

# PENNSYLVANIA LIQUOR CONTROL BOARD

## MEETING AGENDA

WEDNESDAY, MARCH 20, 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 Management](#)  
[Financial Report](#)  
[Other Issues](#)

---

**Notice:** *Anyone who wishes to comment on a printed agenda item prior to official action being taken must make that known to the Chairman or the Board Secretary in advance. Board Secretary Michael Vigoda can be reached by phone at 717-787-8896 or email at [mvigoda@pa.gov](mailto:mvigoda@pa.gov)*

*Details for the Microsoft Teams meeting on March 20, 2024 can be found on the PLCB public website.*

---

### EXECUTIVE SESSIONS

In accordance with section 708 of the Sunshine Act, 65 Pa. C.S. § 708, on the morning of and/or the day immediately preceding the Public Meeting set forth herein, the Pennsylvania Liquor Control Board will be holding a closed Executive Session or Sessions in the Northwest Office Building for the following purposes: to discuss personnel matters; to consider the purchase or lease of real property prior to an option being obtained or prior to an agreement of purchase; to consult with its legal counsel regarding litigation and similar issues; to review and discuss agency business, which, if conducted in public, would violate lawful privilege or lead to the disclosure of information confidentially protected by law, including quasi-judicial deliberations; and to engage in non-deliberative informational discussions regarding various actions and other matters which have been approved at previous public meetings.

### PUBLIC MEETING – 11:00 A.M

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

Pledge of Allegiance to the Flag

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

A. Motion to approve previous Board Meeting Minutes of the February 28, 2024 meeting.

### **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.

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

## **PUBLIC COMMENT**

The Board has reserved 10 minutes for public comment.

## **NEW BUSINESS**

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

- |     |  |  |
|-----|--|--|
| (1) | <b>VILLA SCHIANO RISTORANTE, LLC</b><br>4900 State Route 209<br>Elizabethville, PA 17023-8456<br>License No. R-11823/LID 70450<br>Citation No. 21-0094   | ALJ Appeal   |
| (2) | <b>VILLA SCHIANO RISTORANTE, LLC</b><br><b>t/a Villa Schiano Ristorante</b><br>177 Market Street<br>P.O. Box 6<br>Pillow, PA 17080-0006<br>License No. H-5925/LID 90063<br>Citation No. 21-0072                        | ALJ Appeal   |
| (3) | <b>SEVEN TWENTY-FOUR CORP.</b><br>2295 East Main Street<br>Douglassville, PA 19518-9701<br>License No. R-18160/LID 53613<br>Citation Nos. 19-0586, 21-0248, 21-0252, 210337, 21-0409,<br>21-0413, 21-0461, and 21-0466 | ALJ Appeal   |
| (4) | <b>TIN LIZZY, INC.</b><br>259 Main Street<br>P.O. Box 403<br>Youngstown, PA 15696<br>License No. R-15787/LID 53320<br>Citation Nos. 20-0762, 20-0850, 21-0187, 21-0544, 21-0616,<br>and 21-0634                        | ALJ Appeal   |
| (5) | <b>Borough of Jim Thorpe</b><br>Case No. 24-NE-01  | Municipal Petition for<br>Exemption from Liquor Code<br>Statute Regarding Amplified<br>Sound |

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

- |     |   |  |
|-----|---|--|
| (6) | <b>WCLL, LLC</b><br>30 North Church Street<br>West Chester, Pennsylvania 19380-3022<br>Restaurant Liquor License No. R-13825<br>LID 101307          | Request for Recission of<br>Conditional Licensing<br>Agreement |
| (7) | <b>AMERICAN TRUCK PLAZAS, LLC</b><br>1460 North Ridge Road<br>Milton, Pennsylvania 17847-7877<br>Restaurant Liquor License No. R-17377<br>LID 83266 | Appeal to Commonwealth Court                                   |

