assets - Ending	\$ 63,374,612	\$ 18,031,232
Liquor tax	100,671,597	96,827,704
State Sales Tax	39,158,718	37,692,438
Local Tax	2,629,541	2,503,258
Taxes remitted to Dept. of Revenue YTD	142,459,856	137,023,400

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

OTHER ISSUES

CITIZEN COMMENT/BUSINESS FROM THE FLOOR

NEXT BOARD MEETING

The next meeting of the PLCB will be a formal meeting on Wednesday, December 4, 2013 beginning at 11:00 A.M. Prior to the public meeting, there will be an Executive Session to discuss matters of personnel and to engage in non-deliberative informational discussions regarding actions and matters which have been approved at previous public meetings.

ADJOURNMENT

On a motion by Board Member Marcus, seconded by Board Member Holden, the meeting was adjourned.

The foregoing actions are hereby officially approved.

Chairman

Member

Member

ATTEST

Secretary