

**MONTGOMERY ALCOHOLIC
BEVERAGE CONTROL BOARD**

**BASIC FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

June 30, 2020 and 2019

JBW

J. B. WATSON & Co., P.L.L.C.
Certified Public Accountants

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
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J. B. WATSON & CO., P.L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

120 SOUTH RUTHERFORD STREET

P. O. BOX 341

WADESBORO, N.C. 28170

JAMES F. HANNA, CPA
DENEAL H. BENNETT, CPA
J. DAVID BURNS, CPA

TELEPHONE (704) 694-5174
FACSIMILE (704) 694-6970

INDEPENDENT AUDITORS' REPORT

Board of Directors
Montgomery Alcoholic Beverage Control Board
Biscoe, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Montgomery Alcoholic Beverage Control Board which comprise the Statements of Fund Net Position as of June 30, 2020 and 2019, and the related Statements of Revenues, Expenses, and Changes in Fund Net Position and Cash Flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Montgomery Alcoholic Beverage Control Board as of June 30, 2020 and 2019, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (on pages i through iii) and the Local Governmental Employees' Retirement System's Schedules of the Proportionate Share of Net Pension Liability (Asset) and Contributions on pages 19 and 20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The Schedules of Store Expenses, Schedules of Administrative Expenses, Statements of Revenues, Expenses, and Changes in Net Position Before Distributions by Location, Schedules of Store Expenses by Location, Schedules of Administrative Expenses by Locations, Schedule of Distributions of Profits, and Schedule of Revenues and Expenditures - Budget and Actual are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Store Expenses, Schedules of Administrative Expenses, Statements of Revenues, Expenses, and Changes in Net Position Before Distributions by Location, Schedules of Store Expenses by Location, Schedules of Administrative Expenses by Location, Schedule of Distributions of Profits, and Schedule of Revenues and Expenditures - Budget and Actual are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

J. B. Watson + Co., P.L.L.C.

Wadesboro, North Carolina
September 9, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Montgomery Alcoholic Beverage Control Board's financial report represents our discussion and analysis of the financial performance of the Board for the years ended June 30, 2020 and 2019. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

Working capital increased \$22,349 from the prior year.

Change in net position before distributions amounted to \$86,538.

Distributions amounting to \$62,131 were made during the current year to law enforcement and the county and towns.

Overview of the Financial Statements

The audited financial statements of Montgomery Alcoholic Beverage Control Board consist of 4 components. They are as follows:

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Additional Information Required by the ABC Commission

The *Basic Financial Statements* are prepared using the full accrual basis of accounting. They consist of three statements. The first is the **Statements of Fund Net Position**. Assets and liabilities are classified between current and long-term. This statement provides a summary of the Board's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement.

The next statement is the **Statements of Revenues, Expenses, and Changes in Fund Net Position**. This statement is used in evaluating whether the Board has recovered all of its costs through sales. Its information is used in determining credit worthiness.

The final required statement is the **Statements of Cash Flows**. This statement reports cash inflows and outflows in the following categories: operating, investing, and financing activities. Based on this data, the user can determine the sources of cash, the uses of cash, and the change in cash.

The notes to the financial statements provide more detailed information and should be read in conjunction with the statements.

In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Montgomery Alcoholic Beverage Control Board's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 19 of this report.

The ABC Commission requires some schedules in addition to the information required by generally accepted accounting principles. They include **Schedules of Store Expenses, Schedules of Administrative Expenses, Statements of Revenues, Expenses, and Changes in Net Position before Distributions by Location, Schedules of Store Expenses by Location, Schedules of Administrative Expenses by Location, Schedule of Distributions of Profits, and Schedule of Revenues and Expenditures – Budget and Actual**.

