

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

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 52,270,779	\$ 54,183,489
Investments - short term	226,279,517	204,076,201
Accounts and claims receivable, net	3,617,714	747,207
Due from other funds - Note 8	4,234	833,117
Merchandise inventories, net	246,114,444	257,979,226
Operating supplies	382,643	845,551
Prepaid expenses	522,964	72,680
Total current assets	529,192,295	518,737,471
Non-current assets:		
Non-depreciable capital assets:		
Land	322,973	322,973
Depreciable capital assets:		
Building	20,875,220	20,809,269
Leasehold improvements	341,826	612,301
Machinery and equipment	49,063,451	47,904,598
Intangibles - internally generated software	22,457,686	25,990,043
Less: accumulated depreciation	63,692,660	66,662,710
Net depreciable capital assets	29,045,523	28,653,501
Total non-current capital assets	29,368,496	28,976,474
Total assets	\$ 558,560,791	\$ 547,713,945
Total deferred outflows of resources - Note 4, 5	\$ 160,428,631	\$ 88,630,800
<u>LIABILITIES</u>		
Current liabilities:		
Trade accounts payable	\$ 289,656,306	\$ 277,831,858
Other accounts payable	23,001,111	27,288,341
Accrued expenses	15,415,566	14,332,279
OPEB - Note 5	8,994,000	11,976,000
Self-insurance, workers' compensation - Note 6	5,193,938	7,637,029
Due to other funds - Note 8	4,522,983	3,166,485
Due to fiduciary funds - Note 8	1,994,832	1,908,698
Due to other governments - Note 8	548,954	516,090
Total current liabilities	349,327,690	344,656,780
Non-current liabilities:		
OPEB - Note 5	594,961,000	781,379,000
Self-insurance, workers' compensation - Note 6	48,841,124	47,949,448
Net pension liability - Note 4	530,291,336	440,677,473
Compensated absences - Note 1	21,598,132	20,809,984
Total non-current liabilities	1,195,691,592	1,290,815,905
Total liabilities	\$ 1,545,019,282	\$ 1,635,472,685
Total deferred inflows of resources - Note 4, 5	\$ 279,156,836	\$ 108,178,959
<u>NET POSITION</u>		
Net investment in capital assets	\$ 29,368,496	\$ 28,976,474
Deficit - Note 9	(1,134,555,192)	(1,136,283,373)
Total net position	\$ (1,105,186,696)	\$ (1,107,306,899)

Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Month Ending June 30, 2019 and June 30, 2018
(Unaudited)

	<u>2018-19</u>	<u>2017-18</u>
Sales net of taxes	\$ 169,251,669	\$ 173,385,808
Cost of goods sold	<u>(119,163,020)</u>	<u>(118,468,025)</u>
Gross profit from sales	50,088,649	54,917,783
Operating (expenses):		
Retail operations	(19,417,593)	(36,417,252)
Marketing & merchandising	(833,965)	(689,574)
Supply chain	465,454	(59,013)
Wholesale operations	(14,055)	(186,410)
Information technology services	(1,418,719)	(2,989,706)
Regulatory affairs	(425,644)	(1,978,943)
Administration	(388,055)	(1,334,980)
Finance	12,308	(345,706)
Board & secretary	236,570	(426,411)
Legal	(287,284)	(318,170)
Commonwealth provided services - Note 2	<u>(2,017,787)</u>	<u>(2,063,810)</u>
Total	<u>(24,088,770)</u>	<u>(46,809,975)</u>
Operating profit	25,999,879	8,107,808
Other operating revenues (expenses):		
Enforcement fines	165,155	142,885
License fees	2,785,532	3,266,917
Miscellaneous income	134,417	(476,236)
Administrative law judge	<u>(224,286)</u>	<u>(224,447)</u>
Total	<u>2,860,818</u>	<u>2,709,119</u>
Total operating income	28,860,697	10,816,927
Miscellaneous revenues (expenses):		
Interest income	497,837	372,306
Other	<u>-</u>	<u>-</u>
Total	<u>497,837</u>	<u>372,306</u>
Income before operating transfers	29,358,534	11,189,233
Operating transfers out:		
PSP enforcement - Note 3	(2,171,808)	(3,114,228)
Net Income from operations	<u>27,186,726</u>	<u>8,075,005</u>
Statutory Transfers:		
General fund - Note 3	-	-
Drug and alcohol programs - Note 3	(3,820,820)	(2,500,000)
Total	<u>(3,820,820)</u>	<u>(2,500,000)</u>
Change in net position	23,365,906	5,575,005
Total net position - beginning, 2017-18 restated - Note 9	<u>(1,128,552,602)</u>	<u>(1,112,881,904)</u>
Total net position - ending	<u>\$ (1,105,186,696)</u>	<u>\$ (1,107,306,899)</u>
Liquor tax	30,641,957	31,199,285
State Sales Tax	12,045,487	12,249,972
Local Tax	772,216	771,220
Taxes remitted to Dept.of Revenue PTD	<u>\$ 43,459,660</u>	<u>\$ 44,220,477</u>

