



pennsylvania

LIQUOR CONTROL BOARD

**2014-2015
REBUDGET REQUEST**

The State Stores Fund serves as the general operating fund for the Liquor Control Board. The Pennsylvania State Police receive funds for the enforcement of the Liquor Code. The Department of Health receives funds for alcohol abuse programs. This fund receives revenues from the sale of goods in State Liquor Stores, fees not credited to the Liquor License Fund, fines and penalties, losses and damages recovered, and loans from the General Fund to provide working capital. Expenditures cover all costs associated with the operation and administration of the Liquor Store System and enforcement of the Liquor Code. Surplus funds are available for transfer to the General Fund.

	Actual FY 2012-13	Actual FY 2013-14	Estimate FY 2014-15	Estimate FY 2015-16	Estimate FY 2016-17	Estimate FY 2017-18	Estimate FY 2018-19
Cash Balance, Beginning	6,683	-1,201	31,928	20,810	19,679	7,235	-17,875
Receipts:							
Fees/Fines	13,550	14,138	14,138	14,138	14,138	14,138	14,138
Sale of Goods	1,748,409	1,817,821	1,872,356	1,947,250	2,025,140	2,106,146	2,190,392
Tax Revenues	440,483	454,062	467,684	486,391	505,847	526,081	547,124
Other / Misc	2,296	2,298	2,298	2,298	2,298	2,298	2,298
Gen. Fund Loan	110,000	0	0	0	0	0	0
Interest	424	419	419	419	419	419	419
Total Receipts	2,315,162	2,288,738	2,356,895	2,450,496	2,547,842	2,649,082	2,754,371
Total Funds Available	2,321,845	2,287,537	2,388,823	2,471,306	2,567,521	2,656,317	2,736,496
Disbursements:							
Treasury	0	0	0	0	0	0	0
Health	2,070	2,567	2,400	2,400	2,400	2,400	2,400
Liquor purchases	1,143,269	1,241,371	1,282,847	1,332,200	1,385,500	1,440,900	1,498,500
LCB Expenses	407,910	448,357	502,298	516,480	550,051	585,804	623,881
Comptroller	5,160	4,184	5,000	5,000	5,000	5,000	5,000
Taxes	440,483	454,062	467,684	486,391	505,847	526,081	547,124
Repay Loan	220,000	0	0	0	0	0	0
Profit Transfers	80,000	80,000	80,000	80,000	80,000	80,000	80,000
State Police	24,154	25,068	27,784	29,156	31,488	34,007	36,728
Total Disbursements	2,323,046	2,255,609	2,368,013	2,451,627	2,560,286	2,674,192	2,793,633
Cash Balance, Ending	-1,201	31,928 *	20,810	19,679	7,235	-17,875	-57,137

Notes:

Sales revenues differs from GAAP reported sales due to the inclusion of SLO freight and timing differences in recognition of revenues, (Treasury vs GAA

* State Stores Fund actual cash balance with Treasury on June 30, 2014 was \$210.3 million.

FY 2013-14

- LCB expenses includes \$440.48M in actual expenses plus \$9.17M in FY 13-14 commitments.
- PSP-LCE expenses include \$24.97M in actual expenses and \$0.12M in FY 13-14 commitments.

FY 2014-15

- Sales and tax revenues are projected at 3.0% growth.
- Liquor purchases includes \$1,281.0M as reflected in the Executive Authorization plus \$1.85M for FY 13-14 expenses.
- LCB expenses includes \$484.96M as reflected in FY14-15 Executive Authorization, with an additional \$17.34M for FY 13-14 prior year expenses.
- PSP-LCE expenses include \$26.996M as reflected in FY14-15 Governor's budget submission, with an additional \$0.79M for FY13-14 expenses.

FY 2015-16, FY 2016-17, FY 17-18 & FY 18-19

- Sales, taxes and liquor purchases are projected to grow at 4% annually.
- LCB expenses are projected to increase by 6.5% annually from FY 14-15 Ex Auth of \$484.96M.
- PSP-LCE expenses are projected to grow by 8% annually from FY 14-15 budget submission of \$27M.
- Profit transfer remains unchanged at \$80 million annually.