



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS

8 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0008

KIRSTEN LC FIGUEROA
COMMISSIONER

JANET T. MILLS
GOVERNOR

LOUIS J. LUCHINI
DIRECTOR

February 12, 2025

To: Senator Margaret Rotundo, Chair
Representative Drew Gattine, Chair
Members of the Joint Standing Committee on Appropriations and Financial Affairs

Senator Craig Hickman, Chair
Representative Laura Supica, Chair
Members of the Joint Standing Committee on Veterans and Legal Affairs

From: Louis J. Luchini, Director, Bureau of Alcoholic Beverages and Lottery Operations

Cc: Kirsten LC Figueroa, Commissioner, Department of Administrative and Financial Services

Re: Bureau of Alcoholic Beverages and Lottery Operations 2024 Report

As required by 8 MRS §371-389 and 28-A MRS §81-90, please find attached the 2024 report from the Bureau of Alcoholic Beverages and Lottery Operations pertaining to the liquor and lottery businesses.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Louis J. Luchini".

Louis J. Luchini
Bureau of Alcoholic Beverages and Lottery Operations

State of Maine



Department of Administrative and Financial Services

Annual Report of the Bureau of Alcoholic Beverages and Lottery Operations

As required by 8 M.R.S. §372, sub-§2, ¶K and 28-A M.R.S. §84, sub-§7

February 15, 2025

Kirsten LC Figueroa, Commissioner
Louis Luchini, Director

Section 1.A. Per 28-A M.R.S. §84, sub-§7, ¶A, the following is a complete statement of the revenues and expenses for the Bureau for calendar year 2024:

Bureau Revenue

Lottery Ticket Sales	\$ 413,751,074
Lottery Miscellaneous Revenue	15,218,970
Spirits Sales	260,385,055
Licensing and Enforcement Revenue	<u>24,010,490</u>
Total Bureau Revenue	\$ 713,365,589

Bureau Expenses

Lottery Expenses	\$ 340,943,147
Spirits Expenses	192,979,930
Spirits Receivables and Adjustments	(1,976,032)
Licensing and Enforcement Expenses	<u>2,288,119</u>
Total Bureau Expenses	\$ 534,235,164

Bureau Profit

Lottery Profit ¹	\$ 88,026,897
Spirits Profit ²	69,381,157
Licensing and Enforcement Profit ³	<u>21,722,371</u>
Total Bureau Profit Generated	<u>\$ 179,130,425</u>

Section 1.B. Change recommendations:

- 28-A M.R.S. §84, sub-§7, any recommendations for changes to this Title:
 - The Bureau recommends this annual report be submitted using fiscal year data rather than calendar year in keeping with other state accounting practices.
 - The Bureau recommends the requirements of 8 M.R.S. §372, sub-§2, ¶K, sub-¶(5) and 8 M.R.S. §372, sub-§2, ¶K, sub-¶(6) be combined. The requirements are reflected in sections 5 and 6 of this report.
- 8 M.R.S. §372, sub-§2, ¶K, sub-¶(7): Any recommendations for changes to this chapter:
 - No recommended changes to this chapter at this time.

Lottery Operations

¹ Lottery Profit represents the amount transferred to the General and Outdoor Heritage Funds.

² Spirits Profit represents the amount transferred to General Fund and Highway Fund.

³ Licensing and Enforcement Profit represents the amount deposited directly into the General Fund.

Section 2. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(1): A list of the decisions made by the Commission and resulting actions for the preceding calendar year relevant to lottery operations.

The following is a list of decisions made by the Commission as reflected in the minutes of the monthly commission meetings, by month: (Following are copied from Commission Minutes)

January 9, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the December 12, 2023 meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented three (3) new games for approval.
(\$2) Baseball
(\$10) CASH DOUBLE DOUBLER
(\$20) ROYAL CASH

A motion was made by Commissioner Schneck to accept these games as presented; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

