

Staff Report

From: Michelle Hayes

RE: December 2019 Liquor Operations Financial Statements

Please find attached the December 2019 financial statements.

Items highlighted in PURPLE on the P&L's are areas I am noting. Please note, per the request of the council, the bond payments were moved into the normal net income/loss section. The bond payments are a true cost of doing business and should be noted here for realistic numbers.

On Sale – Net loss of \$5,014.56. We still had issues with the POS system producing incorrect sales figures for the daily reports which resulted in us having an unusually high overage in cash that was offset by discounts. The daily reports aren't pulling the discounts resulting in incorrect figures for the day. This issue is ongoing, but corrected with a new POS that is in discussion and they should be handling it correctly on a daily level now. We had \$231.05 in the miscellaneous account this month for Christmas décor. Looking at sales versus 2018, we closed the year at just under \$40,000 more in sales versus 2018 which is a huge positive. This is about a 5% increase overall in sales! Last year we ended with a net loss of \$38,949.05 and this year it is \$26,398.95 which is an increase in net profit of \$12,550.10 for the year. The bond payment and interest on the bond continue to be the factor ultimately affecting this net loss figure. If we did not have the bond payment and interest, our net profit for the year would have been \$56,671.29 after the depreciation add back or \$24,338.50 with the depreciation expense taken into account.

Off Sale – Net income of \$30,802.13. A couple items to note, we had two returned checks in December. Also, in conjunction with slightly lower energy usage/cost for December, there were rebates on our December bill which cause a lower than average utility bill. Revenue was just above \$245,000 for the month. Sales are up about \$5,000 from December 2018 however, the COGS for December 2019 is about \$13,000 more than December 2018 so the Net Profit is lower compared to 2018. Looking at the year comparison versus 2018, sales were up about \$183,000.00 from 2018 which is about 7% overall. Please note that our net income for the year is still down from normal due to the payoff of the bond at the beginning of the year. If we had not paid off the bond and had continued with the normal bond payment per month, the net income for the year would have been \$282,315.29. That would be an increase of just over \$21k overall.

Net Income After Depreciation add back:

	<u>Month</u>	<u>Year-to-Date</u>
On Sale	(1,896.55)	(26,398.95)
Off Sale	30,802.13	152,315.29

