



## PUBLIC INFORMATION

ITEM NO. 1

**DATE OF MEETING:** June 22, 2015

**REQUESTED BY:** Don Hall, Chairman, Pender County ABC Board Chairman

**SHORT TITLE:** Quarterly Report on the Pender ABC System Involving Financial Information and Other Progress.

**BACKGROUND:** Mr. Hall has requested to come before the Board to provide an update on the activities of the liquor stores in Pender County. The update will include financial highlights, other progress, and future plans.

PENDER COUNTY  
BOARD OF ALCOHOLIC CONTROL

(A component unit of Pender County)

March 31, 2015

QUARTERLY FINANCIAL REPORT

PENDER COUNTY BOARD OF ALCOHOLIC CONTROL

Burgaw, North Carolina

March 31, 2015

MEMBERS OF THE BOARD

Don Hall, Chairman  
Rocky Point, NC

Henry A. Jordan, Jr., Vice Chairman  
Burgaw, NC

Elmer Hodges  
Hampstead, NC

George Grubbs  
Hampstead, NC

Susan Robbins  
Willard, NC

GENERAL MANAGER

Diane Chadwick

PENDER COUNTY BOARD OF ALCOHOLIC CONTROL

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## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Pender County  
Board of Alcoholic Control  
Burgaw, North Carolina

Members of the Board:

We have compiled the accompanying statements of net position, distributions payable and net position of the Pender County Board of Alcoholic Control as of March 31, 2015 and the related statement of income and expenses for the three months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statement.

The Board has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Board's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Murray, Blackburn & Rode, LLP*

Murray, Blackburn & Rode, LLP  
Certified Public Accountants

Wilmington, North Carolina  
April 21, 2015

PENDER COUNTY BOARD OF ALCOHOLIC CONTROL  
(A component unit of Pender County)  
STATEMENT OF NET POSITION  
March 31, 2015

ASSETS

Current Assets:

Change funds	\$	800.00
Checking accounts:		
First Citizens Bank & Trust Company		416,263.38
Bank of America		55,516.71
Certificate of deposit		
First Citizens Bank & Trust Company		58,487.86
Claims receivable - distillers		197.78
Inventory in retail outlets		378,616.96
Inventory in central warehouse		239,272.14
Unexpired insurance and bond premiums		<u>19,172.47</u>
Total Current Assets		<u>1,168,327.30</u>

Fixed Assets:

Land		6,500.00
Building and paving		30,459.96
Building addition		96,564.15
Roof replacement		29,694.90
Equipment		246,913.48
Vehicle		<u>20,621.95</u>
		430,754.44
Less: Accumulated depreciation		<u>353,736.97</u>
Net Fixed Assets		<u>77,017.47</u>

Total Assets	\$	<u><u>1,245,344.77</u></u>
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See Accountants' Report

## LIABILITIES

## Current Liabilities:

Accounts payable - distillers	\$	234,610.00
Accounts payable - miscellaneous		1,804.17
Accrued salaries		16,299.35
Accrued vacation pay		20,672.56
N. C. excise tax payable		87,139.00
Alcoholic rehabilitation tax payable		1,252.65
Mixed beverage surcharge (NCDR)		2,833.00
Mixed beverage surcharge (NCDHR)		283.31
Sales tax payable		10,843.28
Distributions payable		<u>53,241.47</u>
Total Current Liabilities		<u>428,978.79</u>

## NET POSITION

Invested in capital assets		77,017.47
Restricted for working capital		<u>739,348.51</u>
Total Net Position		<u>816,365.98</u>

Total Liabilities and Net Position	\$	<u>1,245,344.77</u>
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PENDER COUNTY BOARD OF ALCOHOLIC CONTROL  
(A component unit of Pender County)  
STATEMENT OF DISTRIBUTIONS PAYABLE AND NET POSITION  
March 31, 2015