February 13, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the January 9, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Deputy Director Michael Boardman presented the Bureau's Calendar Year Annual Report. This report was provided to the Commission in advance of the meeting. A motion was made by Commissioner Fitts to accept the Bureau's Calendar Year Annual Report; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously. (Commissioner Schneck not present)
- Marketing Manager Lisa Rodrigue presented four (4) new games for approval.
(\$1) TRIPLE MATCH
(\$2) TIC, TAC MULTIPLIER
(\$5) ELECTRIC CASH
(\$20) ROYAL CASH

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

March 12, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the February 13, 2024 meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented two (2) new games for approval.
(\$5) LUCKY 7 CROSSWORD
(\$10) THE GOLDEN SPIN

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

April 9, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the March 12, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Monaghan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented five (5) new games for approval.
 - (\$1) 634 50th Anniversary
 - (\$2) 635 50th Anniversary
 - (\$5) 636 50th Anniversary
 - (\$5) 654 Money To Go
 - (\$10) # 643 \$50 or \$100

A motion was made by Commissioner Sheehan to accept all games as presented; the motion was seconded by Commissioner Fitts. The roll was called and all Commissioners voted in the affirmative; the motion passed unanimously.

May 14, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the April 9, 2024, meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented two (2) new games for approval.
 - (\$3) Game #641 - Bonus Card Bingo
 - (\$5) Game #642 – X

A motion was made by Commissioner Schneck to accept these games as presented; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

June 11, 2024:

- Approval of Minutes: Commission Chair, Fitzgerald asked for a motion that the minutes of the May 14, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented two (2) new games for approval:
 - (\$3) Game #648 - Dragonfly Dollars
 - (\$5) Game #649 - \$100,000 Bonus Payout

A motion was made by Commissioner Sheehan to accept all games as presented; the motion was seconded by Commissioner Fitts. The roll was called and all Commissioners voted in the affirmative; the motion passed unanimously.

July 9, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the June 11, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Deputy Director Boardman presented seven (7) new games for approval.
 - (\$2) Game #646 - Creepy Cash
 - (\$3) Game #647 - Maine Crossword
 - (\$5) Game #654 - Money to Go
 - (\$5) Game #656 - Power Spot
 - (\$5) Game #645 - Monopoly
 - (\$10) Game #651 - Money Craze

(\$25) Game #652 - \$ 100 or \$250

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

August 13, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked that the minutes of the July 9, 2024 meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Rulemaking: Commissioner Schneck entertained a motion to adopt the proposed Basis Statement. A motion was made by Commissioner Schneck to move the Commission to adopt the Basis Statement as presented for the rule changes to Powerball. The motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented four (4) new games for approval.
 - (\$1) Game #657- Holiday \$100's
 - (\$2) Game #658 - Holiday \$200's
 - (\$5) Game #659 - Holiday \$500's
 - (\$5) Game #650 - Crossword Cash

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Schneck. The roll was called and all Commissioners voted in the affirmative; the motion passed unanimously.

September 17, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the August 13, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented two (2) new games for approval:
 - (\$1) WIN IT ALL
 - (\$20) \$50,000 BANKROLL

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Monaghan. The roll was called and all Commissioners voted in the affirmative; the motion passed unanimously.

October 8, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the September 17, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Schneck. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Rulemaking: Rulemaking, Chapter 20 Powerball Rules
Double-Play is an add on feature to the Powerball game. This is an option for players. This is a second drawing with a new set of draw numbers that players can play using the same numbers as their Powerball ticket. This gives players a chance to win additional prizes for an additional \$1. This double-play feature has a set top prize of \$10 million dollars along with many other prizes. The game is projected to launch on October 27, 2024.

A motion was made by Commissioner Monaghan that the commission adopt the basis statement as presented for the changes to the Powerball rules; the motion was seconded by

Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

A motion was made by Commissioner Monaghan that the commission approve the amended Powerball rules as presented to be effective October 27, 2024; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

- Marketing Manager Lisa Rodrigue presented five (5) new games for approval:
 - (\$1) CA\$H CRUSH
 - (\$5) \$100,000 JACKPOT
 - (\$5) SHOW ME THE BENJAMINS
 - (\$10) ULTIMATE BONUS PAYOUT
 - (\$10) \$50 OR \$100

A motion was made by Commissioner Sheehan to accept these games as presented; the motion was seconded by Commissioner Monaghan. The roll was called and all Commissioners voted in the affirmative; the motion passed unanimously.