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

- |     |   |  |
|-----|---|--|
| (1) | <b>Archer Roose, Inc.</b><br><b>t/a Archer Roose Wines</b><br>I-48698 (LID No. 106002) Case No. 23-9081<br>911 James Street<br>Suite 1<br>Pittsburgh, Allegheny County                    | Renewal – Importer   |
| (2) | <b>Bedford County Beverage Co., Inc.</b><br>D-3930 (LID No. 54381) Case No. 23-9093<br>259 East Main Street<br>Everett, Bedford County  | Request to be Engaged in Another<br>Business – Distributor<br><b>HOLD – 11/10/22 SESSION</b> |
| (3) | <b>Bridged Hospitality Group, Inc.</b><br><b>t/a Willow Restaurant</b><br>R-4281 (LID No. 101963) Case No. 23-9089<br>634 Camp Horn Road<br>Ohio Township<br>Pittsburgh, Allegheny County | Renewal – Restaurant   |
| (4) | <b>Carmi, LLC</b><br><b>t/a Carmi Family Restaurant</b><br>R-3829 (LID No. 90009) Case No. 23-9078<br>1825 East Carson Street<br>Pittsburgh, Allegheny County                             | Renewal – Hotel  |
| (5) | <b>Finacaro-Maglio, Inc.</b><br><b>t/a Noah’s Ark</b><br>R-13575 (LID No. 16212) Case No. 23-9083<br>1548-50 McKean Street<br>Philadelphia, Philadelphia County                           | Extension of License – Restaurant  |

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

- |   |   |
|---|---|
| (6) <b>Firehouse Winery, Inc.</b><br><b>t/a Firehouse Winery</b><br>R-5112 (LID No. 97259) Case No. 23-9084<br>211 East Sunbury Street<br>Shamokin, Northumberland County                 | Renewal – Restaurant  |
| (7) <b>Lake Hill Brewing Company, LLC</b><br>(LID No. 120344)<br>1337 Franklin Road<br>Jackson Township<br>Jackson Center, Mercer County  | New & Requests for Interior<br>Connection & to Conduct Another<br>Business on the Licensed Premises –<br>Brewery Storage                          |
| (8) <b>Pompeii of Carlisle, LLC</b><br><b>t/a Pompeii of Carlisle</b><br>(LID No. 116598) Case No. 23-9113<br>Carlisle Springs Road and A Street, Lot #9<br>Carlisle, Cumberland County   | New – Economic Development<br>Restaurant  |
| (9) <b>Route 53 Beer and Beverage, Inc.</b><br>D-428 (LID No. 49316) Case No. 23-9094<br>2626 Portage Street<br>P.O. Box 205<br>Wilmore, Cambria County                                   | Requests to be Engaged in Another<br>Business, Interior Connection with<br>Another Business, Delicense an Area<br>& Dual Employment – Distributor |
| (10) <b>3BM, LLC</b><br><b>t/a 202 Hometown Tacos</b><br>R-3508 (LID No. 96741) Case No. 2023-96741<br>407 Lincoln Avenue<br>Bellevue, Allegheny County                                   | Renewal – District 5  |
| (11) <b>The Beer Shak, LLC</b><br><b>t/a The Beer Shak</b><br>D-32642 (LID No. 58427) Case No. 2023-58427<br>762 South Route 183<br>Wayne Township<br>Schuylkill Haven, Schuylkill County | Renewal – District 3  |
| (12) <b>By-Bar, Inc.</b><br><b>t/a Penn Street Tavern</b><br>R-13976 (LID No. 16453) Case No. 2023-16453<br>220 Penn Street<br>Reading, Berks County                                      | Renewal – District 3<br><br><b>HOLD 1/10/24 SESSION</b><br><br><b>Conditional Licensing Agreement</b>   |
| (13) <b>HMAC Venue, LLC</b><br><b>t/a Harrisburg Midtown Arts Center</b><br>R-4643 (LID No. 98407) Case No. 2022-98407<br>1110 North 3rd Street<br>Harrisburg, Dauphin County             | Renewal – District 2<br><br><b>HOLD 10/18/23 SESSION</b>  |



Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

- (21) **Thurston Enterprises, LLC**  
**t/a The City Line**  
R-18790 (LID No. 85049) Case No. 2023-85049  
244 West Washington Street  
Bradford Township  
Bradford, McKean County

Renewal – District 7

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

Personnel Actions

*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) **Increase to the Oracle Master Agreement Contract Cap to Accommodate Project Extension, Releases 3 & 4 and Legacy System Maintenance** – In order to accomplish Release 3 (merchandise financial planning and enterprise project management) and Release 4 (retail point of sale) in 2024 and 2025, as well as to maintain legacy systems support until Project New Horizon achieves its full implementation through Release 4, an additional **\$26 million** is needed to be added to the Oracle Master Agreement contract cap.

