



FOR IMMEDIATE RELEASE
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Pennsylvania Liquor Control Board Reports Record Sales and Contributions to State and Local Governments in Fiscal Year 2015-16

Harrisburg – The Pennsylvania Liquor Control Board (PLCB) today released unaudited financial results for fiscal year 2015-16 that reflect record retail sales of \$2.43 billion (including liquor and sales taxes), a \$94.8 million or 4.1 percent increase over the prior year and previous retail sales record. PLCB contributions to state and local government beneficiaries totaled \$626.3 million for the fiscal year, an increase of \$41.4 million, or 7.1 percent, over the prior year and previous record.

Contributions to the General Fund, which finances Pennsylvania's schools, health and human services programs, law enforcement, and public safety initiatives, among other important public services, totaled \$583.6 million, a \$39 million or 7.2 percent increase over the prior year and previous record. General Fund contributions consisted of the following:

- \$348 million in liquor tax;
- \$135.6 million in state sales tax; and
- \$100 million in profit transfers from the balance sheet.

Other PLCB contributions over the course of the fiscal year included the following:

- \$26.1 million to the Pennsylvania State Police for liquor control enforcement efforts;
- \$8.7 million in local sales taxes to Philadelphia and Allegheny county;
- \$4.6 million in licensing fees returned to local municipalities; and
- \$3.3 million to the Department of Drug and Alcohol Programs.

Net income for the year totaled \$103.9 million, a \$20.3 million or 24.2 percent increase over the prior year. Comparing income before operating transfers (\$129.9 million) against sales net of taxes (\$1.9 billion), the PLCB achieved an adjusted net income to sales return of 6.7 percent for fiscal year 2015-16, as compared to 5.9 percent for the prior year.

Fiscal-year-end cash and short-term investments totaled \$295.4 million, which is \$33.4 million, or 12.8 percent, higher than the prior year. Net cash generated by operating activities totaled \$171.7 million for the fiscal year, an increase of \$32.6 million, or 23.4 percent.

Gross profit (gross revenue from sales) increased \$24.5 million, or 4.2 percent, over the prior year, while combined operating and nonoperating expenses grew \$4.6 million or 0.9 percent.

Salary and wages for the fiscal year were essentially flat, and workers' compensation expense decreased \$22.3 million, significantly offsetting the effects of a \$17 million increase in total pension expense. Non-payroll related expenses grew by \$3.7 million, or 2.5 percent, year-over-

year, mostly due to increases in store rent (up 5.1 percent) and credit/debit card service fees (up 8.2 percent).

Spirits sales showed the strongest growth for the fiscal year, a 4.3 percent increase, while wine sales increased by 3.8 percent.

A comprehensive annual report detailing agency operations, as well as a retail year in review report detailing sales by product and location, will be issued in coming weeks, as soon as they are complete.

The PLCB regulates the distribution of beverage alcohol in Pennsylvania, operates more than 600 wine and spirits stores statewide and licenses more than 20,000 beverage alcohol producers and retailers. The PLCB also works to reduce and prevent dangerous and underage drinking through partnerships with schools, community groups and licensees. Taxes and store profits – totaling \$15.1 billion since the agency’s inception – are returned to Pennsylvania’s General Fund, which finances Pennsylvania’s schools, health and human services programs, law enforcement, and public safety initiatives, among other important public services. The PLCB also provides financial support for the Pennsylvania State Police Bureau of Liquor Control Enforcement, the Department of Drug and Alcohol Programs, other state agencies and local municipalities across the state.

For more information about the PLCB and to review the unaudited fiscal year 2015-16 financials, visit www.lcb.state.pa.us.

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