November 12, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the October 8, 2024, meeting be approved. A motion was made by Commissioner Schneck to accept the minutes; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- Marketing Manager Lisa Rodrigue presented four (4) new games for approval.
 - (\$2) COUNT 'EM UP
 - (\$2) WIN! WIN! WIN!
 - (\$5) WINNING 7
 - (\$5) 9's IN A LINE

A motion was made by Commissioner Schneck to accept these games as presented; the motion was seconded by Commissioner Sheehan. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.

December 10, 2024:

- Approval of Minutes: Commission Chair Fitzgerald asked for a motion that the minutes of the November 12, 2024 meeting be approved. A motion was made by Commissioner Sheehan to accept the minutes; the motion was seconded by Commissioner Fitts. The roll was called, and all Commissioners voted in the affirmative; the motion passed unanimously.
- There were no new games requiring approval.

Section 3. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(2): A complete statement of lottery revenues, prize disbursements and expenses and appropriations from the General Fund, if any, for the preceding calendar year.

Summary Table for Calendar Year 2024:

Revenue	Ticket Sales	\$ 413,751,074
	Miscellaneous Revenue	<u>15,218,970</u>
	Total Revenue	\$ 428,970,044
Expenses	Personnel	\$ 2,105,593
	Operating	3,528,477

Agent Commissions/Bonuses	28,496,173
Vendor Fees	14,573,284
Tri-State	3,600,769
Prizes	<u>288,638,851</u>
Total Expenses	<u>\$ 340,943,147</u>

Profit

Total Profit	<u>\$ 88,026,897</u>
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Profit Distribution

General Fund Transfer	\$ 87,247,899
Outdoor Heritage Fund Transfer	\$ 778,998

No General Fund appropriation is provided to the Bureau for the operation of the Maine Lottery.

Section 4. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(3): A 5-year history of the account used to manage lottery operations, which must include the amount of revenues deposited into the State Lottery Fund and the amounts transferred to the General Fund:

Summary Table for Calendar Years 2020 through 2024

	2020	2021	2022	2023	2024
Revenue					
Ticket Sales	\$ 343,301,429	\$ 408,750,293	\$ 405,113,923	\$ 420,619,004	\$ 413,751,074
Miscellaneous Revenue	<u>4,929,118</u>	<u>4,971,546</u>	<u>3,092,398</u>	<u>(873,552)</u>	<u>15,218,970</u>
Total Revenue	\$ 348,230,547	\$ 413,721,839	\$ 408,206,321	\$ 419,745,452	\$ 428,970,044
Expenses					
Personnel	\$ 1,812,924	\$ 2,214,305	\$ 1,726,115	\$ 1,764,539	\$ 2,105,593
Operating	2,555,380	3,369,425	2,944,219	3,300,120	3,528,477
Agent Commissions/Bonuses	24,540,286	32,552,961	28,716,175	29,659,180	28,496,173
Vendor Fees	12,089,089	14,387,522	14,267,997	14,803,625	14,573,284
Tri-State	2,790,611	2,965,164	2,811,058	3,096,782	3,600,769
Prizes	<u>236,974,559</u>	<u>285,332,840</u>	<u>283,088,234</u>	<u>292,234,274</u>	<u>288,638,851</u>
Total Expenses	<u>\$ 280,762,849</u>	<u>\$ 340,822,217</u>	<u>\$ 333,553,798</u>	<u>\$ 344,858,520</u>	<u>\$ 340,943,147</u>
Profit					
Total Profit	<u>\$ 67,467,698</u>	<u>\$ 72,899,622</u>	<u>\$ 74,652,523</u>	<u>\$ 74,886,932</u>	<u>\$ 88,026,897</u>
Profit Distribution					
General Fund Transfer	\$ 66,906,126	\$ 72,216,516	\$ 73,767,640	\$ 73,556,044	\$ 87,247,899
Heritage Transfer	\$ 561,572	\$ 684,226	\$ 888,431	\$ 1,330,889	\$ 778,998

Section 5. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(4): Expenditures made to promote lottery sales through marketing, advertising and recruitment of agents for the preceding calendar year (2024):

Total spending by category, 2024:

Television	\$1,192,369
Radio	\$507,726
Digital	\$197,703
POS/Collateral	\$36,867
Sales Promotion/Promotional Items	\$124,874
Sponsorships & Other	\$61,873

Includes net media and production costs

Section 6. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(6): For each radio station and television station identified pursuant to subparagraph (5), the format of advertising activity and amount of expenditures for the preceding calendar year (2024) associated with each station.

