### Summary of Operations

- **Current Liabilities:**
  - Accounts Payable (Note G): $15,889,548
  - Accrued Payroll: $339,328
  - Accounts Payable - Liquor: $4,267,360
  - Accrued Annual Leave Payable: $0
  - Taxes Payable: $0
  - Total Current Liabilities: $22,180,024

- **Long-Term Debt:**
  - Bonds: $36,252,318
  - Due To General Fund (Note H): $7,089,387
  - Capital Leases: $3,279,409
  - Total Long Term Debt: $46,821,114

### Utah Department of Alcoholic Beverage Control

- **Military Sales:**
  - FY 06: $1,399,259
  - FY 05: $1,098,635

- **Cost of Goods Sold:**
  - FY 06: $105,086,327
  - FY 05: $94,406,374

- **Gross Profit:**
  - FY 06: $98,345,448
  - FY 05: $85,350,306

- **Total Revenue:**
  - FY 06: $100,283,845
  - FY 05: $97,090,836

- **Operating Expenses:**
  - Salaries, Wages & Benefits: $12,008,066
  - Depreciation: $3,133,662
  - Property & Leases: $434,304
  - Professional & Tech. Services: $39,141
  - Other Expenses: $31,625
  - Total Operating Expenses: $20,586,941

- **Total Expenses:**
  - FY 06: $20,713,847
  - FY 05: $20,541,032

- **Net Operating Income:**
  - FY 06: $79,599,498
  - FY 05: $66,549,804

- **Other Current Assets:**
  - FY 06: $522,177
  - FY 05: $282,468

- **Net Profit:**
  - FY 06: $47,352,726
  - FY 05: $38,067,036

### Liquor Control States

<table>
<thead>
<tr>
<th>State</th>
<th>FY 06</th>
<th>FY 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>887,698</td>
<td>905,698</td>
</tr>
<tr>
<td>Michigan</td>
<td>2,260,155</td>
<td>2,181,862</td>
</tr>
<tr>
<td>Ohio</td>
<td>743,368</td>
<td>783,378</td>
</tr>
<tr>
<td>Virginia</td>
<td>328,378</td>
<td>331,378</td>
</tr>
<tr>
<td>Idaho</td>
<td>1,958,974</td>
<td>1,974,974</td>
</tr>
<tr>
<td>Mississippi</td>
<td>2,622,000</td>
<td>2,411,000</td>
</tr>
<tr>
<td>Oregon</td>
<td>743,368</td>
<td>783,378</td>
</tr>
<tr>
<td>Washington</td>
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<td>Nevada</td>
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<td>New Hampshire</td>
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</tr>
<tr>
<td>North Carolina</td>
<td>743,368</td>
<td>783,378</td>
</tr>
<tr>
<td>Vermont</td>
<td>328,378</td>
<td>331,378</td>
</tr>
<tr>
<td>Montgomery County</td>
<td>1,958,974</td>
<td>1,974,974</td>
</tr>
</tbody>
</table>

### Average Consumption Per Capita in Utah

<table>
<thead>
<tr>
<th>Fiscal Year 2006 and Fiscal Year 2005*</th>
<th>FY 06</th>
<th>FY 05</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Consumption Per Capita in Utah for Wine</td>
<td>1.958</td>
<td>1.974</td>
</tr>
<tr>
<td>Average Consumption Per Capita in Utah for Spirits</td>
<td>743</td>
<td>783</td>
</tr>
<tr>
<td>Average Consumption Per Capita in Utah for Heavy Beer</td>
<td>328</td>
<td>331</td>
</tr>
</tbody>
</table>

*Based on an estimated Population of 2,622,000 as of June 30, 2006 and 2,411,000 as of June 30, 2005.
Liquor Outlets in Operation (as of June 30, 2006)
State Liquor Stores .......................................................... 37
Package Agencies ............................................................ 88
Case Sales
Total case sales in all categories of spirituous liquor amounted to 1,938,561 cases in fiscal year 2006, an increase of 145,964 cases from fiscal year 2005.

Distribution of dollars for FY2006

Price Analysis 750 ml bottle

UTah Department of Alcoholic Beverage Control Commission
Commissioners
Larry V. Lunt, Chairman
Frank W. Budd
Nicholas E. Hales
Mary Ann Maniates
Kathryn Balmforth

Commission Meetings: Held monthly at the Department's office in Salt Lake City (1625 South 900 West).
Executive Administration
Kenneth F. Wynn, Director
Kenneth F. Wynn, Director
Earl F. Dorius, Compliance & Licensing Manager
Personnel
(Positions filled as of June 30, 2006)
Administrative Office .................................................. 47
Warehouse .......................................................... 29
Stores .................................................................. 148
Total Time Employees .............................................. 516
Total Store Employees ............................................ 464
Total Employees .................................................. 546

The Utah Department of Alcoholic Beverage Control would be happy to provide additional information on our activities. Please contact our office as listed on the front cover.

UNDERAGE DRINKING PREVENTION
Alcohol is the number one drug abused by Utah’s youth, and many kids in the state are beginning to drink in the sixth grade. The state of Utah and the DABC are committed to reducing underage alcohol use with the country’s most comprehensive underage drinking prevention and education program.

UNDERAGE DRINKING IS DANGEROUS
New research shows a teenager’s brain is developing more rapidly than previously thought. Gray matter in the brain, grown around puberty, is being “wired together” throughout adolescence. Underage drinking interferes with brain development, and may cause permanent damage to memory, judgment, reasoning, learning and impulse control.

Because a teen’s brain is so different from an adult’s, underage alcohol use also greatly increases kids’ chances of becoming a alcohol dependant. Research shows youth who begin drinking before age 15 have a 40% chance of becoming an alcoholic, versus a 7% chance for those who put off drinking until the legal age of 21.

“The brain goes through dynamic change during adolescence, and damage from alcohol at this time can be long-term and irreversible.”
- The American Medical Association

PARENTS ARE THE KEY
The number one reason teens choose not to drink is parental disapproval. Studies show parents can significantly reduce the likelihood that their children will use alcohol by doing the following:
- Setting clear rules and expectations about not drinking.
- Knowing their children’s schedules and checking in on them occasionally.
- Knowing their children’s friends, and their friends’ parents.
- Staying involved in their children’s lives, especially academically.

OUR COMMITMENT TO RESPONSIBLE MODERATION
The Utah DABC pursues the goal of a healthy and safe society in which alcohol is sold to adults only and is consumed without harm. Through sound policies, restricting alcohol access to minors, and vigorously ensuring the observance of the alcoholic beverage control laws, we’re working to do our part to promote the safety and well-being of all those in our community.