**Commonwealth of Pennsylvania
Pennsylvania Liquor Control Board
State Stores Fund
Comparative Statements of Revenues, Expenses, and Changes in Net Position
For the Twelve Months Ending June 30, 2019 and June 30, 2018
(Unaudited)**

	<u>2018-19</u>	<u>2017-18</u>
Sales net of taxes	\$ 2,126,927,971	\$ 2,066,562,034
Cost of goods sold	<u>(1,451,772,607)</u>	<u>(1,408,532,024)</u>
Gross profit from sales	675,155,364	658,030,010
Operating (expenses):		
Retail operations	(384,400,294)	(398,301,097)
Marketing & merchandising	(15,852,818)	(15,052,290)
Supply chain	(6,642,392)	(8,970,204)
Wholesale operations	(1,725,852)	(1,773,887)
Information technology services	(30,234,564)	(31,225,089)
Regulatory affairs	(19,783,080)	(20,802,809)
Administration	(13,487,041)	(14,782,471)
Finance	(3,325,942)	(3,890,566)
Board & secretary	(5,173,990)	(6,660,227)
Legal	(3,713,342)	(3,602,785)
Commonwealth provided services - Note 2	<u>(14,577,356)</u>	<u>(14,819,054)</u>
Total	<u>(498,916,671)</u>	<u>(519,880,479)</u>
Operating profit	176,238,693	138,149,531
Other operating revenues (expenses):		
Enforcement fines	1,845,926	1,522,287
License fees	38,474,199	46,377,715
Miscellaneous income	3,388,634	2,418,403
Administrative law judge	<u>(2,809,282)</u>	<u>(2,709,397)</u>
Total	<u>40,899,477</u>	<u>47,609,008</u>
Total operating income	217,138,170	185,758,539
Miscellaneous revenues (expenses):		
Interest income	5,865,843	2,998,479
Other	<u>(706,242)</u>	<u>18,751</u>
Total	<u>5,159,601</u>	<u>3,017,230</u>
Income before operating transfers	222,297,771	188,775,769
Operating transfers out:		
PSP enforcement - Note 3	(31,256,748)	(30,527,781)
Net Income from operations	<u>191,041,023</u>	<u>158,247,988</u>
Statutory Transfers:		
General fund - Note 3	(185,100,000)	(185,100,000)
Drug and alcohol programs - Note 3	(3,820,820)	(2,500,000)
Total	<u>(188,920,820)</u>	<u>(187,600,000)</u>
Change in net position	2,120,203	(29,352,012)
Total net position - beginning, 2017-18 restated - Note 10	<u>(1,107,306,899)</u>	<u>(1,077,954,887)</u>
Total net position - ending	<u>\$ (1,105,186,696)</u>	<u>\$ (1,107,306,899)</u>
Liquor tax	381,876,154	371,507,516
State Sales Tax	150,194,900	146,027,265
Local Tax	9,679,746	9,398,137
Taxes remitted to Dept.of Revenue YTD	<u>\$ 541,750,800</u>	<u>\$ 526,932,918</u>