**City of Stacy
Monthly P&L Summary
2019 Consolidated**

	Month						YTD
	July	August	September	October	November	December	
Sales							
On Sale							
Beer	19,647.53	23,760.86	17,601.70	20,084.17	18,407.74	20,345.49	243,493.01
Banquet	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liquor/Other Discounts	(27.28)	(32.50)	(39.66)	(45.50)	(37.00)	(51.75)	(3,483.66)
Food Discounts	(1,313.70)	(1,231.30)	(1,074.50)	(1,100.06)	(814.36)	(941.18)	(11,039.42)
Liquor	13,514.03	21,613.95	15,838.62	18,534.93	16,143.23	17,256.89	194,580.11
Wine	1,396.93	2,145.36	1,283.02	1,552.99	1,215.92	1,394.92	14,628.66
Cigarettes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Food	29,285.47	31,266.39	28,228.38	28,026.64	22,807.25	23,409.79	309,739.81
Miscellaneous	1,846.16	2,522.01	1,697.72	1,354.77	1,777.54	1,273.55	20,938.83
Total On Sale	64,349.14	80,044.77	63,535.28	68,407.94	59,500.32	62,687.71	768,857.34
Off Sale							
Beer	136,011.94	140,199.31	113,328.84	109,508.98	109,788.75	107,030.22	1,341,201.50
Liquor	77,576.54	78,016.15	70,112.85	70,817.46	83,705.07	92,635.54	879,508.14
Wine	19,634.56	22,400.39	20,238.23	24,098.09	27,642.32	34,486.56	279,430.28
Mix	7,946.51	7,794.95	6,078.10	5,121.35	5,391.47	6,202.86	68,136.92
Cigarette/Tobacco	4,864.58	4,572.21	4,684.49	4,856.49	4,873.60	4,326.63	52,861.59
Other	361.85	568.19	(222.38)	150.75	149.93	278.43	2,425.81
Total Off Sale	246,395.98	253,551.20	214,220.13	214,553.12	231,551.14	244,960.24	2,623,564.24
ATM Income	761.45	333.40	559.30	833.95	873.90	768.15	9,525.00
Pull Tab Income	1,750.00	1,750.00	1,395.90	1,750.00	1,750.00	1,750.00	20,619.80
Vending Income	630.95	636.95	554.24	400.42	578.82	25.44	6,187.58
Total All Sales	313,887.52	336,316.32	280,264.85	285,945.43	294,254.18	310,191.54	3,428,753.96
Cost of Goods Sold							
On Sale Liquor	1,687.29	2,674.44	1,746.41	2,900.87	1,643.99	2,446.44	22,922.44
On Sale Food	12,557.74	13,528.92	13,516.63	10,609.12	11,576.42	10,550.34	135,786.96
On Sale Wine	578.24	143.92	(912.59)	212.42	311.48	477.88	2,204.33
On Sale Beer	5,629.45	7,896.20	4,429.85	6,647.90	2,856.31	5,722.31	68,528.71
On Sale N/A	1,035.30	1,227.62	1,278.14	768.50	793.11	715.52	10,063.43
On Sale Delivery	93.77	76.23	82.84	115.99	25.86	98.82	1,254.03
Bar Supplies	642.83	728.16	403.32	416.13	145.09	908.40	6,547.39
Off Sale COGS	187,743.65	190,328.05	163,623.26	163,160.27	169,338.25	187,435.07	1,994,376.74
Off Sale Delivery	1,003.40	829.54	1,012.95	1,209.86	1,133.62	1,513.66	13,113.55
Total COGS	210,971.67	217,433.08	185,180.81	186,041.06	187,824.13	209,868.44	2,254,797.58
Gross Profit	102,915.85	118,883.24	95,084.04	99,904.37	106,430.05	100,323.10	1,173,956.38
Expenses							
Advertising	928.80	1,038.13	864.96	938.00	1,120.54	569.91	11,352.43
Cash Short/(Over)	(64.91)	(81.66)	(52.60)	(96.14)	(827.83)	(713.96)	(2,064.17)
Accounting/Auditing	1,500.00	4,450.00	1,500.00	1,500.00	2,100.00	2,100.00	16,383.34
Bad Debt	0.00	0.00	0.00	0.00	0.00	88.24	88.24
Communications	405.85	750.50	571.79	571.58	904.11	636.38	6,863.56
Computer Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	5,489.77	5,489.77	5,489.77	5,489.77	5,489.77	5,489.77	65,912.92
Dues & Subscriptions	386.26	115.25	1,248.93	151.32	151.32	151.32	3,630.40
Employee Wellness	15.02	0.00	0.00	0.00	60.75	0.00	(209.36)
Fees/Service Charges	5,148.32	4,933.14	5,241.66	4,665.59	4,539.41	4,603.99	53,313.82
Insurance	2,211.27	2,142.26	2,142.26	2,142.26	2,142.26	2,142.26	27,895.11
Licenses & Permits	812.16	812.16	798.37	818.37	1,563.37	798.38	11,487.54
Maintenance	359.86	838.91	1,508.61	860.53	580.56	720.22	15,407.75
Miscellaneous	0.00	0.00	0.00	57.98	0.00	231.05	2,568.27
Music & Bar Entertainment	200.00	2,562.31	700.00	400.00	400.00	650.00	9,237.31
Payroll Expenses	41,354.97	46,989.73	42,519.70	46,368.82	43,685.34	42,575.73	490,034.85
Employee Health/Life/Dental	1,074.74	1,777.46	824.42	824.42	1,107.73	949.13	13,384.49
Employee 457 Plan Benefit	732.24	707.50	807.04	757.27	757.27	757.27	10,391.62
Unemployment Benefits	0.00	4,911.94	0.00	0.00	771.09	0.00	10,751.65
Other Equipment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage & Delivery	0.00	0.00	55.00	0.00	0.00	55.00	218.95
Professional Services	596.98	2,319.59	633.35	617.42	1,642.68	128.85	11,152.18
Rent	681.58	1,282.89	928.55	282.42	1,363.16	1,002.07	10,965.13
Repairs	19.84	456.62	(7,482.11)	0.00	0.00	387.50	3,133.20
Sales Tax Expense	14.11	14.85	12.13	12.84	10.94	0.00	296.54
Shipping/Freight	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Supplies	3,897.02	5,846.97	4,479.14	3,691.65	1,485.12	3,449.79	38,718.71
Training/Education	0.00	0.00	40.00	0.00	0.00	0.00	1,899.00
Travel & Ent	0.00	0.00	0.00	0.00	0.00	0.00	766.03
Utilities	4,032.23	5,397.37	4,510.30	4,184.11	3,094.08	3,546.24	49,338.13
Total Expenses	69,796.11	92,755.69	67,341.27	74,238.21	72,141.67	70,319.14	862,917.64
Other Income	0.00						
Interest Income	(247.31)	(271.75)	(285.88)	(304.83)	(307.76)	(334.37)	(3,157.19)
Interest Expense	1,839.18	1,839.18	1,839.18	1,839.18	1,839.18	1,839.18	23,192.51
Prior Period Expense	0.00						
Bond Issuance Fee	0.00						
Bond Payment	5,083.33	5,083.33	5,083.34	5,083.34	5,083.34	5,083.34	231,000.00
Net Income	26,444.54	19,476.79	21,106.13	19,048.47	27,673.62	23,415.81	60,003.42
Add back Depreciation	5,489.77	5,489.77	5,489.77	5,489.77	5,489.77	5,489.77	65,912.92
Net After Depreciation Return	31,934.31	24,966.56	26,595.90	24,538.24	33,163.39	28,905.58	125,916.34

