Office of the
Legislative Fiscal Analyst

FY 2002 Budget Recommendations

Joint Appropriations Subcommittee for
Commerce and Revenue

Department of Alcoholic Beverage Control

Contents:

1.0 Department of Alcoholic Beverage Control

Summary

Utah is one of eighteen liquor control states and one of two totally State run systems. The Department of Alcoholic Beverage Control (DABC) operates 36 State stores and approximately 80 package agencies. These State stores and package agencies are the exclusive retailers of liquor, wine and heavy beer (more than 4 percent alcohol by volume) in the State. The Department administers liquor laws and licenses on-premise businesses, manufacturers, wholesalers, warehousers, importers, and liquor representatives.

Financing	Analyst FY 2002 Base	Analyst FY 2002 Changes	Analyst FY 2002 Total
Liquor Control Fund	$14,626,200	$0	$14,626,200
Total	$14,626,200	$0	$14,626,200
Programs			
Executive Director	$922,400	$0	$922,400
Administration	943,900		943,900
Operations	1,787,500		1,787,500
Warehouse and Distribution	873,500		873,500
Stores and Agencies	10,098,900		10,098,900
Total	$14,626,200	$0	$14,626,200
FTE/Other			
Total FTE	291		291
Vehicles	22		22

Mission Statement

The mission of the Department is to regulate the manufacture, sale and use of alcoholic beverages in a manner that serves the citizens and tourist population of Utah. Without promoting or encouraging the sale or consumption of alcoholic beverages, the Department operates as a public business using sound management principles and practices. It generates revenue to support State and local government programs. The Department licenses and regulates the sale of alcoholic beverages in a manner and at prices that reasonably satisfy the public demand while also protecting the public interest, including the rights of the citizens who do not wish to consume alcoholic products.

Income From Liquor Sales

Liquor sales provide a major source of income to the State's General Fund. In FY 2000, gross sales totaled $138,115,263, with a net profit of $28,639,096. This profit was deposited in the General Fund and used to support State government operations. The FY 2001 and FY 2002 liquor profit is estimated to continue this increasing trend. The Analyst's budget recommendation is not included in the FY 2002 profit transfer revenue estimate.

Liquor sales support several special government programs through profits and sales taxes. These include school lunch and local government alcohol and drug abuse programs.

2.0 Budget Highlights: Department of Alcoholic Beverage Control

2.1 Analyst Commentary

The Analyst recommendations are not made to promote the sale of alcoholic beverages. Utah is a liquor control State and the Analyst recommendations are to enhance efficiency of operations maximizing the effectiveness of the dollars allocated to the Department for the distribution and control of alcoholic beverages. The items recommended below do not in and of themselves generate income, but are part of a business enterprise that does generate revenue. In some cases, the recommendation could lower overall operating expenses to the Department. These items would become part of "the cost of doing business" expense. Return on investment (ROI) is a key factor. All funding recommendations are from the Liquor Control Fund.

2.2 Agency Performance

Though the Department is a government agency, it operates on business principles. Performance measures are monitored on a regular basis. The "*bottom line*" is evaluated throughout the year. Performance is evaluated on a number of several factors: 1) sales activity; 2) workload; 3) resources expended; and 4) return on investment (ROI). *See Section 3.6, page 15.* Revenue and profit are listed. The one shortcoming in these measures is the inability to evaluate the effectiveness of liquor policies of the Department. Enforcement is another issue but is primarily the responsibility of other agencies and governmental entities. It does impact and is impacted by the Department and its policies.

2.3 Base Budget Funding Adjustment

Base budget funding adjustments have been recommended throughout the Department's budget. This is most apparent as base reductions between the FY 2001 Estimated Year and the FY 2002 Recommendation. The primary reduction is for a change in the retirement rate. This should save the State approximately $21,000 from the Liquor Control Fund spread among the various DABC programs. The reduction is calculated into the Analyst's base budget recommendation. Though the Agency is funded with Liquor Control Fund, the savings will impact the General Fund.