Financial Analysis of Montgomery Alcoholic Beverage Control Board

Net position is an indicator of the fiscal health of the Board. Assets and deferred outflows exceeded liabilities and deferred inflows by \$379,708 in 2020, by \$355,301 in 2019, and by \$347,219 in 2018. The largest component of net position was the inventory of liquor. It was 72.99% of the total net position for 2020, 81.27% for 2019, and 85.14% for 2018. Following is a summary of the Statements of Fund Net Position:

MANAGEMENT'S DISCUSSION AND ANALYSIS

Table 1
Condensed Statements of Fund Net Position

	June 30, 2020	June 30, 2019	June 30, 2018	\$ Change This Yr Over Last Yr	% Change This Yr Over Last Yr
Current assets	\$ 535,173	\$ 472,361	\$ 459,298	\$ 62,812	13.30%
Capital assets	72,698	68,961	73,497	3,737	5.42%
Deferred outflows of resources	31,275	32,696	23,164	(1,421)	-4.35%
Total assets and deferred outflows of resources	639,146	574,018	555,959	65,128	11.35%
Current liabilities	220,659	184,856	185,018	35,803	19.37%
Noncurrent liabilities	38,779	33,687	23,069	5,092	15.12%
Deferred inflows of resources	-	174	653	(174)	-100.00%
Total liabilities and deferred inflows of resources	259,438	218,717	208,740	40,721	18.62%
Net investment in capital assets	72,698	68,961	73,497	3,737	5.42%
Restricted net position	60,028	54,044	49,562	5,984	11.07%
Unrestricted net position	246,982	232,296	224,160	14,686	6.32%
Total net position	379,708	355,301	347,217	24,407	6.87%

Total net position increased by 6.87% from 2020 compared to an increase of 2.33% between 2019 and 2018. Income from operations increased by 37.59% compared to an increase of 17.85% between 2019 and 2018. Following is a summary of the changes in net position:

Table 2
Condensed Statements of Revenues, Expenses, and Changes in Fund Net Position

	June 30, 2020	June 30, 2019	June 30, 2018	\$ Change This Yr Over Last Yr	% Change This Yr Over Last Yr
Operating revenues	\$ 2,023,139	\$ 1,823,180	\$ 1,672,531	\$ 199,959	10.97%
Less: Taxes on gross sales	462,421	418,063	383,933	44,358	10.61%
Net sales	1,560,718	1,405,117	1,288,598	155,601	11.07%
Cost of sales	1,061,837	953,500	873,509	108,337	11.36%
Gross profit	498,881	451,617	415,089	47,264	10.47%
Less: Operating expenses	412,694	388,975	361,937	23,719	6.10%
Income from operations	86,187	62,642	53,152	23,545	37.59%
Nonoperating revenues	351	391	342	(40)	-10.23%
Changes in net position before distributions	86,538	63,033	53,494	23,505	37.29%
Distributions	62,131	54,951	50,302	7,180	13.07%
Change in net position	24,407	8,082	3,192	16,325	201.99%
Net position, beginning	355,301	347,219	344,027	8,082	2.33%
Net position, ending	379,708	355,301	347,219	24,407	6.87%

MANAGEMENT'S DISCUSSION AND ANALYSIS

Sales increased \$199,959 or 10.97%. Operating expenses increased \$23,719 or 6.10%. Income from operations was \$86,187 for 2020, compared to income from operations of \$62,642 for 2019 and \$53,152 for 2018.

Following is a breakdown of sales by source:

	June 30, 2020	June 30, 2019	June 30, 2018	\$ Change This Yr Over Last Yr	% Change This Yr Over Last Yr
Retail Liquor Sales	\$ 1,892,111	\$ 1,682,235	\$ 1,532,285	\$ 209,876	12.48%
Mixed Beverage Sales	131,028	140,945	140,246	(9,917)	-7.04%
Total Sales	\$ 2,023,139	\$ 1,823,180	\$ 1,672,531	\$ 199,959	10.97%

The percentage of mixed beverage sales to the total was 6.48% for 2020 as compared to 7.73% for 2019 and 8.39% for 2018.

Capital Asset and Debt Administration

Capital Assets

**Table 3
Summary of Changes in Capital Assets**

	June 30, 2020	June 30, 2019	June 30, 2018	\$ Change This Yr Over Last Yr	% Change This Yr Over Last Yr
Land	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	0.00%
Building and improvements	192,296	182,621	182,621	9,675	5.30%
Furniture and equipment	142,798	139,379	136,153	3,419	2.45%
Total	\$ 355,094	\$ 342,000	\$ 338,774	\$ 13,094	3.83%

Debt Administration

Montgomery Alcoholic Beverage Control Board currently does not have any long-term debt.

