Executive Digest Summary

Michigan Compiled Laws (MCL) Section 436.1221 authorized the Liquor Control Commission, with the Department of Licensing and Regulatory Affairs, to maintain a revolving fund that is to be derived from the money deposited to the credit of the commission with the State treasurer. Under State monopoly, liquor is sold at wholesale through a State controlled, privately operated distribution system. The Liquor Purchase Revolving Fund accounts for the sales of and the replenishing and transportation of the liquor stock. Administrative, warehousing, and delivery costs are paid for through this fund. The "net income" of the fund is transferred to the General Fund in accordance with MCL Section 18.1435.

REVENUE/EXPENSE ITEM	FY 2011-12 (In millions)	FY 2010-11 (In millions)	% INCREASE (DECREASE)
Gross Sales	$1,032.2	$978.5	5.5
Licensee Discounts	175.5	166.4	5.5
Cost of Goods Sold	625.3	592.9	5.5
Gross Revenue - Liquor	231.4	219.2	5.6
Operating Expenses[1]	77.9	73.1	6.6
Miscellaneous Revenue	.1	.8	(87.5)
Income from Operations[2]	153.6	146.9	4.6
Specific Liquor Taxes	139.5	132.1	5.6
Other Revenue Collected	69.4	68.2	1.8
Total Net Revenue	362.5	347.2	4.4

NOTES:
(1) Operating Expenses do not include Liquor Purchase Revolving Fund transfers for grants. The transfers for grants of $773,900 for 2012 and $2,410,500 for 2011 are for Grants to Cities for Fire Protection. Licensing and Enforcement expenses attributable to General Fund are included in Operating Expenses.
(2) This figure does not include taxes or grants, and is computed after deducting all operating expenses including the General Fund portion of Licensing and Enforcement expenses. Operating Income in the Liquor Purchase Revolving Fund is $174.9 million.

OTHER MERCHANDISING STATISTICS	FY 2011-12	FY 2010-11	% INCREASE (DECREASE)
Number of Cases Sold	7,372,714	7,117,299	3.6
Average Price Per Case	$140.00	$137.48	1.8
Items Available (brands and sizes)	6,507	6,357	2.4
Number of Bottles Sold	118,209,064	114,149,452	3.6
Average Price Per Bottle	$8.73	$8.57	1.9

APPARENT CONSUMPTION STATISTICS	FY 2011-12		FY 2010-11	
	Gallons	Per Capita[3]	Gallons	Per Capita[3]
Distilled Spirits	16,638,572	1.68	16,279,869	1.65
Mixed Spirit Drinks	284,340	0.03	252,202	0.03
Wine (21% alcohol or less)	22,256,998	2.25	21,530,635	2.18
Beer	195,870,259	19.82	193,770,872	19.62

Note:
(3) Using estimated Michigan population as shown on page 8.