

Date: February 22, 2019

Staff Report

From: Michelle Hayes

RE: January 209 Liquor Operations Financial Statements

Please find attached the January 2019 financial statements.

Total consolidated net loss was \$182,557.03. Year to date loss is \$182,557.03.

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 true numbers.

Items highlighted in PURPLE on the P&L's are areas I am noting. This is new and will continue for both the on sale and off sale.

On Sale – Net loss of \$19,256.48. Revenue was just over \$60,000 for the month. Sales are just over \$1,600 more than January. Items noted include cash short of \$82.23. There was a day where the cash was short just over \$79.00 without any resolution. Also, there were repairs needed to some equipment in January resulting in high repairs. Finally, there were several Cintas invoices that were not submitted for payment over several months resulting in almost \$1000 more in operating supplies. Also, there were several inventory purchase invoices that came in from previous months for various inventory items that had not been submitted to the city for payment. They caused the cost of goods to be slightly higher than normal.

Off Sale – Net loss of \$168,808.16. This is due to the payoff of the liquor store bond of \$170,000.00. Without this, the profit would have been \$1,191.84. Revenue was just above \$172,000 for the month. Items noted for this month's expenses include the bond payoff of \$170,000.00. This is normally expensed in small increments monthly. There will be no more bond payments going forward. There was also \$1,500.00 in legal fees associated with the preparation of the bond payoff.

Net Income After Depreciation add back:

	<u>Month</u>	<u>Year-to-Date</u>
On Sale	(16,138.47)	(16,138.47)
Off Sale	(166,418.56)	(166,418.56)

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

	Month	
	January	YTD
Sales		
On Sale		
Beer	19,315.84	19,315.84
Banquet	0.00	0.00
Liquor/Other Discounts	(678.57)	(678.57)
Food Discounts	(611.50)	(611.50)
Liquor	14,882.35	14,882.35
Wine	970.69	970.69
Cigarettes	0.00	0.00
Food	22,477.55	22,477.55
Miscellaneous	1,291.77	1,291.77
Total On Sale	57,648.13	57,648.13
Off Sale		
Beer	80,910.00	80,910.00
Liquor	62,666.42	62,666.42
Wine	21,395.81	21,395.81
Mix	3,659.10	3,659.10
Cigarette/Tobacco	3,688.64	3,688.64
Other	127.17	127.17
Total Off Sale	172,447.14	172,447.14
ATM Income	864.85	864.85
Pull Tab Income	1,750.00	1,750.00
Vending Income	394.00	394.00
Total All Sales	233,104.12	233,104.12
Cost of Goods Sold		
On Sale Liquor	2,086.15	2,086.15
On Sale Food	13,086.91	13,086.91
On Sale Wine	332.70	332.70
On Sale Beer	6,468.73	6,468.73
On Sale N/A	1,286.88	1,286.88
On Sale Delivery	178.42	178.42
Bar Supplies	755.04	755.04
Off Sale COGS	139,513.37	139,513.37
Off Sale Delivery	970.21	970.21
Total COGS	164,678.41	164,678.41
Gross Profit	68,425.71	68,425.71
Expenses		
Advertising	1,302.00	1,302.00
Cash Short/(Over)	68.77	68.77
Accounting/Auditing	1,500.00	1,500.00
Bad Debt	0.00	0.00
Communications	523.66	523.66
Computer Expense	0.00	0.00
Depreciation	5,507.61	5,507.61
Dues & Subscriptions	225.00	225.00
Employee Wellness	136.12	136.12
Fees/Service Charges	4,389.78	4,389.78
Insurance	2,495.41	2,495.41
Licenses & Permits	793.47	793.47
Maintenance	1,284.83	1,284.83
Miscellaneous	0.00	0.00
Music & Bar Entertainment	0.00	0.00
Payroll Expenses	44,453.54	44,453.54
Employee Health/Life/Dental	719.30	719.30
Employee 457 Plan Benefit	1,187.75	1,187.75
Unemployment Benefits	0.00	0.00
Other Equipment	0.00	0.00
Postage & Delivery	0.00	0.00
Professional Services	2,222.07	2,222.07
Rent	724.33	724.33
Repairs	3,676.82	3,676.82
Sales Tax Expense	27.53	27.53
Shipping/Freight	0.00	0.00
Supplies	2,995.34	2,995.34
Training/Education	0.00	0.00
Travel & Ent	0.00	0.00
Utilities	4,522.23	4,522.23
Total Expenses	78,755.56	78,755.56
Other Income	0.00	0.00
Interest Income	(180.44)	(180.44)
Interest Expense	2,831.90	2,831.90
Prior Period Expense		0.00
Bond Issuance Fee	0.00	0.00
Bond Payment	175,083.33	175,083.33
Net Income	(188,064.64)	(188,064.64)
Add back Depreciation	5,507.61	5,507.61
Net After Bond Payment	(182,557.03)	(238,473.70)
	6 month income	(182,557.03)
	YTD Income	(182,557.03)