Economic Factors

The Board and Staff have continued with maintenance and upgrade projects. Projects this year have included installing a new HVAC System and replacing a leaking water line at the Biscoe Store. Credit card terminals have been replaced at both stores. Staff has vigilantly monitored and focused on inventory control. The total combined missing-loss at year-end is \$205.43. With sales exceeding \$2 million the loss ratio is a minuscule .00010154%. The Board also partnered with the NC ABC Commission and hosted two Responsible Sales Training Program classes in fiscal year ended June 30, 2020 for Montgomery County and the surrounding area. We have reduced our hours from 9 am to 9 pm to 10 am to 6 pm during the COVID-19 pandemic. Fortunately, our employees have remained healthy and we have enjoyed continued increased sales and maintained our strict controlled sales policy without any violations in FY 2020.

Requests for Information

This report is intended to provide a summary of the financial condition of Montgomery Alcoholic Beverage Control Board. Questions or requests for additional information should be addressed to:

Lisa Wilson, Finance Officer
Montgomery Alcoholic Beverage Control Board
509 East Main Street
Biscoe, NC 27209

BASIC FINANCIAL STATEMENTS

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
STATEMENTS OF FUND NET POSITION
June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 253,378	\$ 183,601
Prepaid expenses	4,660	-
Inventory	<u>277,135</u>	<u>288,760</u>
TOTAL CURRENT ASSETS	<u>535,173</u>	<u>472,361</u>
CAPITAL ASSETS		
Land	20,000	20,000
Building and improvements	192,296	182,621
Furniture and equipment	<u>142,798</u>	<u>139,379</u>
	355,094	342,000
Accumulated depreciation	<u>(282,396)</u>	<u>(273,039)</u>
	<u>72,698</u>	<u>68,961</u>
TOTAL ASSETS	<u>607,871</u>	<u>541,322</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>31,275</u>	<u>32,696</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 639,146</u>	<u>\$ 574,018</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 159,728	\$ 131,105
Accrued distributions	<u>60,931</u>	<u>53,751</u>
TOTAL CURRENT LIABILITIES	220,659	184,856
NONCURRENT LIABILITIES		
Net pension liability	<u>38,779</u>	<u>33,687</u>
TOTAL LIABILITIES	<u>259,438</u>	<u>218,543</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>174</u>
NET POSITION		
Net investment in capital assets	72,698	68,961
Restricted for:		
Working capital	60,028	54,044
Unrestricted	<u>246,982</u>	<u>232,296</u>
TOTAL NET POSITION	<u>379,708</u>	<u>355,301</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>\$ 639,146</u>	<u>\$ 574,018</u>

The accompanying notes are an integral part of the financial statements.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
OPERATING REVENUES		
Liquor sales	\$ 1,892,111	\$ 1,682,235
Mixed beverage sales	<u>131,028</u>	<u>140,945</u>
TOTAL GROSS SALES	<u>2,023,139</u>	<u>1,823,180</u>
DEDUCT TAXES ON GROSS SALES		
State excise tax	443,526	398,362
Rehabilitation tax	7,047	6,575
Mixed beverage tax (Revenue)	10,771	11,933
Mixed beverage tax (Human Resources)	<u>1,077</u>	<u>1,193</u>
TOTAL TAXES	<u>462,421</u>	<u>418,063</u>
NET SALES	1,560,718	1,405,117
COST OF LIQUOR SALES	<u>1,061,837</u>	<u>953,500</u>
GROSS PROFIT ON SALES	<u>498,881</u>	<u>451,617</u>
OPERATING EXPENSES		
Store expenses	322,093	298,490
Administrative expenses	81,244	81,829
Depreciation expense	<u>9,357</u>	<u>8,656</u>
TOTAL OPERATING EXPENSES	<u>412,694</u>	<u>388,975</u>
INCOME FROM OPERATIONS	86,187	62,642
NONOPERATING REVENUES		
Interest income	<u>351</u>	<u>391</u>
CHANGE IN NET POSITION BEFORE DISTRIBUTIONS	86,538	63,033
Law enforcement and alcohol education distributions	<u>(3,340)</u>	<u>(1,900)</u>
CHANGE IN NET POSITION BEFORE PROFIT DISTRIBUTIONS	<u>83,198</u>	<u>61,133</u>
PROFIT DISTRIBUTIONS		
Towns - Law enforcement per enabling act	(5,879)	(5,305)
Towns	(29,396)	(26,526)
County	<u>(23,516)</u>	<u>(21,220)</u>
TOTAL PROFIT DISTRIBUTIONS	<u>(58,791)</u>	<u>(53,051)</u>
CHANGE IN NET POSITION	24,407	8,082
NET POSITION, BEGINNING	<u>355,301</u>	<u>347,219</u>
NET POSITION, ENDING	<u>\$ 379,708</u>	<u>\$ 355,301</u>