2.4 Bond Payments

DABC over the last several years has been actively acquiring ownership of the State Liquor Stores. The Department has built new stores and purchased stores it was previously renting. The financing for these acquisitions was through state issued Lease Revenue Bonds. The base budget amount appropriated for rent and bond payments is $1,240,400. The total amount the Department will pay in FY 2001 and again in FY 2002 is $1,423,100, a difference of $182,700. The Analyst has recommended this amount in the base budget. A FY 2001 supplemental appropriation of the same amount will also be needed.

2.5 DFCM Leased Store Maintenance

In December of 2000, the Division of Facilities and Construction Management (DFCM) took over the maintenance of the Department's leased stores. This was done to comply with House Bill 2. Additional ongoing costs of $49,000 are needed to pay for the maintenance. The Analyst recommends the funding of $49,000 in the base budget. A FY 2001 supplemental appropriation of the same amount will also be needed.

2.6 Additional Sales Clerks

Liquor sales have increased 22 percent since FY 1996. The first two months of FY 01, sales have increased approximately ten percent over the previous year. If funding is available, the Analyst recommends a building block of 6 FTE and $152,000 from the Liquor Control Fund to address the workload and reduce the overtime required of the current employees.

2.7 Package Agency Increase

The amount of compensation that the Department pays each package agency depends on the number of cases sold during the prior year. Based on sales during FY 2000, it is determined that 16 agencies had increased sales and would receive more compensation. One agency had decreased sales and will receive less compensation. The amount to fund the net increase is $83,900 for FY 2002. A supplemental appropriation is also recommended for FY 2001.

2.8 Package Agency Funding Adjustment

Package agencies are contracted to sell merchandise in areas too small to justify a State store. Cost-of-living and inflationary increases have not been granted on a regular basis for the last decade. Funding of $112,000 from the Liquor Control Fund would provide a 10 percent "cost-of-living" adjustment. If funding is available, a "cost-of living" adjustment is recommended for *Type* III package agencies. This recommendation will address several previous years when no increase was appropriated and authorize a four percent adjustment for FY 2002. (This is to be made in addition to the caseload increase recommended above as item 2.7.)

2.9 Warehouse Equipment

Case sales have increased an average of 5 percent a year since FY 1996. Additional equipment and replacement equipment is needed to maintain efficient operations. If one-time funding is available, the Analyst recommends $86,000 from the Liquor Control Fund for a Cherry Picker ($35,000), a Forklift ($35,000), and Batteries ($16,000). (You have to have batteries to make the toys go.)

2.10 Fire Suppressant System

The Department's computer room is at risk because of the current water-based fire suppressant system. An informal bid obtained from a local company specializing in such systems indicates the cost should not exceed $20,000 to disable the current water system and install an appropriate computer room fire suppressant system.

2.11 Electronic Commerce Initiative

The Department has requested funding of $230,000 from the Liquor Control Fund to continue the Department's Electronic Commerce Initiative that was started in FY 2001. Two consultants will supplement DABC's in-house staff. The consultants will have particular expertise in developing electronic data interchange and electronic commerce applications and web-enabled business applications and will be skilled in the selected development tools. The Analyst would recommend this if additional funds become available and only after the other requests are funded.

3.1 Programs: Department of Alcoholic Beverage Control - Executive Director's Office

Recommendation

The Analyst recommends base budget funding of $922,400 from the Liquor Control Fund.

Financing	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Liquor Control Fund	$890,000	$931,400	$922,400	($9,000)
Total	$890,000	$931,400	$922,400	($9,000)
Expenditures				
Personal Services	$870,500	$905,800	$896,400	($9,400)
In-State Travel	2,600	2,600	2,600	
Out of State Travel	5,800	5,800	5,800	
Current Expense	11,100	17,200	17,600	400
Total	$890,000	$931,400	$922,400	($9,000)
FTE/Other				
Total FTE	16	16	16	

Summary

The Executive Director's Office sets policies and procedures for the Department. It provides information to the part-time Commission for their use to decide where to locate liquor stores, product mark-up, and issuance of licenses and permits. Liquor license officers investigate compliance with Utah's liquor laws and make recommendations regarding license applications, suspensions, and revocations.