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

	Month				
	January	YTD			
Sales					
On Sale					
Beer	19,315.84	19,315.84			
Banquet		0.00			
Liquor/Other Discounts	(678.57)	(678.57)			
Food discounts	(611.50)	(611.50)			
Liquor	14,882.35	14,882.35			
Wine	970.69	970.69			
Cigarettes		0.00			
Food	22,477.55	22,477.55			
Miscellaneous	1,291.77	1,291.77			
Total On Sale	57,648.13	57,648.13			
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			
ATM Income	825.05	825.05			
Pull Tab Income	1,750.00	1,750.00			
Vending Income	394.00	394.00			
Total All Sales	60,617.18	60,617.18			
Cost of Goods Sold			month avg	ytd avg	normal avg
On Sale Liquor	2,086.15	2,086.15	31%	31%	30%
On Sale Food	13,086.91	13,086.91	56%	58%	40%
On Sale Wine	332.70	332.70			
On Sale Beer	6,468.73	6,468.73			
On Sale N/A	1,286.88	1,286.88			
Delivery	178.42	178.42			
Bar Supplies	755.04	755.04			
Total COGS	24,194.83	24,194.83			
Gross Profit	36,422.35	36,422.35			
Expenses					
Advertising	902.00	902.00			
Cash Short/(Over)	82.23	82.23			
Accounting/Auditing	750.00	750.00			
Bad Debt		0.00			
Communications	483.41	483.41			
Computer Expense		0.00			
Depreciation	3,118.01	3,118.01			
Dues & Subscriptions	66.67	66.67			
Employee Wellness		0.00			
Fees/Service Charges	1,061.72	1,061.72			
Insurance	1,757.12	1,757.12			
Licenses & Permits	546.01	546.01			
Maintenance	829.52	829.52			
Miscellaneous		0.00			
Music & Bar Entertainment		0.00			
Payroll Expenses	28,929.79	28,929.79			
Employee Health/Dental/Life	201.54	201.54			
Employee 457 Plan Benefit	455.51	455.51			
Unemployment Benefits		0.00			
Other Equipment		0.00			
Postage & Delivery		0.00			
Professional Services	707.07	707.07			
Rent	42.75	42.75			
Repairs	3,358.53	3,358.53			
Sales Tax Expense	4.91	4.91			
Shipping/Freight		0.00			
Supplies	2,479.65	2,479.65			
Training/Education		0.00			
Travel & Ent		0.00			
Utilities	2,941.38	2,941.38			
Total Expenses	48,717.82	48,717.82			
Other Income		0.00			
Interest Income	(91.13)	(91.13)			
Interest Expense	1,968.81	1,968.81			
Bond Issuance Fee		0.00			
Bond Payment	5,083.33	5,083.33			
Net Income	(19,256.48)	(19,256.48)			
Add back Depreciation	3,118.01	3,118.01			
Net After Bond Payment	(16,138.47)	(16,138.47)			

6 month income
(16,138.47)

YTD Income
(16,138.47)