The accompanying notes are an integral part of the financial statements.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and 2019

Page 1 of 2

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 2,155,721	\$ 1,941,042
Liquor taxes paid	(457,491)	(415,514)
Cash payments to suppliers for goods and services	(1,067,720)	(981,726)
Cash payments to employees for services	(249,408)	(241,917)
Other operating expenses	(112,516)	(110,585)
Liquor sales taxes paid	<u>(131,115)</u>	<u>(117,351)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>137,471</u>	<u>73,949</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	<u>(13,094)</u>	<u>(4,120)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Law enforcement and alcohol education distributions	(1,900)	(1,200)
Profit distributions to County and Towns	<u>(53,051)</u>	<u>(49,102)</u>
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	<u>(54,951)</u>	<u>(50,302)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income	<u>351</u>	<u>391</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	69,777	19,918
CASH AND CASH EQUIVALENTS, BEGINNING	<u>183,601</u>	<u>163,683</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 253,378</u>	<u>\$ 183,601</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2020 and 2019

Page 2 of 2

	<u>2020</u>	<u>2019</u>
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Income from operations	\$ 86,187	\$ 62,642
Adjustments to reconcile income from operations to net cash provided by operating activities:		
Depreciation	9,357	8,656
Changes in assets and liabilities:		
Increase in prepaid expenses	(4,660)	-
Decrease in inventory	11,625	6,855
Increase in net pension liability	5,092	10,618
(Increase) decrease in deferred outflows of resources for pensions	1,421	(9,532)
Decrease in deferred inflows of resources for pensions	(174)	(479)
Increase (decrease) in accounts payable and accrued expenses	<u>28,623</u>	<u>(4,811)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 137,471</u>	<u>\$ 73,949</u>

The accompanying notes are an integral part of the financial statements.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Principles used in determining the scope of the entity for financial reporting

Montgomery ABC Board is a corporate body with powers outlined by G.S. 18B-701. The Town councils of Biscoe, Candor, Mt. Gilead, Star, and Troy appoint the ABC Board. The basic criteria of oversight responsibility was used to determine that the Towns do not exercise sufficient control to warrant inclusion of the ABC Board as part of the Towns' reporting entities.

Effective January 1, 2009, the Montgomery County Board of Commissioners appoints a board member in addition to the members appointed by the Town councils of Biscoe, Candor, Mount Gilead, Star, and Troy. This change to the ABC Board necessitated a change in the legal corporate name from Montgomery Municipal Alcoholic Beverage Control Board to Montgomery Alcoholic Beverage Control Board.

B. Organizational History

The Board was organized under the provisions of Senate Bill #170, Chapter 145 of the North Carolina legislature, General Assembly of 1969, March 31, 1969, and implemented by citywide elections in the Towns of Biscoe and Mount Gilead, North Carolina held May 6, 1969. The Town councils of Biscoe, Candor, Mount Gilead, Star, and Troy each appointed one member to serve on the Board.

The ABC Board, as provided by North Carolina Alcoholic Beverage Control laws, operates two retail liquor stores. North Carolina General Statute 18B-805(c)(2)(3) requires the ABC Board to expend at least 5% of profits for law enforcement and at least 7% of the same profits for alcohol education and rehabilitation purposes.

C. Basis of Presentation

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or the change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

D. Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. All sales are made by cash, check, debit or credit card and recorded at the time of sale. Other revenues

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

are recorded when earned. Expenses are recognized when incurred. The ABC Board distinguishes operating revenues and expenses from nonoperating items. Operating revenues include liquor, mixed beverage, and wine sales. Operating expenses include cost of sales, store expenses, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of net position date and reported amounts of revenue and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts, and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

F. Pensions

For purposes of measuring the net pension asset/liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The ABC Board's employer contributions are recognized when due and the ABC Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

G. Assets, Liabilities, and Net Position

Deposits

All deposits of the ABC Board are made in board-designated official depositories and are collateralized as required by State law [G.S.159-31]. The ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the ABC Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All the ABC Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the ABC Board's agent in the ABC Board's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the ABC Board, these deposits are considered to be held by the ABC Board's agent in the ABC Board's name. The amount of the pledged collateral is based on an approved averaging

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the ABC Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the ABC Board under the Pooling Method, the potential exists for undercollateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The ABC Board has no policy regarding custodial credit risk for deposits.