The format of Maine Lottery advertising on Television, OTT, CTV and OLV is a mix of 30-second spots and 15-second spots across all stations, according to campaign messaging. On radio, the Maine Lottery uses exclusively 30-second spots across all stations.

For Digital advertising, the Maine Lottery uses a variety of formats according to each digital buy. Typical formats include animated banners such as 728x90, 250x300, and 250x600. Rich media formats are sometimes used allowing the Maine Lottery to take advantage of the newest capabilities of the medium. These include expandable ads, video pre-roll, page take-overs, message scroll or other rich media formats.

POS (Point of Sale) is most often executed as 11x17 posters, 8.5 x 11 mini-posters, 8x10 counter cards, with occasional window clings, LIM frames and other formats.

Total expenditures by station (net media cost):

Television

Market	Station	Total 2024
Bangor	4396 SPECTRUM, Bangor, ME - Cable	\$7,700
Bangor	5704 SPECTRUM, Bangor, ME - Cable	\$1,211
Bangor	WABI-TV	\$77,435
Bangor	WFVX-TV	\$4,747
Bangor	WLBZ-TV	\$37,094
Bangor	WVII-TV	\$14,939
Portland	7646 SPECTRUM, Portland, ME - Cable	\$82,194
Portland	8448 NEW ENGLAND SPORTS NETWORK	\$81,473
Portland	WCSH-TV	\$95,515
Portland	WGME-TV	\$89,964
Portland	WMTW-TV	\$87,865
Portland	WPFO-TV	\$39,483
Portland	WPXT-TV	\$4,930
Presque Isle	2477 SPECTRUM, Presque Isle, ME - Cable	\$3,378
Presque Isle	WWPI-TV	\$14,561

Presque Isle	EAGM-TV	\$3,358
Presque Isle	WAGM-TV	\$67,647
		\$713,494.00

OTT/CTV

Market	Network	Total 2024
Statewide	MiQ	\$11,577
Statewide	Nexxen/Tremor	\$62,743
Statewide	Locality	8,571
		\$82,891.00

Radio

Market	Station	Total 2024
Augusta/Waterville	WABK-FM	\$6,026
Augusta/Waterville	WCTB-FM	\$4,756
Augusta/Waterville	WEBB-FM	\$9,707
Augusta/Waterville	WFMX-FM	\$10,047
Augusta/Waterville	WMME-FM	\$10,570
Augusta/Waterville	WTOS-FM	\$10,922
Bangor	WBFB-FM	\$7,178
Bangor	WBZN-FM	\$17,021
Bangor	WEZQ-FM	\$569
Bangor	WHOU-FM	\$8,201
Bangor	WKIT-FM	\$15,371
Bangor	WKSQ-FM	\$8,071
Bangor	WNSX-FM	\$7,326
Bangor	WQCB-FM	\$22,910
Bangor	WVOM-FM	\$8,577
Bangor	WWMJ-FM	\$10,199
Bangor	WSYY-FM	\$8,507
Calais	WCRQ-FM	\$9,305.80
Calais	WQDY-FM	\$9,010.10
Farmington	WKTJ-FM	\$12,678
Portland	WBLM-FM	\$27,064
Portland	WBXQ-FM	\$4,998
Portland	WCLZ-FM	\$9,129
Portland	WCYY-FM	\$10,005
Portland	WFNK-FM	\$23,086
Portland	WHOM-FM	\$17,310
Portland	WHTP-FM	\$5,011
Portland	WHXR-FM	\$7,331