The Department of Public Safety also has liquor enforcement officers who police the private clubs and restaurants. They are funded separately through another Subcommittee.

Performance Measures

Performance measures for this Department are listed in profit and loss as with a retail business. The Department does no advertising but, retail sales continue to increase. Expenses are maintained at a low cost resulting in net profits that are added to the General Fund annually.

Many activity measures are collected to assure profitability, but are not reported separately. Section 3.6 summarizes the Department sales and income performance. FY 2000 continued the increasing profit transfer with over $28.6 million transferred to the General Fund. Sales for the first five months of FY 2001 indicates the trend is continuing to increase. A contributing factor is increased population, partly due to in-migration.

3.2 Programs: Department of Alcoholic Beverage Control - Administration

Recommendation

The Analyst recommends a budget of $943,900. The main changes are due to personal service retirement funding adjustments.

Financing	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Liquor Control Fund	$855,100	$954,000	$943,900	($10,100)
Total	$855,100	$954,000	$943,900	($10,100)
Expenditures				
Personal Services	$357,400	$427,500	$417,400	($10,100)
In-State Travel	900	900	900	
Current Expense	496,500	525,600	525,600	
DP Current Expense	300			
Total	$855,100	$954,000	$943,900	($10,100)
FTE/Other				
Total FTE	9	9	9	

Summary

Administration provides the centralized administrative services to the other programs within the Department. This activity includes budgeting, accounting, and auditing of stores and package agencies for the Department.

3.3 Programs: Department of Alcoholic Beverage Control - Operations

The Analyst recommends a continuing budget of $1,787,500 from the Liquor Control Fund. The difference between the FY 2001 Estimated and the FY 2002 recommendation is due to one-time funding.

Financing	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Liquor Control Fund	$1,594,200	$2,103,100	$1,787,500	($315,600)
Beginning Nonlapsing	100,000	3,200		(3,200)
Closing Nonlapsing	(3,200)			
Total	$1,691,000	$2,106,300	$1,787,500	($318,800)
Expenditures				
Personal Services	$1,071,900	$1,098,900	$1,073,300	($25,600)
In-State Travel	1,800	1,800	1,800	
Out of State Travel	4,900	4,900	4,900	
Current Expense	55,700	46,500	46,500	
DP Current Expense	287,200	624,200	621,000	(3,200)
DP Capital Outlay	269,500	330,000	40,000	(290,000)
Total	$1,691,000	$2,106,300	$1,787,500	($318,800)
FTE/Other				
Total FTE	15	15	15	
Vehicles		3	3	

Summary

Operations provides data processing to the Department and manages the operation of the warehouse, stores and package agencies. (The budgets for the warehouse, distribution system, stores and package agencies are considered separately.) All liquor from delivery to the warehouse, until it is sold to the consumer, is traceable by computer. This contributes to the low loss rate of less than 1/10th of one percent.

Systems Completion

The Department has replaced the entire point-of-sale system in all the State owned liquor stores. The warehousing system has also been replaced. Enhancements are currently being made to the system. It is projected that system changes and upgrades will continue through FY 2001.

The Information Technology budget now includes adequate funding for the routine replacement of office systems hardware and the retail stores “Point-Of-Sale” equipment.

Point of Sale System Update

All State stores currently have the new system. The Analyst has visited State stores around the State and has received "very good" to "excellent" reports from the managers and employees of the various locations. Even the remotest locations visited by the Analyst indicate that the ongoing operational support has been rated above average. Reports to the Analyst from the stores indicate that the system is working well and that customer service for the system is prompt and effective when problems are encountered. Implementation of the new system has improved efficiency and should contribute to additional net profit in the future.