At June 30, 2020 and 2019, the ABC Board's deposits had a carrying amount of \$250,413 and \$180,636, respectively, and bank balances of \$249,745 and \$163,689, respectively. At June 30, 2020, all of the ABC Board's bank balances were covered by federal depository insurance. At June 30, 2020 and 2019, the ABC Board's petty cash fund totaled \$2,965.

Investments

State law [G.S. 159-30 (c)] authorizes the ABC Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC registered (2a-7) money market mutual fund. At June 30, 2020 and 2019, the ABC Board had no investments.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the ABC Board considers all highly liquid investments (including restricted assets, if any) with a maturity of three months or less when purchased to be cash equivalents.

Accounts Receivable

Montgomery ABC Board had no accounts receivable at June 30, 2020 and 2019.

Inventory

Inventory is valued at the lower of cost (FIFO) or market.

Capital Assets

Capital assets are stated at cost and are being depreciated over their estimated useful lives on a straight-line basis as follows:

	<u>Useful life of asset</u>
Building and improvements	20 yrs.
Furniture and equipment	5-10 yrs.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

Capital asset activity for the year ended June 30, 2020, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Capital assets not being depreciated:				
Land	\$ 20,000	\$ -	\$ -	\$ 20,000
Capital assets being depreciated:				
Building and improvements	182,621	9,675	-	192,296
Furniture and equipment	<u>139,379</u>	<u>3,419</u>	-	<u>142,798</u>
Total capital assets being depreciated	<u>322,000</u>	<u>13,094</u>	-	<u>335,094</u>
Less accumulated depreciation for:				
Building and improvements	147,830	3,528	-	151,358
Furniture and equipment	<u>125,209</u>	<u>5,829</u>	-	<u>131,038</u>
Total accumulated depreciation	<u>273,039</u>	<u>9,357</u>	-	<u>282,396</u>
Capital assets, net	<u>\$ 68,961</u>			<u>\$ 72,698</u>

When an asset is disposed of, the cost and the related accumulated depreciation of the asset are removed from the books. Any gain or loss on the disposition is reflected in the earnings for the period.

Depreciation expense for the years ended June 30, 2020 and 2019, was \$9,357 and \$8,656, respectively.

Net Position

Net position consists of the following:

- a. Net investment in capital assets - This component of net position consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at period end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as unspent proceeds.
- b. Restricted for working capital - North Carolina Alcoholic Beverage Control Commission Rule [.0902] defines working capital as the total of cash, investments, and inventory less all unsecured liabilities. An ABC Board shall set its working capital requirements at not less than two weeks' average gross sales of the last fiscal year or greater than: (1) four months of the latest fiscal year

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

for boards with gross sales less than \$1,500,000; (2) three months of the latest fiscal year for boards with gross sales greater than or equal to \$1,500,000 and less than \$50,000,000; and (3) two months of the latest fiscal year for boards with gross sales equal to or greater than \$50,000,000. Average gross sales means gross receipts from the sale of alcoholic beverages less distributions required by State law [G.S. 18B-805 (b) (2), (3), and (4)].

- c. Unrestricted net position - This component of net position consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Excess of Expenditures Over Appropriations

For the fiscal year ended June 30, 2020, profit distributions exceeded appropriations. Budget revisions were made throughout the year up to and including June 2020. The appropriation differences were due to much higher than projected sales and profits. The Board will continue to review, monitor, and estimate appropriations to insure compliance.

NOTE 3 – PENSION PLAN OBLIGATIONS

Local Governmental Employees' Retirement System

Plan Description: The ABC Board is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing, multiple-employer, defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G. S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided: LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
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beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Contributions: Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The ABC Board employees are required to contribute six percent of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The ABC Board's contractually required contribution rate for the year ended June 30, 2020, was 9.07% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. The ABC Board does not employ any law enforcement officers. The ABC Board's contributions to LGERS for the years ended June 30, 2020 and 2019, were \$13,099 and \$10,861, respectively.