Portland	WJBQ-FM	\$24,059
Portland	WJJB-FM	\$13,294
Portland	WMGX-FM	\$24,136
Portland	WPOR-FM	\$20,205
Portland	WTHT-FM	\$22,971
Portland	WYNZ-FM	\$9,250
Portland	WOXO-FM	\$7,731
Presque Isle	WBPW-FM	\$12,553
Presque Isle	WCXU-FM	\$11,621
Presque Isle	WOZI-FM	\$12,060
Presque Isle	WQHR-FM	\$12,206
		\$470,971.90

Digital

Market	Channel/Network	Total 2024
Statewide	AdTheorent	\$83,886
Statewide	Blis	\$32,983
Statewide	Katz Digital Group	\$27,537
Statewide	Undertone	\$17,845
Statewide	WMTW	\$35,452
		\$197,703.00

Section 7. 8 M.R.S. §372, sub-§2, ¶K, sub-¶(7): Any recommendations for changes to this chapter.

This report provides a concise yet thorough summary of key information relating to the Maine Lottery and its operations as well as oversight by the Commission throughout the preceding calendar year. There are no recommendations for changes currently.

Liquor Operations

Section 8. 28-A M.R.S. §84, sub-§7, ¶B, the information required by 28-A M.R.S. §83-B, sub-§11: A complete statement of expenses and revenues collected in accordance with the licensing and enforcement functions of the Bureau including a statement of the revenues collected under Chapter 65 for calendar year 2024.

Revenue Sources/Description	Total
0411 - Excise Tax Beer	\$ 7,960,878
0412 - Ex Tax Tbl Wine Me Prdts	118,653

0413 - Ex Tax Tbl Wine Out State	2,255,085
0414 - Ex Tax Sparkling Wines	585,998
0415 - Corporate Income Tax	11,928
0451 - Malt Premium	1,746,753
0452 - Table Wine Premium	2,391
0453 - Sparkling Wine Premium	76,189
0454 - Liquor Premium	4,002,924
0455 - Low Alcohol Spirits Tax	88,550
0460 - Fmb Excise Tax	1,352,415
0461 - Fmb Premium Tax	23,431
0462 - Fmb Mfg Tax	177,908
0490 - Past Due Income Tax	463,255
1101 - Class I	1,408,730
1102 - Class I P-T	250
1103 - Small Distillery	3,610
1104 - Distillery	1,000
1105 - Class A Restaurant/Lounge	663,390
1106 - Bed & Breakfast Liq Lic	29,205
1107 - Civic Organizations	11,880
1108 - Agency Liq. Store Full Time	63,000
1109 - Agency Liq.Store Resale	11,900
1110 - Class I-A	139,805
1113 - Small Brewery	8,950
1114 - Brewery	4,150
1115 - Class X	291,760
1116 - Auxiliary License	4,500
1117 - Winery	4,050
1120 - Class II	550
1121 - Dual Liquor License	4,790
1122 - Minibar License Hotel	600
1123 - Minibar License Other	490
1124 - Minibar Room Fee Hotel	1,200
1125 - Minibar Room Fee Other	400
1126 - Wine Direct Shipper License	13,200
1127 - Wine Direct Shipper Registration Fee	6,600
1128 - Direct Shipper Renewal	35,700
1129 - B.Y.O.B. - Function Permit	3,080
1130 - Bottle Club Registration	870
Revenue Sources/Description (continued)	Total
1131 - Spec Cater Off Prem S & V	8,960
1132 - Class III	112,040
1133 - Class III P-T	1,050
1138 - Class IV	120,310
1140 - Class V	18,810
1150 - Class VIII	472,360
1151 - Certf Of Approval-Spirit	136,500
1152 - Liq Fees-Golf Carts	6,000
1153 - Wholesaler Table Wine	12,000