**6 month income
170,103.98**

**YTD Income
125,916.34**

**City of Stacy
Monthly P & L Summary
2019 On Sale**

	Month						YTD				
	July	August	September	October	November	December					
Sales											
On Sale											
Beer	19,647.53	23,760.86	17,601.70	20,084.17	18,407.74	20,345.49	243,493.01				
Banquet							0.00				
Liquor/Other Discounts	(27.28)	(32.50)	(39.66)	(45.50)	(37.00)	(51.75)	(3,483.66)				
Food discounts	(1,313.70)	(1,231.30)	(1,074.50)	(1,100.06)	(814.36)	(941.18)	(11,039.42)				
Liquor	13,514.03	21,613.95	15,838.62	18,534.93	16,143.23	17,256.89	194,580.11				
Wine	1,396.93	2,145.36	1,283.02	1,552.99	1,215.92	1,394.92	14,628.66				
Cigarettes							0.00				
Food	29,285.47	31,266.39	28,228.38	28,026.64	22,807.25	23,409.79	309,739.81				
Miscellaneous	1,846.16	2,522.01	1,697.72	1,354.77	1,777.54	1,273.55	20,938.83				
Total On Sale	64,349.14	80,044.77	63,535.28	68,407.94	59,500.32	62,687.71	768,857.34				
Off Sale											
Beer							0.00				
Liquor							0.00				
Wine							0.00				
Mix							0.00				
Cigarette/Tobacco							0.00				
Other							0.00				
Total Off Sale	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
ATM Income	688.75	310.05	491.15	763.60	817.65	718.95	8,763.90				
Pull Tab Income	1,750.00	1,750.00	1,395.90	1,750.00	1,750.00	1,750.00	20,619.80				
Vending Income	630.95	636.95	554.24	400.42	578.82	25.44	6,187.58				
Total All Sales	67,418.84	82,741.77	65,976.57	71,321.96	62,646.79	65,182.10	804,428.62				
Cost of Goods Sold									month avg	ytd avg	normal avg
On Sale Liquor	1,687.29	2,674.44	1,746.41	2,900.87	1,643.99	2,446.44	22,922.44	26%	24%	30%	
On Sale Food	12,557.74	13,528.92	13,516.63	10,609.12	11,576.42	10,550.34	135,786.96	41%	44%	40%	
On Sale Wine	578.24	143.92	(912.59)	212.42	311.48	477.88	2,204.33				
On Sale Beer	5,629.45	7,896.20	4,429.85	6,647.90	2,856.31	5,722.31	68,528.71				
On Sale N/A	1,035.30	1,227.62	1,278.14	768.50	793.11	715.52	10,063.43				
Delivery	93.77	76.23	82.84	115.99	25.86	98.82	1,254.03				
Bar Supplies	642.83	728.16	403.32	416.13	145.09	908.40	6,547.39				
Total COGS	22,224.62	26,275.49	20,544.60	21,670.93	17,352.26	20,919.71	247,307.29				
Gross Profit	45,194.22	56,466.28	45,431.97	49,651.03	45,294.53	44,262.39	557,121.33				
Expenses											
Advertising	373.80	583.13	464.96	538.00	427.94	169.91	5,751.64				
Cash Short/(Over)	(121.66)	(80.51)	8.08	(129.21)	(746.60)	(777.83)	(2,144.83)				
Accounting/Auditing	750.00	2,225.00	750.00	750.00	1,050.00	1,050.00	8,191.67				
Bad Debt							0.00				
Communications	246.96	535.60	357.08	357.24	689.16	416.78	4,648.77				
Computer Expense							0.00				
Depreciation	3,118.01	3,118.01	3,118.01	3,118.01	3,118.01	3,118.01	37,416.12				
Dues & Subscriptions	22.76		90.00	45.00	45.00	45.00	723.78				
Employee Wellness							(230.60)				
Fees/Service Charges	1,142.77	1,122.42	1,282.95	1,204.09	1,228.14	991.08	13,280.45				
Insurance	1,381.20	1,322.60	1,322.60	1,322.60	1,322.60	1,322.60	18,536.98				