Refunds of Contributions: Board employees who have terminated service as a contributing member of LGERS may file an application for a refund of their contributions. By State law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

At June 30, 2020, the ABC Board reported a liability of \$38,779 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019, utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2020, the Board's proportion was 0.00142%, which is the same as the proportion measured as of June 30, 2019.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

For the fiscal year ended June 30, 2020, the Board recognized pension expense of \$19,436. At June 30, 2020, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 6,640	\$ -
Changes of assumptions	6,320	-
Net difference between projected and actual earnings on pension plan investments	945	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	4,271	-
ABC Board's contributions subsequent to the measurement date	<u>13,099</u>	<u>-</u>
Total	<u>\$ 31,275</u>	<u>\$ -</u>

\$13,099 reported at June 30, 2020, as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2021	\$ 8,426
2022	3,343
2023	4,699
2024	1,708
2025	-
Thereafter	-

Actuarial Assumptions: The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
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The plan actuary currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* that vary by age, gender, employee group (i.e., general, law enforcement officer) and health status (i.e., disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2018, valuation were based on the results of an actuarial experience study as of December 31, 2014.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	<u>100.0%</u>	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
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Discount Rate: The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate: The following presents the Board’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Board’s proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease <u>(6.00%)</u>	Discount Rate <u>(7.00%)</u>	1% Increase <u>(8.00%)</u>
Board’s proportionate share of the net pension liability (asset)	\$ 88,695	\$ 38,779	\$ (2,711)

Pension Plan Fiduciary Net Position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

Death Benefits

Montgomery Alcoholic Beverage Control Board has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees’ Retirement System (Death Benefit Plan), a multiple employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee’s 12 highest months’ salary in a row during the 24 months prior to the employee’s death, but the benefit may not exceed \$50,000 or be less than \$25,000. Because all death benefit payments are made from the Death Benefit Plan and not by the ABC Board, the ABC Board does not determine the number of eligible participants. The Board has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll based upon rates established by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The Board considers these contributions to be immaterial.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

For the year ended June 30, 2020, Montgomery Alcoholic Beverage Control Board made contributions to the State for death benefits of \$173. The Board's required contributions for employees not engaged in law enforcement represented 0.12% of covered payroll. The Board does not employ any law enforcement officers.

NOTE 4 – COMMITMENTS

The ABC Board had no commitments at June 30, 2020, outside of the normal course of operations.

NOTE 5 – LONG TERM DEBT AND LEASES

The ABC Board had no leases or long-term debt as of June 30, 2020 and 2019.

NOTE 6 – RELATED PARTY TRANSACTIONS

The ABC Board had no significant transactions involving related parties.

NOTE 7 – SUBSEQUENT EVENTS

No events have occurred from June 30, 2020, until the date of this report that would have a significant effect on the ABC Board's financial statements.

NOTE 8 – VACATION AND SICK LEAVE COMPENSATION

ABC Board employees may accumulate up to twenty-five days of earned vacation and such leave is fully vested when earned. Accumulated earned vacation was \$3,000 and \$2,487 at June 30, 2020 and 2019, respectively.

Employees can accumulate up to eight weeks of sick leave. Sick leave does not vest and cannot be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

NOTE 9 – DISTRIBUTIONS OF INCOME

The Board has made distributions since its inception in 1969 as follows:

	<u>Current period</u>	<u>Total to date</u>
Montgomery County	\$ 23,516	\$ 894,229
Town of Biscoe	9,357	313,656
Town of Candor	3,172	117,720
Town of Mount Gilead	7,399	306,310
Town of Star	3,307	133,263
Town of Troy	<u>12,040</u>	<u>438,129</u>
	<u>\$ 58,791</u>	<u>\$2,203,307</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

S.L. 1969 – 145 requires the entire profit, after deducting amounts required for law enforcement and alcohol education and retaining proper working capital, be paid annually to the County and Towns.

NOTE 10 – LAW ENFORCEMENT AND ALCOHOL EDUCATION EXPENSES

The ABC Board is required by law to expend at least 5% of its profits for law enforcement and not less than 7% of its profits for alcohol education (alcohol education requirements follow local enabling act). Profits are defined by law for these calculations as change in net position before law enforcement and educational expenses, less the 3.5% markup provided for in G.S. 18B-804 (b) (5) and the bottle charge provided for in G.S. 18B-804 (b) (6b).