This project is being completed under the PLCB's existing contract purchase agreement No. 63017408 with Oracle, approved by the Board on Jan. 17, 2018 with term through Feb. 26, 2030, which currently has a spending cap of \$136 million.

**Does the Board approve increasing the spending cap for Oracle contract purchase agreement No. 63017408 from \$136 million to \$162 million?**

- (2) **PLCB+ Online Regulatory System Extension** – This extension will continue to provide a single gateway with 24x7x365 access for businesses and individuals to apply for and manage their liquor licenses and permits. The system is highly customized and critical for PLCB to carry out its function as the regulatory authority for all alcohol within Pennsylvania and cannot be replaced without expending significant resources.

Procured via Sole Source Contract Amendment – **VENDOR: Computronix USA Inc. – TERM:** Three years for period 5/31/24 through 5/30/27 - **\$1,740,985.00 estimated cost.**

- (3) **AppWorx Software Renewal** - AppWorx is our scheduling software used to run jobs and chains in the IBMS system. The IBMS system is the Agency's main computer system that runs the day-to-day operations of the Agency. Without AppWorx we would have to run all the jobs and chains manually with the risk of user error. .

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

Procured via DGS Contract #4400018548 – VENDOR: **CDW-G** – TERM: One year for period 5/13/2024 through 5/12/2025 - **\$265,607.51 estimated cost.**

- (4) **Quart Sized Paper Bags** – This procurement action is for quart sized paper bags to be used in all Fine Wine & Good Spirit stores to package products sold to customers.

Procured via IFB #270602 - VENDOR: **Broadway Kleer-Guard Corp.** - TERM: One year for period 6/1/2024 through 5/31/2025 - **\$950,000.00 estimated cost.**

- (5) **Aprons for PLCB Regions** – This procurement action is to replenish the brown and green apron supply for FWGS store employees in Regions 1, 2 and 3.

Procured via DGS Contract #4400004306 – VENDOR: **UniqueSource Products & Services** - **\$50,954.00 estimated cost.**

Inter-Agency Charges:

- (1) **Office of Administration** - SR #18437 - LB - Remote Retail Site VMware Licensing, VMware products under the new COPA-VMware Enterprise License Agreement (ELA). The cost for new licenses, and support through June 30, 2025 is \$333,650.00. The proposal includes licenses and subscription/support (SNS).

The Bureau of Financial Management and Analysis has reviewed these charges and determined that they are reasonable based on billing methodology and previous experience.

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

1. **#0202- 90 Allegheny River Boulevard, Verona  
New Lease**
2. **#2801- 987 Wayne Ave., Chambersburg  
New Lease**
3. **#2801 Temp- 987 Wayne Ave., Chambersburg  
Amendment**
4. **#0201- 3239 Washington Pike, Bridgeville  
Amendment**
5. **#0226- 132 Ben Avon Heights Rd., Pittsburgh  
Amendment**
6. **#1111- 3670 Portage Street, Portage  
Amendment**

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

7. **#3702- 729 Lawrence Ave., Ellwood City  
Amendment**
8. **#5152- 3772 L Street, Philadelphia  
Amendment**
9. **#6710- 3159 Cape Horn Road, Red Lion  
Amendment**
10. **#0704- 1260 Pennsylvania Ave , Tyrone  
Option**

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

**VENDOR – ITEM NAME**

**BOARD ACTION REQUESTED**

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

Various  
Various  
Various

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

**1. Regular New Items Accepted**

**BRAND NAME AND SIZE**

**REASON**

**Diageo Americas Inc**

Don Julio Tequila Blanco 1 L

18

RECOMMENDED ACTION: We recommend the Board approve this action

**2. Regular PA New Items Accepted**

**BRAND NAME AND SIZE**

**REASON**

**Red Brick Craft Distillery LLC**

Red Brick Craft Distillery Aged River Wards Rum 750 mL

16

Red Brick Craft Distillery Single Malt Whiskey 750 mL

16

RECOMMENDED ACTION: We recommend the Board approve this action



Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**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**