Licenses & Permits	564.70	564.70	564.69	564.69	1,329.69	564.70	8,503.14				
Maintenance	319.86	639.28	1,508.61	860.53	540.56	680.22	14,079.99				
Miscellaneous				57.98		231.05	2,568.27				
Music & Bar Entertainment	200.00	2,562.31	700.00	400.00	400.00	650.00	9,237.31				
Payroll Expenses	25,623.59	29,560.06	28,994.10	30,524.49	29,186.22	27,100.24	309,838.58				
Employee Health/Dental/Life	556.98	983.24	30.20	30.20	575.23	521.82	6,553.09				
Employee 457 Plan Benefit			99.54	49.77	49.77	49.77	1,615.38				
Unemployment Benefits		4,911.94			771.09		10,751.65				
Other Equipment							0.00				
Postage & Delivery			55.00				110.00				
Professional Services	596.98	2,240.67	633.35	617.42	1,563.76	128.85	9,064.90				
Rent		601.31	246.97	282.42		320.49	2,836.83				
Repairs	19.84	207.62	2,112.89			387.50	11,023.92				
Sales Tax Expense	14.11	14.85	12.13	12.84	10.94		247.10				
Shipping/Freight							0.00				
Supplies	3,182.39	5,054.35	4,188.68	3,048.20	870.08	2,651.28	31,362.64				
Training/Education							793.25				
Travel & Ent							310.62				
Utilities	2,372.74	3,661.13	3,092.92	3,116.24	2,123.13	2,901.59	34,126.54				
Total Expenses	40,365.03	59,827.71	49,632.76	46,770.51	44,554.72	42,523.06	539,197.19				
Other Income								0.00			
Interest Income	(125.32)	(137.81)	(141.29)	(154.08)	(155.28)	(168.63)	(1,590.21)				
Interest Expense	1,839.18	1,839.18	1,839.18	1,839.18	1,839.18	1,839.18	22,329.42				
Bond Issuance Fee							0.00				
Bond Payment	5,083.33	5,083.33	5,083.34	5,083.34	5,083.34	5,083.34	55,916.67				
Net Income	(1,968.00)	(10,146.13)	(10,982.02)	(3,887.92)	(6,027.43)	(5,014.56)	(58,731.74)				
Add back Depreciation	3,118.01	3,118.01	3,118.01	3,118.01	3,118.01	3,118.01	37,416.12				
Net After Depreciation Return	1,150.01	(7,028.12)	(7,864.01)	(769.91)	(2,909.42)	(1,896.55)	(26,398.95)				

**6 month income
(19,318.00)**

**YTD Income
(26,398.95)**

**City of Stacy
Monthly P & L Summary
2019 Off Sale**

	Month						YTD
	July	August	September	October	November	December	
Sales							
On Sale							
Beer							0.00
Banquet							0.00
Liquor							0.00
Wine							0.00
Cigarettes							0.00
Food							0.00
Miscellaneous							0.00
Total On Sale	0.00						
Off Sale							
Beer	136,011.94	140,199.31	113,328.84	109,508.98	109,788.75	107,030.22	1,341,201.50
Liquor	77,576.54	78,016.15	70,112.85	70,817.46	83,705.07	92,635.54	879,508.14
Wine	19,634.56	22,400.39	20,238.23	24,098.09	27,642.32	34,486.56	279,430.28
Mix	7,946.51	7,794.95	6,078.10	5,121.35	5,391.47	6,202.86	68,136.92
Cigarette/Tobacco	4,864.58	4,572.21	4,684.49	4,856.49	4,873.60	4,326.63	52,861.59
Other	361.85	568.19	(222.38)	150.75	149.93	278.43	2,425.81
Total Off Sale	246,395.98	253,551.20	214,220.13	214,553.12	231,551.14	244,960.24	2,623,564.24
ATM Income	72.70	23.35	68.15	70.35	56.25	49.20	761.10
Pull Tab Income							0.00
Vending Income							0.00
Total All Sales	246,468.68	253,574.55	214,288.28	214,623.47	231,607.39	245,009.44	2,624,325.34