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

	Month				
	January	YTD	current month	ytd avg	normal avg
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	0.00			
Off Sale					
Beer	80,910.00	80,910.00			
Liquor	62,666.42	62,666.42			
Wine	21,395.81	21,395.81			
Mix	3,659.10	3,659.10			
Cigarette/Tobacco	3,688.64	3,688.64			
Other	127.17	127.17			
Total Off Sale	172,447.14	172,447.14			
ATM Income	39.80	39.80			
Pull Tab Income		0.00			
Vending Income		0.00			
Total All Sales	172,486.94	172,486.94			
Cost of Goods Sold					
On Sale Liquor/Misc		0.00			
On Sale Food		0.00			
Off Sales COGS	139,513.37	139,513.37	81.5%	81.5%	77%
Off Sale Delivery	970.21	970.21			
Total COGS	140,483.58	140,483.58			
Gross Profit	32,003.36	32,003.36			
Expenses					
Advertising	400.00	400.00			
Cash Short/(Over)	(13.46)	(13.46)			
Accounting/Auditing	750.00	750.00			
Bad Debt		0.00			
Communications	40.25	40.25			
Computer Expense		0.00			
Depreciation	2,389.60	2,389.60			
Dues & Subscriptions	158.33	158.33			
Employee Wellness	136.12	136.12			
Fees/Service Charges	3,328.06	3,328.06			
Insurance	738.29	738.29			
Licenses & Permits	247.46	247.46			
Maintenance	455.31	455.31			
Miscellaneous		0.00			
Music & Bar Entertainment		0.00			
Payroll Expenses	15,523.75	15,523.75			
Employee Health/Life/Dental	517.76	517.76			
Employee 457 Plan Benefit	732.24	732.24			
Unemployment Benefits		0.00			
Other Equipment		0.00			
Postage & Delivery		0.00			
Professional Services	1,515.00	1,515.00			
Rent	681.58	681.58			
Repairs	318.29	318.29			
Sales Tax Expense	22.62	22.62			
Shipping/Freight		0.00			
Operating/Office Supplies	515.69	515.69			
Training/Education		0.00			
Travel & Ent		0.00			
Utilities	1,580.85	1,580.85			
Total Expenses	30,037.74	30,037.74			
Other Income		0.00			
Interest Income	(89.31)	(89.31)			
Interest Expense	863.09	863.09			
Prior Period Expense		0.00			
Bond Issuance Fee		0.00			
Bond Payment	170,000.00	170,000.00			
Net Income	(168,808.16)	(168,808.16)			
Add back Depreciation	2,389.60	2,389.60			
Net After Bond Payment	(166,418.56)	(166,418.56)			
			6 month income		
			(166,418.56)		
			YTD income		
			(166,418.56)		

CITY OF STACY

Balance Sheet

Current Period: January 2019

Account	Last Dim Descr	Begin Yr	MTD Debit	MTD Credit	YTD Debit	YTD Credit	Current Balance
FUND 622 ON & OFF SALE COMBINED							
!G 622-10100	Cash	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-10102	Cash - Liquor	\$564,217.56	\$413,031.26	\$594,965.60	\$413,031.26	\$594,965.60	\$382,283.22
!G 622-10103	Cash - Liquor - Imprest Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-10104	Cash - Liquor - ATM Account	\$27,949.84	\$40,007.23	\$45,000.00	\$40,007.23	\$45,000.00	\$22,957.07
!G 622-10105	ATM Holding Account - Liquor	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-10106	Liquor - Savings Account	\$150,220.42	\$0.00	\$0.00	\$0.00	\$0.00	\$150,220.42
!G 622-10113	Cash - Liquor - ATM Off Sale	\$3,141.13	\$1,840.15	\$0.00	\$1,840.15	\$0.00	\$4,981.28
!G 622-10200	Petty Cash	\$3,833.75	\$0.00	\$0.00	\$0.00	\$0.00	\$3,833.75
!G 622-10210	Cash On Hand	\$1,359.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,359.00
!G 622-10250	Transfer Account	\$41,377.31	\$45,000.00	\$40,980.00	\$45,000.00	\$40,980.00	\$45,397.31
!G 622-11500	Accounts Receivable	\$732.61	\$0.00	\$0.00	\$0.00	\$0.00	\$732.61
!G 622-11501	Accounts Receivable - House ch	\$2,551.83	\$12.69	\$0.00	\$12.69	\$0.00	\$2,564.52
!G 622-11800	Return Checks	\$224.06	\$0.00	\$0.00	\$0.00	\$0.00	\$224.06
!G 622-11900	Credit Cards Outstanding - Liq	\$22,882.27	\$172,478.46	\$182,408.56	\$172,478.46	\$182,408.56	\$12,952.17
!G 622-14100	Bar Supplies Inventory	\$711.89	\$507.97	\$755.04	\$507.97	\$755.04	\$464.82
!G 622-14101	Liquor Inventory	\$2,835.10	\$1,788.39	\$2,086.15	\$1,788.39	\$2,086.15	\$2,537.34
!G 622-14102	Beer Inventory	\$3,104.25	\$5,207.80	\$6,468.73	\$5,207.80	\$6,468.73	\$1,843.32
!G 622-14103	N/A Inventory	\$473.99	\$1,059.92	\$1,286.88	\$1,059.92	\$1,286.88	\$247.03
!G 622-14104	Wine Inventory	\$250.24	\$200.66	\$332.70	\$200.66	\$332.70	\$118.20
!G 622-14106	Misc. Clothing for Resale	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-14110	Inventory Assets - Off Sale	\$432,851.07	\$125,076.53	\$140,816.66	\$125,076.53	\$140,816.66	\$417,110.94
!G 622-14200	Inventory Assets - Food On sal	\$3,658.05	\$10,898.16	\$13,086.91	\$10,898.16	\$13,086.91	\$1,469.30
!G 622-15500	Prepaid Items	\$22,299.16	\$381.52	\$3,477.85	\$381.52	\$3,477.85	\$19,202.83
!G 622-16200	Fixed Asset-Buildings	\$2,118,293.06	\$0.00	\$0.00	\$0.00	\$0.00	\$2,118,293.06
!G 622-16205	Fixed Assets - Leasehold Impro	\$32,980.84	\$0.00	\$0.00	\$0.00	\$0.00	\$32,980.84
!G 622-16215	Accumulated Depreciation - Liq	-\$1,025,491.50	\$0.00	\$5,507.61	\$0.00	\$5,507.61	-\$1,030,999.11
!G 622-16400	Fixed Asset-Equip/Machinery	\$318,481.74	\$0.00	\$0.00	\$0.00	\$0.00	\$318,481.74
!G 622-16420	Fixed Asset-Office Equipment	\$1,852.29	\$0.00	\$0.00	\$0.00	\$0.00	\$1,852.29
!G 622-16460	Furniture & Fixtures	\$1,834.54	\$0.00	\$0.00	\$0.00	\$0.00	\$1,834.54
!G 622-17100	Bond Discount	\$22,821.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,821.00
!G 622-17200	Bond Issuance Costs	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-17500	Accum Amort - Discount	-\$20,348.07	\$0.00	\$190.17	\$0.00	\$190.17	-\$20,538.24
!G 622-17550	Accum Amort - Issuance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-19900	Deferred Outflows of Resources	\$125,925.00	\$0.00	\$0.00	\$0.00	\$0.00	\$125,925.00
!G 622-20200	Accounts Payable	\$1,548.26	\$145,805.34	\$145,805.34	\$145,805.34	\$145,805.34	\$1,548.26
!G 622-20400	Garnishments Payable	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-20803	Sales Tax Payable	-\$28,005.90	\$49,919.47	\$21,617.36	\$49,919.47	\$21,617.36	\$296.21
!G 622-20804	Loan Payable City of Stacy liq	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-21500	Accrued Interest Payable	-\$13,208.65	\$4,037.50	\$2,641.73	\$4,037.50	\$2,641.73	-\$11,812.88
!G 622-21600	Accrued Wages & Salaries Paya	-\$24,832.47	\$22,274.68	\$14,892.57	\$22,274.68	\$14,892.57	-\$17,450.36
!G 622-21601	Accrued Payroll	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-21700	Accrued Payroll Deductions Pay	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-21701	Federal Withholding	\$0.00	\$3,599.37	\$3,490.91	\$3,599.37	\$3,490.91	\$108.46
!G 622-21702	State Withholding	\$0.00	\$1,161.15	\$1,744.52	\$1,161.15	\$1,744.52	-\$583.37