<b><u>BRAND NAME AND SIZE</u></b>	<b><u>CODE</u></b>
<b><u>Midstate Distillery</u></b> Midstate Distillery Pennsylvtucky Orange Label Straight Bourbon 750 mL	96103
<b><u>Pennsylvania Pure Distilleries LLC</u></b> Boyd and Blair Daiquiri 1 L	98435
<b><u>Southern Glazers Wine and Spirits of PA</u></b> Mouton Cadet Bordeaux Rouge 1.5 L	7322
Mouton Cadet Bordeaux Rouge 750 mL	5742

EFFECTIVE DATE: The transference to closeout will become effective April 19, 2024

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**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>December 31, 2023</u>	<u>December 31, 2022</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 93,877,492	\$ 82,372,745
Investments - short term	314,207,790	260,920,172
Accounts and claims receivable, net	8,243,413	7,165,796
Due from other funds - Note 9	-	-
Merchandise inventories, net	151,989,580	199,529,314
Operating supplies	1,901,734	416,956
Prepaid expenses	<u>2,049,378</u>	<u>2,033,073</u>
Total current assets	<u>572,269,387</u>	<u>552,438,056</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	65,140,412	53,820,871
Intangible - internally generated software	82,252,936	58,587,904
Intangible - right to use leases - Note 10	427,511,439	375,959,900
Intangible - right to use IT subscriptions - Note 11	<u>16,337,949</u>	<u>20,300,870</u>
Less: accumulated depreciation or amortization	<u>290,287,003</u>	<u>217,491,990</u>
Net depreciable or amortizable capital assets	<u>312,088,217</u>	<u>302,207,100</u>
Total non-current capital assets	<u>312,411,190</u>	<u>302,530,073</u>
Total assets	<u>\$ 884,680,577</u>	<u>\$ 854,968,129</u>
Total deferred outflows of resources - Notes 5, 6	<u>\$ 253,525,128</u>	<u>\$ 176,166,205</u>
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Trade accounts payable	\$ 342,828,591	\$ 320,702,366
Other accounts payable	18,095,993	27,897,218
Accrued expenses	27,633,636	26,362,994
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,795,551	5,038,908
Due to other funds - Note 9	6,935,990	10,964,548
Due to fiduciary funds - Note 9	3,909,331	3,553,765
Due to other governments - Note 9	1,118,788	1,054,711
Right to use liabilities - Note 10	<u>63,189,868</u>	<u>62,716,387</u>
Total current liabilities	<u>468,507,748</u>	<u>458,290,897</u>
Non-current liabilities:		
OPEB - Note 6	366,712,000	424,085,000
Self-insurance, workers' compensation - Note 7	46,295,622	45,346,197
Net pension liability - Note 5	578,023,930	379,679,163
Compensated absences - Note 1	24,484,695	26,865,598
Right to use liabilities - Note 10	<u>179,348,683</u>	<u>194,449,717</u>
Total non-current liabilities	<u>1,194,864,930</u>	<u>1,070,425,675</u>
Total liabilities	<u>\$ 1,663,372,678</u>	<u>\$ 1,528,716,572</u>
Total deferred inflows of resources - Notes 5, 6	<u>\$ 222,042,426</u>	<u>\$ 331,243,486</u>
<b><u>NET POSITION</u></b>		
Net investment in capital assets	\$ 69,872,639	\$ 45,363,969
Deficit	<u>(817,082,038)</u>	<u>(874,189,693)</u>
Total net position - Note 12	<u>\$ (747,209,399)</u>	<u>\$ (828,825,724)</u>

