Liquor Control States

Alabama Mississipi Utah
Idaho Montana Vermont
Iowa New Hampshire Virginia
North Carolina West Virginia
Maryland (Only) Ohio Wyoming
Montgomery County Oregon
Michigan Pennsylvania

Average Utah Consumption Per Capita (In gallons) FY 2015* FY 2014*

Wine 1.129 1.110
Spirits .962 .935
Heavy Beer .584 .541
Flavored Malt Beverages .064 .077
Total 2.760 2.654

*Based on estimated population of 2,987,700 as of June 30, 2015 and 2,946,100 as of June 30, 2014.

Comparative Gallonage for Utah FY 2015 FY 2014

Wine 3,372,217 3,244,739
Spirits 2,874,165 2,753,706
Heavy Beer 1,745,908 1,595,286
Flavored Malt Beverages 252,454 245,042
TOTAL GALLONS 8,244,744 7,818,773

NOTE: ACCOUNTING POLICIES: The Utah Department of Alcoholic Beverage Control has been designated as an enterprise fund by the Division of State Finance. The administrative operating budget is subject to legislative control. The Division transfers to the general fund from the state's account with the department's accounting system, which is on an accrual basis in accordance with Generally Accepted Accounting Principles. The Division's accounting system follows: distilled spirits, wine and flavored malt beverages 86%, beer 64.5%.

NOTE B: RETAIL SALES: Sales are reported at published prices and include sales and transit taxes which are shared with the counties.

NOTE C: RENTALS AND LEASES: Leases are the result of competitive bids or negotiations. A standard lease agreement has been developed. The lease agreement provides for payment of lease rentals and insurance, but the lessor bears all expenses above these base payments. In addition, all contain a provision in case of a change in the law that might have an impact upon the operation of the department. Also included is the interest expense on the annual bond payments for the state owned liquor stores.

NOTE D: CASH: All cash receipts are deposited in bank accounts to the credit of the State Treasurer, then, depending on the particular account, these funds are transferred, generally on a daily basis, to the Liquor Control Fund.

NOTE E: INVENTORIES: Inventories are valued at FIFO and consist of merchandise stored in the warehouse and at each of the 44 stores. It also includes consignment inventory at package agencies.

NOTE F: PROPERTY AND EQUIPMENT: Property and equipment are stated on the balance sheet at cost and are depreciated on the straight-line method over the estimated service lives of the assets.

NOTE G: ACCOUNTS PAYABLE: Accounts payable represent the current liabilities incurred for incoming freight, operating costs, and the purchase of merchandise.

NOTE H: BONDS PAYABLE: Bonds payable represents 13 issues of twenty year lease revenue bonds issued by the State of Utah. The bonds have maturity dates ranging from 2014 to 2030 and carry interest rates from 2.72% to 5.50%.

NOTE I: WORKING CAPITAL: In FY 2015 due to a new GASB ruling unutilizeddeferralsresultedineadingto the working capital. A correction for prior fiscal periods was also recorded in FY 2015.
Price Analysis 750 ml bottle

Exploded segments represent spendable State revenue based on a 750 ml bottle, with a retail price of $9.99 and Sales tax of $0.66.

Net Profit, School Lunch and Public Safety Transfer, $1.17, 11%

School Lunch and Public Safety Transfer, $41,386, 10%

Sales Tax, $20,187, 5%

Cost of Liquor Sold, $251,177, 53%

Total Operating Cost, $387,790, 100%

Operating Cost, $1.16, 11%

Cost Analysis

Federal Excise Tax, $2.14, 29%

Retail Price of $9.99

Distillers Costs (royalties, freight), $3.08, 30%