Fire Suppressant System

The Department's computer room is at risk because of the current water-based fire suppressant system. An informal bid obtained from a local company specializing in these types of systems indicates the cost should not exceed $20,000 to disable the current water system and install an appropriate computer room fire suppressant system. The required funding would be one-time.

Electronic Commerce Initiative

The Department has requested funding of $230,000 from the Liquor Control Fund to continue the Department's Electronic Commerce Initiative that was started in FY 2001. This dollar amount is calculated for about 1352 hours at $85 per hour each for two consultants. The consultants will supplement DABC's in-house staff. The consultants will have particular expertise in developing electronic data interchange and electronic commerce applications and web-enabled business applications and will be skilled in the selected development tools.

The recently completed high-level scooping analysis of DABC's Electronic Commerce (EC) Initiative provides a direction for this project. The analysis included a technology review, selection of development tools, and an identification of eight business functions and their priority for being developed. They are:

1. Electronic data interchange (EDI) with suppliers;
2. Web page redesign;
3. Educational awareness/on-line public information;
4. On-line product ordering for licensees and package agencies;
5. On-liine license application and renewals;
6. Supplier maintained price list;
7. Special product ordering;
8. Reporting procedures and standards.

The current efforts are focusing on items 1, 2, and 4. The additional funding will continue these efforts. *The Analyst would recommend this if additional funds become available and only after the other requests are funded.*

3.4 Programs: Department of Alcoholic Beverage - Warehouse and Distribution

Recommendation

The Analyst recommends a budget of $873,500 from the Liquor Control Fund. The only budgetary difference between FY 2001 and the FY 2002 recommendation is a small personal services adjustment.

Financing	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Liquor Control Fund	$801,700	$1,003,000	$873,500	($129,500)
Total	$801,700	$1,003,000	$873,500	($129,500)
Expenditures				
Personal Services	$736,200	$806,500	$808,000	$1,500
Out of State Travel	400	400	400	
Current Expense	65,100	65,100	65,100	
Capital Outlay		131,000		(131,000)
Total	$801,700	$1,003,000	$873,500	($129,500)
FTE/Other				
Total FTE	21	22	22	

Summary

This program includes the delivery and the warehousing of the liquor and wines. Distribution is under the control of the Operations Division. During FY 1992, the warehouse was expanded to enable the Department to handle its increasing inventory. The Department now delivers over 98 percent of the merchandise. This contributes to the savings due to less product breakage and less employee theft.

Distribution Information

The Department uses a combination of State employees and contractual services to deliver product to the various stores. The volume of product to be delivered has increased 22 percent since FY 1995. A contractor delivers cases to the stores at a cost of approximately $1.00 per case. The cost for the Department to make the same delivery is approximately $.40 a case.

Warehouse Equipment

Case sales have increased an average of 5 percent a year since FY 1996. Additional equipment and replacement equipment is needed on a regular basis to maintain efficient operations. The Department requested one-time funding for a Cherry Picker, a Forklift, a Reach Truck, a Floor Scrubber, and batteries to make them go. The total for all items would be $151,000.

If one-time funding is available, the Analyst recommends $86,000 from the Liquor Control Fund. Though this may be used for a Cherry Picker ($35,000), a Forklift ($35,000), and Batteries ($16,000), the Analyst recommends that the funds be used at the discretion of the Department (for equipment). If the Committee approves this request, the Analyst recommends one-time funding, even though funding seems to be appropriated each year for some type of equipment. The purchases can be clearly reviewed as part of the appropriation process.

Warehouse Expansion

Because of the significant increase in case sales, (see Section 3.6 on page 16) the Department of Alcoholic Beverage Control is requesting an expansion of their main warehouse located at 1625 South 900 West in Salt Lake City. The current warehouse is full to capacity most of the year and is full beyond capacity during the peak holiday seasons.

It is also proposed that an automated warehouse stocking system be installed in the expansion. These requests are being reviewed in the Capital Facilities Joint Appropriations Subcommittee. The funding request of $8.281 million includes the expansion of two stores and the warehouse along with the automated warehouse stocking system.