Distribution Payable for Law Enforcement	
Balance, December 31, 2014	1,433.89
Add: Amount credited for quarter	1,345.65
Deduct: Distribution during quarter	<u>1,433.89</u>
	<u>1,345.65</u>
Distribution Payable for Rehabilitation and Education	
Balance, December 31, 2014	1,433.89
Add: Amount credited for quarter	1,345.65
Deduct: Distribution during quarter	<u>1,433.89</u>
	<u>1,345.65</u>
Distribution Payable for Mosquito Control	
Balance, December 31, 2014	1,433.89
Add: Amount credited for quarter	1,345.64
Deduct: Distribution during quarter	<u>1,433.89</u>
	<u>1,345.64</u>
Distribution Payable for General Fund of Pender County	
Balance, December 31, 2014	37,189.45
Add: Amount credited for quarter	31,982.95
Deduct: Distribution during quarter	<u>37,189.45</u>
	<u>31,982.95</u>
Distribution Payable for Municipality of Burgaw	
Balance, December 31, 2014	5,607.02
Add: Amount credited for quarter	4,822.04
Deduct: Distribution during quarter	<u>5,607.02</u>
	<u>4,822.04</u>
Distribution Payable for Municipality of Surf City	
Balance, December 31, 2014	8,410.53
Add: Amount credited for quarter	7,233.07
Deduct: Distribution during quarter	<u>8,410.53</u>
	<u>7,233.07</u>
Distribution Payable for Municipality of Atkinson	
Balance, December 31, 2014	1,443.10
Add: Amount credited for quarter	1,241.07
Deduct: Distribution during quarter	<u>1,443.10</u>
	<u>1,241.07</u>
Distribution Payable for Municipality of St. Helena	
Balance, December 31, 2014	1,874.72
Add: Amount credited for quarter	1,612.26
Deduct: Distribution during quarter	<u>1,874.72</u>
	<u>1,612.26</u>
Distribution Payable for Municipality of Topsail Beach	
Balance, December 31, 2014	1,773.92
Add: Amount credited for quarter	1,525.57
Deduct: Distribution during quarter	<u>1,773.92</u>
	<u>1,525.57</u>

See Accountants' Report

PENDER COUNTY BOARD OF ALCOHOLIC CONTROL  
(A component unit of Pender County)  
STATEMENT OF DISTRIBUTIONS PAYABLE AND NET POSITION  
March 31, 2015

## Distribution Payable for Municipality of Watha

Balance, December 31, 2014	915.78
Add: Amount credited for quarter	787.57
Deduct: Distribution during quarter	<u>915.78</u>
	<u>787.57</u>

TOTAL DISTRIBUTIONS PAYABLE \$ 53,241.47

## Net Position

Balance, December 31, 2014	\$ 811,081.48
Add: Amount credited for quarter	<u>5,284.50</u>

TOTAL NET POSITION \$ 816,365.98

PENDER COUNTY BOARD OF ALCOHOLIC CONTROL

(A component unit of Pender County)