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Month Ending December 31, 2023 and December 31, 2022**  
**(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 314,826,885	\$ 310,028,036
Cost of goods sold	<u>(215,702,925)</u>	<u>(219,198,740)</u>
Gross profit from sales	99,123,960	90,829,296
Operating (expenses):		
Wholesale	(2,763,646)	(1,755,173)
Retail	(36,112,492)	(31,328,444)
E-Commerce	(238,648)	(348,262)
Regulatory	(1,198,159)	(947,606)
Enterprise	(11,646,497)	(8,846,141)
Commonwealth provided services - Note 2	<u>(1,376,497)</u>	<u>(2,006,258)</u>
Total	<u>(53,335,939)</u>	<u>(45,231,884)</u>
Operating profit/(loss)	45,788,021	45,597,412
Other operating revenues (expenses):		
Enforcement fines	260	104
License fees	3,136,371	2,812,214
Miscellaneous income	<u>219,155</u>	<u>369,392</u>
Total	<u>3,355,786</u>	<u>3,181,710</u>
Total operating income/(loss)	49,143,807	48,779,122
Miscellaneous revenues (expenses):		
Interest income (expense)	1,256,978	104,503
Other	<u>-</u>	<u>-</u>
Total	<u>1,256,978</u>	<u>104,503</u>
Income/(Loss) before operating transfers	50,400,785	48,883,625
Operating transfers out:		
PSP enforcement - Note 3	(2,481,045)	(2,471,722)
<b>Net Income/(Loss) from operations</b>	<b>47,919,740</b>	<b>46,411,903</b>
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	47,919,740	46,411,903
**Total net position - beginning - Note 12	<u>(795,129,139)</u>	<u>(875,237,627)</u>
Total net position - ending	<u>\$ (747,209,399)</u>	<u>\$ (828,825,724)</u>
Liquor tax	56,405,551	54,157,982
State Sales Tax	22,340,943	21,331,496
Local Tax	1,307,999	1,271,143
Taxes remitted to Dept.of Revenue PTD	<u>\$ 80,054,493</u>	<u>\$ 76,760,621</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: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Six Months Ending December 31, 2023 and December 31, 2022**  
**(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 1,357,322,048	\$ 1,327,153,980
Cost of goods sold	<u>(915,923,532)</u>	<u>(940,532,992)</u>
Gross profit from sales	441,398,516	386,620,988
Operating (expenses):		
Wholesale	(15,009,363)	(10,992,870)
Retail	(207,749,059)	(173,843,965)
E-Commerce	(1,222,128)	(1,510,601)
Regulatory	(7,116,756)	(5,366,668)
Enterprise	(54,445,731)	(43,703,088)
Commonwealth provided services - Note 2	<u>(9,779,308)</u>	<u>(10,624,979)</u>
Total	<u>(295,322,345)</u>	<u>(246,042,171)</u>
Operating profit/(loss)	146,076,171	140,578,817
Other operating revenues (expenses):		
Enforcement fines	516,034	765,145
License fees	16,093,350	15,176,232
Miscellaneous income	<u>1,113,717</u>	<u>2,528,782</u>
Total	<u>17,723,101</u>	<u>18,470,159</u>
Total operating income/(loss)	163,799,272	159,048,976
Miscellaneous revenues (expenses):		
Interest income (expense)	6,445,185	181,159
Other	<u>17,008</u>	<u>55,374</u>
Total	<u>6,462,193</u>	<u>236,533</u>
Income/(Loss) before operating transfers	170,261,465	159,285,509
Operating transfers out:		
PSP enforcement - Note 3	(16,113,420)	(16,326,754)
<b>Net Income/(Loss) from operations</b>	<b><u>154,148,045</u></b>	<b><u>142,958,755</u></b>
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	54,148,045	42,958,755
**Total net position - beginning 2022-23 - Note 12	<u>(801,357,444)</u>	<u>(871,784,479)</u>
Total net position - ending	<u>\$ (747,209,399)</u>	<u>\$ (828,825,724)</u>
Liquor tax	239,802,891	236,709,299
State Sales Tax	94,613,009	93,166,001
Local Tax	6,365,161	5,912,270
Taxes remitted to Dept.of Revenue PTD	<u>\$ 340,781,061</u>	<u>\$ 335,787,570</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: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