Cost of Goods Sold							current month	ytd avg	normal avg	
On Sale Liquor/Misc							0.00			
On Sale Food							0.00			
Off Sales COGS	187,743.65	190,328.05	163,623.26	163,160.27	169,338.25	187,435.07	1,994,376.74	77.1%	76.5%	77%
Off Sale Delivery	1,003.40	829.54	1,012.95	1,209.86	1,133.62	1,513.66	13,113.55			
Total COGS	188,747.05	191,157.59	164,636.21	164,370.13	170,471.87	188,948.73	2,007,490.29			

Gross Profit	57,721.63	62,416.96	49,652.07	50,253.34	61,135.52	56,060.71	616,835.05
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Expenses							
Advertising	555.00	455.00	400.00	400.00	692.60	400.00	5,600.79
Cash Short(Over)	56.75	(1.15)	(60.68)	33.07	(81.23)	63.87	80.66
Accounting/Auditing	750.00	2,225.00	750.00	750.00	1,050.00	1,050.00	8,191.67
Bad Debt						88.24	88.24
Communications	158.89	214.90	214.71	214.34	214.95	219.60	2,214.79
Computer Expense							0.00
Depreciation	2,371.76	2,371.76	2,371.76	2,371.76	2,371.76	2,371.76	28,496.80
Dues & Subscriptions	363.50	115.25	1,158.93	106.32	106.32	106.32	2,906.62
Employee Wellness	15.02				60.75		21.24
Fees/Service Charges	4,005.55	3,810.72	3,958.71	3,461.50	3,311.27	3,612.91	40,033.37
Insurance	830.07	819.66	819.66	819.66	819.66	819.66	9,358.13
Licenses & Permits	247.46	247.46	233.68	253.68	233.68	233.68	2,984.40
Maintenance	40.00	199.63			40.00	40.00	1,327.76
Miscellaneous							0.00
Music & Bar Entertainment							0.00
Payroll Expenses	15,731.38	17,429.67	13,525.60	15,844.33	14,499.12	15,475.49	180,196.27
Employee Health/Life/Dental	517.76	794.22	794.22	794.22	532.50	427.31	6,831.40
Employee 457 Plan Benefit	732.24	707.50	707.50	707.50	707.50	707.50	8,776.24
Unemployment Benefits							0.00
Other Equipment							0.00
Postage & Delivery						55.00	108.95
Professional Services		78.92			78.92		2,087.28
Rent	681.58	681.58	681.58		1,363.16	681.58	8,128.30
Repairs		249.00	(9,595.00)				(7,890.72)
Sales Tax Expense							49.44
Shipping/Freight							0.00
Operating/Office Supplies	714.63	792.62	290.46	643.45	615.04	798.51	7,356.07
Training/Education			40.00				1,105.75
Travel & Ent							455.41
Utilities	1,659.49	1,736.24	1,417.38	1,067.87	970.95	644.65	15,211.59
Total Expenses	29,431.08	32,927.98	17,708.51	27,467.70	27,586.95	27,796.08	323,720.45

Other Income							0.00
Interest Income	(121.99)	(133.94)	(144.59)	(150.75)	(152.48)	(165.74)	(1,566.98)
Interest Expense							863.09
Prior Period Expense							0.00
Bond Issuance Fee							0.00
Bond Payment	0.00	0.00	0.00	0.00	0.00	0.00	170,000.00
Net Income	28,412.54	29,622.92	32,088.15	22,936.39	33,701.05	28,430.37	123,818.49

Add back Depreciation	2,371.76	2,371.76	2,371.76	2,371.76	2,371.76	2,371.76	28,496.80
Net After Depreciation Return	30,784.30	31,994.68	34,459.91	25,308.15	36,072.81	30,802.13	152,315.29

**6 month income
189,421.98**

**YTD Income
152,315.29**