Statement of Income and Expenses

Three Months Ended March 31, 2015

	TOTAL	ADMINISTRATIVE	BURGAW	SURF CITY
<u>REVENUES</u>				
Sales	\$ 1,097,493.22	\$ ---	\$ 205,477.82	\$ 257,393.29
Less: NC excise tax	240,772.00	---	45,560.00	57,222.00
Mixed beverage surcharge (NCDR)	6,850.00	---	---	---
Mixed beverage surcharge (NCDHR)	684.94	---	---	---
Rehabilitation tax	3,524.26	---	810.29	765.17
Net sales	845,662.02	---	159,107.53	199,406.12
<u>COST OF SALES</u>				
Beginning inventory, 12-31-14	345,587.15	---	76,867.52	78,614.60
Purchases	605,007.97	---	116,929.66	149,219.02
	950,595.12	---	193,797.18	227,833.62
Less: Inventory, 3-31-15	378,616.96	---	85,145.97	92,552.46
Cost of sales	571,978.16	---	108,651.21	135,281.16
GROSS PROFIT ON SALES	273,683.86	---	50,456.32	64,124.96
<u>EXPENSES</u>				
Salaries and wages	106,751.77	43,494.69	17,761.75	14,473.54
Payroll taxes	6,458.47	1,853.39	1,305.34	1,096.82
Retirement fund	7,666.42	3,644.70	1,222.05	989.84
Group hospital insurance	36,343.65	9,593.19	5,098.28	8,002.77
Rent	14,930.25	---	---	4,950.00
Depreciation	4,113.91	2,939.07	894.01	96.60
Repairs & maint. - bldg.	323.29	99.14	99.15	---
Repairs & maint. - eqpt.	---	---	---	---
Utilities	4,414.68	513.15	933.80	1,051.46
Telephone	5,585.66	2,363.29	556.13	986.83
Ins. & bond premium	4,931.49	4,931.49	---	---
Supplies	2,531.37	---	499.36	889.13
Travel	670.69	374.62	---	175.15
Licenses and other taxes	---	---	---	---
Office supplies & printing	3,657.46	3,657.46	---	---
Janitor service	---	---	---	---
Lawn maintenance	(741.81)	(741.81)	---	---
Penalties	---	---	---	---
Postage	199.01	199.01	---	---
Accounting & audit	2,200.00	2,200.00	---	---
Legal expense	900.00	900.00	---	---
Dues & subscriptions	---	---	---	---
Security	568.28	70.23	70.24	146.87
Vehicle expense	749.37	149.87	---	269.78
Bank card processing fees	12,965.69	---	2,034.00	3,396.16
Total expenses	215,219.65	76,241.49	30,474.11	36,524.95
Net Income (Loss) Before Allocation of General Expenses	58,464.21	(76,241.49)	19,982.21	27,600.01
Allocation of General Expenses	---	76,241.49	(15,332.16)	(19,205.23)
Net Income (Loss) from Operations	58,464.21	---	4,650.05	8,394.78
<u>OTHER INCOME</u>				
Interest earned	61.76	---	12.42	15.56
Miscellaneous	---	---	---	---
Total Other Income	61.76	---	12.42	15.56
NET INCOME (LOSS)	\$ 58,525.97	\$ ---	\$ 4,662.47	\$ 8,410.34

	HAMPSTEAD	ROCKY POINT	MIXED BEVERAGE
\$	409,993.78	\$ 148,939.52	\$ 75,688.81
	91,142.00	33,050.00	13,798.00
	---	---	6,850.00
	---	---	684.94
	1,225.49	549.81	173.50
	317,626.29	115,339.71	54,182.37
	112,160.86	77,944.17	---
	221,225.35	84,941.94	32,692.00
	333,386.21	162,886.11	32,692.00
	116,781.91	84,136.62	---
	216,604.30	78,749.49	32,692.00
	101,021.99	36,590.22	21,490.37
	18,744.87	12,276.92	---
	1,353.53	849.39	---
	1,027.38	782.45	---
	8,047.08	5,602.33	---
	6,080.25	3,900.00	---
	107.48	76.75	---
	125.00	---	---
	---	---	---
	775.47	1,140.80	---
	1,201.34	478.07	---
	---	---	---
	915.26	227.62	---
	107.37	13.55	---
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	140.47	140.47	---
	262.28	67.44	---
	5,774.03	1,761.50	---
	44,661.81	27,317.29	---
	56,360.18	9,272.93	21,490.37
	(30,588.09)	(11,116.01)	---
	25,772.09	(1,843.08)	21,490.37
	24.78	9.00	---
	---	---	---
	24.78	9.00	---
\$	25,796.87	\$ (1,834.08)	\$ 21,490.37

PENDER COUNTY BOARD OF ALCOHOL CONTROL

(A component unit of Pender County)