Approval of these projects will require the allocation by this Subcommittee of additional personnel, equipment and financial resources to operate and maintain the expanded facilities. The Committee should review these projects with the Department and write a letter to the Capital Facilities and Administrative Services Joint Appropriations Subcommittee with their recommendations.

3.5 Programs: Department of Alcoholic Beverage Control - Stores and Agencies

Recommendation

The Analyst recommends a base budget of $10,098,900 Liquor Control Fund.

Financing	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Liquor Control Fund	$9,954,400	$9,960,500	$10,098,900	$138,400
Total	$9,954,400	$9,960,500	$10,098,900	$138,400
Expenditures				
Personal Services	$6,316,600	$6,527,100	$6,373,800	($153,300)
In-State Travel	13,700	13,700	13,700	
Current Expense	3,623,800	3,419,700	3,710,500	290,800
DP Current Expense	300		900	900
Total	$9,954,400	$9,960,500	$10,098,900	$138,400
FTE/Other				
Total FTE	229	229	229	
Vehicles		9	9	

Summary

The Operations Division oversees stores and package agencies. This program manages the operation of the retail outlets for the sale of liquor and wine to the consuming public. Liquor is sold through several channels in the State, among those are State stores, package agencies, private clubs, and restaurants.

Utah is a Liquor Control State

Utah is one of eighteen liquor control States and one of only two that have totally State run systems. (Pennsylvania is the other State.) Utah buys from the manufacturer, stores, distributes and sells the product and collects the sales and excise taxes in State-run stores. The number of retail establishments are set by rule, based on population. The distribution is:

Establishment	Ratio	Active Licenses
State Stores	1 : 48,000 people	36/36
Pkg Agencies	1 : 18,000 people	76/76
Restaurant	1 : 4,500 people	473/481
Private Clubs	1 : 7,000 people	299/309

State Stores

The State operates 36 stores throughout the State. These stores are located in large and medium-sized communities where the volume of business is high enough to support the costs of operating a store. The State owns 24 stores and leases the other 12. Employees working in the stores are State employees.

Bond Payments

DABC over the last several years has been actively acquiring ownership of the State Liquor Stores. The Department has built new stores and purchased stores it was previously renting. The financing for these acquisitions was through state issued Lease Revenue Bonds. The base budget amount appropriated for rent and bond payments is $1,240,400. The total amount the Department will pay in FY 2001 and again in FY 2002 is $1,423,100, a difference of $182,700. A FY 2001 supplemental appropriation of the same amount will also need to be addressed.

Liquor Control Fund ………………………. $182,700

DFCM Leased Store Maintenance

In December of 2000, the Division of Facilities and Construction Management (DFCM) took over the maintenance of the Department's leased stores. This was done to comply with House Bill 2. Additional ongoing costs of $49,000 are needed to pay for the maintenance. The Analyst recommends the Subcommittee address this funding issue.

Liquor Control Fund ……………………… $49,000

Additional State Store Sales Clerks

Liquor sales have increased 22 percent since FY 1996. The first two months of FY 2001, sales have increased approximately ten percent over the previous year. The Agency originally requested 12 FTE and $303,800 funding from the Liquor Control Fund.

Since FY 1996, the Department has added a store and expanded several others for a total of 23,000 additional square feet. Three additional stores have extended their hours of operation to twelve hours a day, thereby increasing the staffing need. Twenty-six FTE were added for the stores during FY 1998. The additional personnel have not reduced the need for overtime. Overtime paid in FY 97 was $52,000. The overtime paid in FY 2000 was $142,000.

If funding is available, the Analyst recommends a building block of 6 FTE and funding of $152,000 from the Liquor Control Fund to address the workload and reduce the overtime required of the current employees.

Package Agencies

Liquor package agencies make up the remainder of the regular retail outlets. In smaller communities, the Department operates package stores, which are normally located in an established business. The agency operator, who is not a State employee, contracts with the Department to sell liquor in compliance with State rules, regulations and operating procedures. These agencies have enabled the Department to meet the needs of the citizens in smaller communities where the expenses of a regular store would not be justified. Reimbursement is made based on levels of case volume, not on a one-to-one basis. Pricing is done to discourage the promotion of liquor sales.