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

	<u>January 31, 2024</u>	<u>January 31, 2023</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 49,807,947	\$ 48,849,207
Investments - short term	292,840,728	314,356,648
Accounts and claims receivable, net	8,077,858	6,785,585
Due from other funds - Note 9	-	-
Merchandise inventories, net	152,564,869	208,976,211
Operating supplies	1,061,604	431,240
Prepaid expenses	2,057,821	2,376,102
Total current assets	<u>506,410,827</u>	<u>581,774,993</u>
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable or amortizable capital assets:		
Building	10,935,291	10,820,411
Leasehold improvements	209,134	209,134
Machinery and equipment	65,428,898	53,954,659
Intangible - internally generated software	82,252,935	58,587,903
Intangible - right to use leases - Note 10	428,522,934	375,776,751
Intangible - right to use IT subscriptions - Note 11	16,337,949	20,300,870
Less: accumulated depreciation or amortization	<u>296,986,460</u>	<u>223,224,011</u>
Net depreciable or amortizable capital assets	<u>306,700,681</u>	<u>296,425,717</u>
Total non-current capital assets	<u>307,023,654</u>	<u>296,748,690</u>
Total assets	<u>\$ 813,434,481</u>	<u>\$ 878,523,683</u>
Total deferred outflows of resources - Notes 5, 6	\$ 252,265,228	\$ 174,801,405
<b><u>LIABILITIES</u></b>		
Current liabilities:		
Trade accounts payable	\$ 270,550,444	\$ 344,152,317
Other accounts payable	19,277,732	27,045,032
Accrued expenses	31,347,112	28,407,698
OPEB - Note 6	-	-
Self-insurance, workers' compensation - Note 7	4,795,551	5,038,908
Due to other funds - Note 9	8,241,233	10,114,918
Due to fiduciary funds - Note 9	4,855,821	3,956,488
Due to other governments - Note 9	1,327,435	1,142,134
Right to use liabilities - Note 10	62,903,688	62,360,800
Total current liabilities	<u>403,299,016</u>	<u>482,218,295</u>
Non-current liabilities:		
OPEB - Note 6	358,495,000	422,740,000
Self-insurance, workers' compensation - Note 7	46,795,622	45,846,197
Net pension liability - Note 5	579,500,530	381,451,363
Compensated absences - Note 1	24,484,695	26,865,598
Right to use liabilities - Note 10	175,504,672	189,449,675
Total non-current liabilities	<u>1,184,780,519</u>	<u>1,066,352,833</u>
Total liabilities	<u>\$ 1,588,079,535</u>	<u>\$ 1,548,571,128</u>
Total deferred inflows of resources - Notes 5, 6	\$ 223,352,926	\$ 320,318,486
<b><u>NET POSITION</u></b>		
Net investment in capital assets	\$ 68,615,294	\$ 44,938,215
Deficit	<u>(814,348,046)</u>	<u>(860,502,741)</u>
Total net position - Note 12	<u>\$ (745,732,752)</u>	<u>\$ (815,564,526)</u>

Note: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**Commonwealth of Pennsylvania  
Pennsylvania Liquor Control Board  
State Stores Fund  
Comparative Statements of Revenues, Expenses, and Changes in Net Position  
For the Month Ending January 31, 2024 and January 31, 2023  
(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 171,308,199	\$ 171,345,483
Cost of goods sold	<u>(119,756,589)</u>	<u>(117,943,640)</u>
Gross profit from sales	51,551,610	53,401,843
Operating (expenses):		
Wholesale	(3,351,025)	(1,642,791)
Retail	(36,664,166)	(28,783,850)
E-Commerce	(166,301)	(300,388)
Regulatory	(1,339,919)	(788,764)
Enterprise	(8,810,227)	(8,155,426)
Commonwealth provided services - Note 2	<u>(1,476,946)</u>	<u>(1,753,743)</u>
Total	<u>(51,808,584)</u>	<u>(41,424,962)</u>
Operating profit/(loss)	(256,974)	11,976,881
Other operating revenues (expenses):		
Enforcement fines	181,049	262,068
License fees	2,580,216	2,482,135
Miscellaneous income	<u>225,149</u>	<u>408,771</u>
Total	<u>2,986,414</u>	<u>3,152,974</u>
Total operating income/(loss)	2,729,440	15,129,855
Miscellaneous revenues (expenses):		
Interest income (expense)	1,051,245	352,417
Other	<u>-</u>	<u>4,777</u>
Total	<u>1,051,245</u>	<u>357,194</u>
Income/(Loss) before operating transfers	3,780,685	15,487,049
Operating transfers out:		
PSP enforcement - Note 3	(2,304,038)	(2,225,851)
<b>Net Income/(Loss) from operations</b>	<u><b>1,476,647</b></u>	<u><b>13,261,198</b></u>
Statutory Transfers:		
General fund - Note 4	-	-
Drug and alcohol programs - Note 4	-	-
Total	<u>-</u>	<u>-</u>
Change in net position	1,476,647	13,261,198
**Total net position - beginning - Note 12	<u>(747,209,399)</u>	<u>(828,825,724)</u>
Total net position - ending	<u><u>\$ (745,732,752)</u></u>	<u><u>\$ (815,564,526)</u></u>
Liquor tax	29,824,902	31,997,559
State Sales Tax	11,830,120	12,619,574
Local Tax	812,953	881,079
Taxes remitted to Dept.of Revenue PTD	<u>\$ 42,467,975</u>	<u>\$ 45,498,212</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: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