1154 - Wholesale Wine Only Spec	1,800
1155 - Class VI	264,000
1156 - Class VI P-T	300
1157 - Class VI - 2 Mos Exten	1,200
1158 - Malt Liq Cert of Approval	185,400
1159 - Wine Cert of Approval	513,400
1161 - Wholesaler Malt Liquor	10,200
1162 - Wholesale Special	6,010
1163 - Class VI - 7 Mo License	600
1164 - Cert of Wine 120	15,600
1165 - Class VI-A P-T	2,000
1176 - Class VII	272,810
1178 - Class Vii 2 Mos Exten	200
1181 - Farmer's Market Permit	1,350
1182 - Self Sponsored Event Permit	11,200
1431 - Renl Occ/Pro Licenses 5	54,300
1475 - Manufacturers Lic/Permits	2,000
1960 - Certification Fee	9,560
2631 - Registration Fees	94,489
2632 - Filing Fees	93,064
2686 - Misc-Income	<u>2,960</u>
Total Revenue	\$ 24,010,490
Expenses	
Personnel	\$ 1,544,471
Operating Expenses	<u>743,648</u>
Total Expenses	<u>\$ 2,288,119</u>
Profit	
Total Profit	<u><u>21,722,371</u></u>

Section 9. 28-A M.R.S. §84, sub-§7, ¶C, the information required by 28-A M.R.S. §83-C, sub-§7: A complete statement of revenues from and expenses for the sale of spirits by the Bureau for calendar year 2024.

Revenue		Total
	Gross Sales ⁴	\$ 260,385,055
	Total Revenue	\$ 260,385,055
Expenses		
	Cost of Goods Sold	\$ 171,449,849
	Warehousing & Distribution Contract Costs	13,094,127
	Trade Marketing Contract Costs	5,002,265
	Operating Expenses ⁵	<u>3,433,690</u>
	Total Expenses	<u>\$ 192,979,930</u>
Operating Profit		
	Operating Profit	\$ 67,405,125
Adjustments		
	Outstanding Receivables	\$ (1,976,032)
	Other Adjustments ⁶	<u>-</u>
	Total Adjustments	<u>\$ (1,976,032)</u>
Profit		
	Transferred to MMBB and the General/Highway Funds	<u>\$ 69,381,157</u>

⁴ Gross sales include agency liquor store payments for products, depletion allowance payments from brokers for price reduction and suppliers' payments for bailment charges.

⁵ Operating expenses include Personal Services, All Other and marketing and advertising expenses.

⁶ Other adjustments include unusual revenues and expenses such as initial 50ml bottle size redemption costs, refunds and bad debt write-offs.

Section 10. 28-A M.R.S. §84, sub-§7, ¶D, the information required by 28-A M.R.S. §83-C, sub-§9: A report on expenditures and investments made by the Bureau, including, but not limited to, reductions in the retail price at which spirits are sold and incentives offered to agency liquor stores. Also included is the impact of those spending initiatives on the number of cases of spirits sold in the State and on sales of spirits generally.

During CY2024, the Bureau participated with spirits suppliers to reduce the retail price of products that are key to the overall success of Maine’s Spirits business.

Investments toward price reductions:

Bureau’s investments:	\$ 1,883,731
Suppliers’ investments:	<u>14,409,935</u>
Total investments:	<u>\$ 16,293,666</u>
Bureau’s percentage of total investments:	11.56%

Impact of investments on sales:

Total increase in case sales from investments ⁷ :	180,499
Net decrease in case sales for all products ⁸ :	(13,513)

Impact of investments on gross profit:

The Bureau’s investment on price reductions resulted in an increase gross profit to the State of \$ 1,744,473

Other expenditures by the Bureau to support Maine’s spirits business

Marketing and advertising expenses ⁹ :	\$ 2,031,203
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Section 11. 28-A M.R.S. §84, sub-§7, any recommendations for changes to this Title:

The Bureau recommends this annual report be submitted using fiscal year data rather than calendar year in keeping with other state accounting practices.

⁷ The increase in case sales here is only on products when investments were made to reduce prices by both the Bureau and spirits suppliers.

⁸ Net increases include both increases in case sales for products and decreases in case sales for products. This decrease is partly impacted by high case sales during the pandemic.

⁹ Marketing and advertising expenses that include but may not necessarily have a direct impact on price reduction promotions, are ad agency monthly fee, television production costs, television, radio, newspaper ad run costs and social media (Facebook, Instagram, Pinterest) content development and maintenance, mobile app development and maintenance and special taste testing events.