Package Agency Increase

The amount of compensation that the Department pays each package agency depends on the number of cases sold during the prior year. The compensation adjustment is not based on a "one-for-one" increase. There are sales levels that must be reached before the next rate adjustment.

Based on sales during FY 2000, it is determined that 16 agencies had increased sales and would receive more compensation. One agency had decreased sales and will receive less compensation. The amount the fund the net increase is $83,900 for FY 2002. A supplemental appropriation is also recommended for FY 2001.

Package Agency Funding Adjustment

Package agencies are contracted to sell merchandise in areas too small to justify a State store. There are more than 80 package agencies throughout Utah. They account for approximately 1.0 percent of total liquor sales in Utah.

Cost-of-living and inflationary increases have not been granted on a regular basis for the last decade. Funding of $112,000 from the Liquor Control Fund would provide a 10 percent “cost-of-living” adjustment. If funding is available, a “cost-of living” adjustment is recommended for *Type* III package agencies. This recommendation will address several previous years when no increase was appropriated and authorize a four percent adjustment for FY 2002.

3.6 Programs: Department of Alcoholic Beverage Control-Performance

Liquor Control Fund History

	Year	Retail Sales	Cost of Goods Sold	Operating Expenses**	Profit Transfer	School Lunch Taxes	Sales Taxes
	1992	82,271,024	43,157,319	9,695,618	17,377,705	8,642,796	4,291,266
	1993	85,296,404	44,726,612	9,863,197	18,521,586	8,920,670	4,457,313
	1994	89,461,714	46,984,767	10,253,948	18,955,187	9,279,233	4,682,602
	1995	94,747,909	49,930,587	10,795,563	20,115,079	9,743,550	4,866,190
	1996	103,787,159	54,845,038	11,534,366	22,048,948	10,664,951	5,327,755
	1997	113,347,107	60,234,762	12,169,709	24,311,961	11,534,446	5,831,419
	1998	121,580,981	64,044,102	13,499,517	26,339,697	12,347,803	6,302,589
	1999	127,952,863	68,193,020	13,922,055	26,959,556	12,955,301	6,789,165
	2000	138,115,263	73,863,607	14,192,200	28,659,096	14,115,997	7,393,879
*	2001	147,569,076	78,949,456	14,955,200	30,754,026	15,037,289	7,703,106
*	2002	155,206,524	83,811,523	14,955,200	32,352,476	15,815,545	8,101,781

Sales History - Case Sales

	Year	Cases Sold	Retail Sales FTEs
	1992	950,760	189.0
	1993	986,105	189.0
	1994	1,039,823	189.0
	1995	1,080,752	189.0
	1996	1,162,353	194.0
	1997	1,247,316	202.5
	1998	1,318,933	228.5
	1999	1,348,150	228.5
	2000	1,416,059	226.5
*	2001	1,506,584	228.5
*	2002	1,555,147	228.5

Sales History - Dollar Sales

	Year	Stores	PAs
	1992	74,251,912	8,019,112
	1993	77,188,060	8,108,344
	1994	81,341,844	8,119,870
	1995	86,675,652	8,072,257
	1996	95,107,167	8,679,992
	1997	103,917,142	9,429,965
	1998	111,389,861	10,191,120
	1999	117,688,890	10,263,973
	2000	127,269,458	10,845,805
*	2001	134,155,332	13,413,745
*	2002	142,095,130	13,111,394

Increases by Year

Retail Sales

	Year	Increase	% Increase
	92 to 93	3,025,380	**3.68%**
	93 to 94	4,165,310	**4.88%**
	94 to 95	5,286,195	**5.91%**
	95 to 96	9,039,250	**9.54%**
	96 to 97	9,559,948	**9.21%**
	97 to 98	8,233,874	**7.26%**
	98 to 99	6,371,882	**5.24%**
	99 to 00	10,162,400	**7.94%**
*	00 to 01	9,453,813	**6.84%**
*	01 to 02	7,637,448	**5.18%**