**Commonwealth of Pennsylvania**  
**Pennsylvania Liquor Control Board**  
**State Stores Fund**  
**Comparative Statements of Revenues, Expenses, and Changes in Net Position**  
**For the Seven Months Ending January 31, 2024 and January 31, 2023**  
**(Unaudited)**

	<u>2023-24</u>	<u>2022-23</u>
Sales net of taxes	\$ 1,528,630,247	\$ 1,498,499,463
Cost of goods sold	<u>(1,035,680,122)</u>	<u>(1,058,476,632)</u>
Gross profit from sales	492,950,125	440,022,831
Operating (expenses):		
Wholesale	(18,360,389)	(12,635,662)
Retail	(244,413,223)	(202,627,814)
E-Commerce	(1,388,428)	(1,810,988)
Regulatory	(8,456,676)	(6,155,432)
Enterprise	(63,255,958)	(51,858,514)
Commonwealth provided services - Note 2	<u>(11,256,254)</u>	<u>(12,378,722)</u>
Total	<u>(347,130,928)</u>	<u>(287,467,132)</u>
Operating profit/(loss)	145,819,197	152,555,699
Other operating revenues (expenses):		
Enforcement fines	697,083	1,027,213
License fees	18,673,566	17,658,367
Miscellaneous income	<u>1,338,866</u>	<u>2,937,553</u>
Total	<u>20,709,515</u>	<u>21,623,133</u>
Total operating income/(loss)	166,528,712	174,178,832
Miscellaneous revenues (expenses):		
Interest income (expense)	7,496,430	533,575
Other	<u>17,008</u>	<u>60,151</u>
Total	<u>7,513,438</u>	<u>593,726</u>
Income/(Loss) before operating transfers	174,042,150	174,772,558
Operating transfers out:		
PSP enforcement - Note 3	(18,417,458)	(18,552,605)
<b>Net Income/(Loss) from operations</b>	<b>155,624,692</b>	<b>156,219,953</b>
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	55,624,692	56,219,953
**Total net position - beginning 2022-23 - Note 12	<u>(801,357,444)</u>	<u>(871,784,479)</u>
Total net position - ending	<u>\$ (745,732,752)</u>	<u>\$ (815,564,526)</u>
Liquor tax	269,627,794	268,706,858
State Sales Tax	106,443,129	105,785,575
Local Tax	7,178,113	6,793,349
Taxes remitted to Dept.of Revenue PTD	<u>\$ 383,249,036</u>	<u>\$ 381,285,782</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: This agenda is complete at the time of issuance but other issues may be added and others stricken without further notice.

## **OTHER ISSUES**

***Employee Recognition* ..... *Tim Holden, Board Chairman***

The PLCB is honored to recognize Jim Cappetta, Gina Dean and Wayne Debor for their extraordinary life-saving efforts and actions taken in an emergency response situation. Thank you for your continued service to the Commonwealth and our community.

## **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, April 10, 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**



## **Informational Statements to be included in the Public Meeting Agenda**

### **For ALJ Cases:**

These cases are appeals taken from adjudications rendered by an Administrative Law Judge (ALJ) in citation proceedings initiated by the Pennsylvania State Police, Bureau of Liquor Control Enforcement in accordance with section 471 of the Liquor Code, 47 P.S. § 4-471.

In all of these matters, an administrative hearing has already been held before an ALJ during which the parties were given the opportunity to present sworn testimony and other evidence, as well as to make legal arguments, in support of their respective positions.

The Board must affirm the ALJ unless the ALJ's decision is an error of law, an abuse of discretion or is not supported by substantial evidence. In some instances where noted, it may also be necessary for the Board to remand the matter back to the ALJ for additional action to be taken. In that the Board is acting in its quasi-judicial (appellate) capacity, deliberations on these matters may have already occurred during authorized executive sessions.

The reasoning for any final decision by the Board on these matters will be set forth in a publicly issued written opinion which will be released immediately after the Board session. Any party aggrieved by the Board's decision has the right to pursue an appeal to the applicable county court of common pleas in accordance with the Liquor Code.