CITY OF STACY

Balance Sheet

Current Period: January 2019

Account	Last Dim Descr	Begin Yr	MTD Debit	MTD Credit	YTD Debit	YTD Credit	Current Balance
!G 622-21703 FICA Tax Withholding		\$0.00	\$8,515.24	\$8,248.56	\$8,515.24	\$8,248.56	\$266.68
!G 622-21704 PERA		\$0.00	\$5,129.74	\$4,885.69	\$5,129.74	\$4,885.69	\$244.05
!G 622-21709 Medicare		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-21710 Other Deductions		-\$136.60	\$0.00	\$0.00	\$0.00	\$0.00	-\$136.60
!G 622-21711 AFLAC		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-21715 457 Retirement		\$0.00	\$1,187.75	\$1,187.75	\$1,187.75	\$1,187.75	\$0.00
!G 622-22004 Gift Certificates		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-22525 Current Amount		-\$99,500.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$99,500.00
!G 622-22530 Revenue Bonds Payable		-\$1,096,500.00	\$170,000.00	\$0.00	\$170,000.00	\$0.00	-\$926,500.00
!G 622-22535 Current Amount		\$99,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99,500.00
!G 622-24001 Deferred Inflows of Resources		-\$121,608.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$121,608.00
!G 622-24100 Fund Balance For Debt Service		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
!G 622-24500 Net Pension Liability		-\$293,661.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$293,661.00
!G 622-25300 Unreserved Fund Balance		-\$1,484,618.07	\$243,600.41	\$230,844.10	\$243,600.41	\$230,844.10	-\$1,471,861.76
!G 622-26000 Transfers to City of Stacy -Li		\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00
!G 622-26740 Retained Earnings - Liquor		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
FUND 622 ON & OFF SALE COMBINED		\$0.00	\$1,472,721.39	\$1,472,721.39	\$1,472,721.39	\$1,472,721.39	\$0.00
Grand Total		\$0.00	\$1,472,721.39	\$1,472,721.39	\$1,472,721.39	\$1,472,721.39	\$0.00