Cases Sold

	Year	Increase	% Increase
	92 to 93	35,345	**3.72%**
	93 to 94	53,718	**5.45%**
	94 to 95	40,929	**3.94%**
	95 to 96	81,601	**7.55%**
	96 to 97	84,963	**7.31%**
	97 to 98	71,617	**5.74%**
	98 to 99	29,217	**2.22%**
	99 to 00	67,909	**5.04%**
*	00 to 01	90,525	**6.39%**
*	01 to 02	48,563	**3.22%**

Operating Expenses**

	Year	Increase	% Increase
	92 to 93	167,579	**1.73%**
	93 to 94	390,751	**3.96%**
	94 to 95	541,615	**5.28%**
	95 to 96	738,803	**6.84%**
	96 to 97	635,343	**5.51%**
	97 to 98	1,329,808	**10.93%**
	98 to 99	422,538	**3.13%**
	99 to 00	270,145	**1.94%**
*	00 to 01	763,000	**5.38%**
*	01 to 02	0	**0.00%**

Profit Transfer

	Year	Increase	% Increase
	92 to 93	1,143,881	**6.58%**
	93 to 94	433,601	**2.34%**
	94 to 95	1,159,892	**6.12%**
	95 to 96	1,933,869	**9.61%**
	96 to 97	2,263,013	**10.26%**
	97 to 98	2,027,736	**8.34%**
	98 to 99	619,859	**2.35%**
	99 to 00	1,699,540	**6.30%**
*	00 to 01	2,094,930	**7.31%**
*	01 to 02	1,598,450	**5.20%**

* Estimates based on past years growth.
** FY01 and FY02 operating expenses as currently appropriated.

Comparison of the first 5 months of FY00 and FY01

	FY00	FY01	Increase	% Increase
Retail Sales	51,469,250	58,322,380	**6,853,130**	13.31%
Case Sales	549,065	613,579	**64,514**	11.75%

4.0 Tables: Department of Alcoholic Beverage Control

Financing	**1998 Actual**	**1999 Actual**	**2000 Actual**	**2001 Estimated**	**2002 Analyst**
Liquor Control Fund	$13,684,300	$13,997,900	$14,095,400	$14,952,000	$14,626,200
Beginning Nonlapsing	51,000	100,000	100,000	3,200	
Closing Nonlapsing	(100,000)	(100,000)	(3,200)		
Lapsing Balance	(10,300)	(240,300)			
Total	$13,625,000	$13,757,600	$14,192,200	$14,955,200	$14,626,200
Programs					
Executive Director	$836,200	$866,000	$890,000	$931,400	$922,400
Administration	773,600	825,700	855,100	954,000	943,900
Operations	2,606,300	2,354,000	1,691,000	2,106,300	1,787,500
Warehouse and Distribution	843,600	805,800	801,700	1,003,000	873,500
Stores and Agencies	8,565,300	8,906,100	9,954,400	9,960,500	10,098,900
Total	$13,625,000	$13,757,600	$14,192,200	$14,955,200	$14,626,200
Expenditures					
Personal Services	$8,384,100	$8,895,800	$9,352,600	$9,765,800	$9,568,900
In-State Travel	24,300	18,300	19,000	19,000	19,000
Out of State Travel	4,400	9,300	11,100	11,100	11,100
Current Expense	3,503,000	3,495,300	4,252,200	4,074,100	4,365,300
DP Current Expense	816,300	1,206,700	287,800	624,200	621,900
DP Capital Outlay	745,700	31,000	269,500	330,000	40,000
Capital Outlay	147,200	101,200		131,000	
Total	$13,625,000	$13,757,600	$14,192,200	$14,955,200	$14,626,200
FTE/Other					
Total FTE	286	286	290	290	291
Vehicles				22	22