Statement of Income and Expenses

Nine Months Ended March 31, 2015

	TOTAL	ADMINISTRATIVE	BURGAW	SURF CITY
<u>REVENUES</u>				
Sales	\$ 4,075,514.41	\$ ---	\$ 649,419.31	\$ 1,275,550.76
Less: NC excise tax	893,000.00	---	143,998.00	283,676.00
Mixed beverage surcharge (NCDR)	28,276.00	---	---	---
Mixed beverage surcharge (NCDHR)	2,827.32	---	---	---
Rehabilitation tax	12,784.81	---	2,518.56	3,664.02
Net sales	3,138,626.28	---	502,902.75	988,210.74
<u>COST OF SALES</u>				
Beginning inventory, 6-30-14	319,023.06	---	72,627.05	82,423.94
Purchases	2,200,108.25	---	358,409.38	689,505.97
	2,519,131.31	---	431,036.43	771,929.91
Less: Inventory, 3-31-15	378,616.96	---	85,145.97	92,552.46
Cost of sales	2,140,514.35	---	345,890.46	679,377.45
GROSS PROFIT ON SALES	998,111.93	---	157,012.29	308,833.29
<u>EXPENSES</u>				
Salaries and wages	360,861.77	146,286.80	59,957.81	56,382.39
Payroll taxes	27,739.97	11,663.43	4,742.00	4,334.44
Retirement fund	20,958.21	7,322.91	4,385.74	3,516.68
Group hospital insurance	113,224.21	28,954.07	19,071.39	25,617.33
Rent	44,613.75	---	---	14,850.00
Depreciation	13,628.70	8,852.74	2,682.07	289.84
Repairs & maint. - bldg.	9,180.04	4,577.64	4,477.40	---
Repairs & maint. - eqpt.	14,888.56	5,346.79	1,841.49	3,190.17
Utilities	13,167.06	1,710.04	2,130.73	3,682.10
Telephone	17,035.09	7,149.08	1,645.75	3,095.81
Ins. & bond premium	16,547.38	14,835.38	---	1,712.00
Supplies	8,194.86	---	1,845.10	2,720.30
Travel	1,688.32	659.98	4.97	590.91
Licenses and other taxes	787.50	262.50	131.25	131.25
Office supplies & printing	9,507.57	9,507.57	---	---
Janitor service	1,380.00	---	276.00	196.00
Lawn maintenance	(101.81)	(741.81)	200.00	---
Penalties	---	---	---	---
Postage	689.01	689.01	---	---
Accounting & audit	11,200.00	11,200.00	---	---
Legal expense	2,700.00	2,700.00	---	---
Dues & subscriptions	1,220.00	1,220.00	---	---
Security	1,716.45	210.69	210.72	440.61
Vehicle expense	2,591.54	520.63	---	936.80
Bank Card Processing Fees	44,996.58	---	5,553.56	17,846.98
Total expenses	738,414.76	262,927.45	109,155.98	139,533.61
Net Income (Loss) Before Allocation of General Expenses	259,697.17	(262,927.45)	47,856.31	169,299.68
Allocation of General Expenses	(0.00)	262,927.45	(40,043.85)	(103,987.81)
Net Income (Loss) from Operations	259,697.17	---	7,812.46	65,311.87
<u>OTHER INCOME</u>				
Interest earned	201.25	---	35.02	66.80
Miscellaneous	---	---	---	---
Total Other Income	201.25	---	35.02	66.80
NET INCOME (LOSS)	\$ 259,898.42	\$ ---	\$ 7,847.48	\$ 65,378.67

	HAMPSTEAD	ROCKY POINT	MIXED BEVERAGE
\$	1,375,424.34	\$ 473,970.76	\$ 301,149.24
	305,741.00	105,176.00	54,409.00
	---	---	28276.00
	---	---	2,827.32
	4,140.53	1,737.95	723.75
	1,065,542.81	367,056.81	214,913.17
	94,435.67	69,536.40	---
	754,869.93	267,044.15	130,278.82
	849,305.60	336,580.55	130,278.82
	116,781.91	84,136.62	---
	732,523.69	252,443.93	130,278.82
	333,019.12	114,612.88	84,634.35
	58,128.66	40,106.11	---
	4,302.41	2,697.69	---
	3,200.24	2,532.64	---
	22,532.22	17,049.20	---
	18,063.75	11,700.00	---
	1,573.80	230.25	---
	125.00	---	---
	3,134.10	1,376.01	---
	2,554.15	3,090.04	---
	3,508.67	1,635.78	---
	---	---	---
	2,693.19	936.27	---
	324.01	108.45	---
	131.25	131.25	---
	---	---	---
	356.00	552.00	---
	440.00	---	---
	---	---	---
	---	---	---
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	---	---	---
	421.41	433.02	---
	911.44	222.67	---
	17,014.17	4,581.87	---
	139,414.47	87,383.25	---
	193,604.65	27,229.63	84,634.35
	(90,867.73)	(28,028.07)	---
	102,736.92	(798.44)	84,634.35
	73.87	25.56	---
	---	---	---
	73.87	25.56	---
\$	102,810.79	\$ (772.88)	\$ 84,634.35