### **For Application Matters such as New Licenses, Transfers of Existing License, or Extension of Premises:**

In all of these matters, an administrative hearing - open to the public - has already been held before a Board-assigned hearing examiner. All interested parties, including the applicant, the Bureau of Licensing, and valid protesters and/or intervenors, were given the opportunity to present sworn testimony and other evidence, as well as to make legal arguments, in support of their respective positions. The Board has reviewed the administrative record created before the hearing examiner along with any briefs submitted by the parties, as well as the recommendations made by the assigned hearing examiner and the Board's legal counsel. In that the Board is acting in its quasi-judicial capacity, deliberations on these matters may have already taken place during authorized executive sessions.

In each case, the Board may either vote to approve the application outright, vote to approve the application subject to a conditional licensing agreement setting forth specific conditions agreed upon by the parties and which are reasonably intended to address specific concerns made part of the record, or vote to refuse the application its entirety. For any case in which the Board would like additional time to review the record prior to making its decision, the Board reserves the right to place a hold on such matter in which case "official action" will not be taken until a future Board meeting.

Any party aggrieved by the Board's decision has the right to pursue an appeal to the applicable county court of common pleas in accordance with the Liquor Code, or, in certain circumstances, directly to the Commonwealth Court. In the event that an appeal is filed, the Board, as required by the Liquor Code, will file a written opinion setting forth the specific reasoning for its decision.

### **For License Renewal Cases:**

These cases involve applications for renewal of licenses to which the Bureau of Licensing has raised objections. In all of these matters, an administrative hearing - open to the public - has already been held before a Board-assigned hearing examiner. The parties were given the opportunity to present sworn testimony and other evidence, as well as make legal arguments. The Board has reviewed the administrative record created before the hearing examiner along with any briefs submitted by the parties, as well as the recommendations made by the assigned hearing examiner and the Board's legal counsel. In that the Board is acting in its quasi-judicial capacity, deliberations on these matters may have already taken place during authorized executive sessions.

In each case, the Board may either vote to approve renewal of the license outright, vote to approve renewal of the license subject to a conditional licensing agreement setting forth specific conditions agreed upon by the parties and which are reasonably intended to address the operational issues of the licensee, or vote to refuse renewal of the license in its entirety. For any case in which the Board would like additional time to review the record prior to making its decision, the Board reserves the right to place a hold on such matter in which case "official action" will not be taken until a future Board meeting.

An applicant aggrieved by the Board's decision has the right to pursue an appeal to the applicable county court of common pleas in accordance with the Liquor Code. In the event that an appeal is filed, the Board, as required by the Liquor Code, will file a written opinion setting for the specific reasoning for its decision.

### **For Noise Exemption Cases:**

These matters involve municipal petitions for exemptions from the Liquor Code provisions dealing with amplified sound. In all of these matters, an administrative hearing – open to the public - has already been held before a Board-assigned hearing examiner during which the parties were given the opportunity to present sworn testimony and other evidence, as well as to make legal arguments, in support of their respective positions.

The Board has reviewed the administrative record created before the hearing examiner along with any briefs submitted by the parties, as well as the recommendations made by the assigned hearing examiner and the Board's legal counsel. In that the Board is acting in its quasi-judicial capacity, deliberations on these matters may have already taken place during authorized executive sessions.

In each case, the Board may either vote to approve the municipal petition for noise exemption outright, vote to limit its approval to a more defined area of the municipality than what is being requested, or vote to refuse the petition in its entirety. The Board must act upon a municipal petition for noise exemptions within 60 days of receiving such petition.

Any party aggrieved by the Board's decision has the right to pursue an appeal to the applicable county court of common pleas in accordance with the Liquor Code. In the event that an appeal is filed, the Board will file a written opinion setting for the specific reasoning for its decision as required by the Liquor Code.

**For All Matters in Which the Board is Acting in its Quasi-Judicial Capacity**

No additional testimony or evidence may be presented by the parties during the Board's public meeting. While the Board reserves the right to allow comments to be made by the public concerning any particular case, this is being done so with the understanding that such comments are not the equivalent of sworn testimony and, thus, will not be given any weight by the Board when rendering its decision. Additionally, the Board is not required to respond to any public comments offered, nor is it required to answer any questions concerning these matters.