	<u>2020</u>	<u>2019</u>
Profit before distributions	\$ 86,538	\$ 63,033
Less 3.5% tax and bottle charge	<u>(58,791)</u>	<u>(53,051)</u>
Profit subject to expense percentages	<u>\$ 27,747</u>	<u>\$ 9,982</u>
Law enforcement distributions – remitted to Montgomery County	<u>\$ 1,390</u>	<u>\$ 1,200</u>
Percent of profit	<u>5.01%</u>	<u>12.02%</u>
Alcohol education distributions – remitted to Montgomery County	<u>\$ 1,950</u>	<u>\$ 700</u>
Percent of profit	<u>7.03%</u>	<u>7.01%</u>

NOTE 11 – DISBURSEMENT OF TAXES INCLUDED IN SELLING PRICE

A state excise tax, at the rate of 30%, on the retail (net sales) price is charged monthly on liquor sales (excluding wine sales). Transactions for this account for the years ended June 30, 2020 and 2019, are summarized as follows:

	<u>2020</u>	<u>2019</u>
Taxes payable at July 1,	\$ 34,876	\$ 32,517
Taxes collected during the year	443,526	398,362
Taxes remitted to Department of Revenue during the year	<u>(438,761)</u>	<u>(396,003)</u>
Taxes payable at June 30,	<u>\$ 39,641</u>	<u>\$ 34,876</u>

The excise tax is computed in accordance with G.S. 18B-805 (i).

The accrued North Carolina excise tax at June 30, 2020 and 2019 was remitted to the North Carolina Department of Revenue in July, 2020 and 2019, respectively.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

A bottle charge of one cent on each bottle containing 50 milliliters or less and five cents on each bottle containing more than 50 milliliters is collected and distributed monthly to the County commissioners for alcohol education and rehabilitation. Payments to the County for the years ended June 30, 2020 and 2019, were based on the following bottle sales:

	<u>2020</u>	<u>2019</u>
Regular bottles	120,628 @ \$.05 = \$ 6,031	111,446 @ \$.05 = \$ 5,572
Mixed beverage bottles	5,730 @ \$.05 = 287	6,364 @ \$.05 = 318
Miniature bottles	72,847 @ \$.01 = <u>729</u> <u>\$ 7,047</u>	68,517 @ \$.01 = <u>685</u> <u>\$ 6,575</u>

A “mixed beverage tax” at the rate of \$20 per 4 liters is charged on the sale of liquor to be resold as mixed beverages. One-half of the mixed beverage tax is submitted monthly to the Department of Revenue. Five percent of the mixed beverage tax is submitted monthly to the Department of Human Resources.

The mixed beverage tax for the years ended June 30, 2020 and 2019, was as follows:

	<u>2020</u>	<u>2019</u>
Department of Revenue (50%)	\$ 10,771	\$ 11,933
Department of Human Resources (5%)	1,077	1,193
Profit Retained (45%)	<u>9,694</u>	<u>10,740</u>
Total	<u>\$ 21,542</u>	<u>\$ 23,866</u>

NOTE 12 – SURCHARGE COLLECTED

The total amount of surcharge of \$13,840 and \$13,453 was collected for the years ended June 30, 2020 and 2019, respectively. The bailment surcharge rate was \$1.40 per case July 1 2018, through October 31, 2018, and decreased to \$1.15 per case November 1, 2018.

NOTE 13 – LIQUOR SALES TAX

The total amount of sales tax collected by the ABC Board and remitted to the Department of Revenue for the years ended June 30, 2020 and 2019, was \$132,582 and \$117,862, respectively. The current sales tax rate is 7%.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

NOTE 14 – RETAIL OUTLETS

The ABC Board operates two retail outlets:

Store #1 - 509 E. Main Street; Biscoe, NC 27209

	<u>2020</u>	<u>2019</u>
Gross Sales	\$ 1,546,816	\$ 1,373,862
Gross Profit	378,579	337,017
Change in Net Position Before Profit Distributions	82,755	63,820

Store #2 - 202 North Wadesboro Blvd; Mt. Gilead, NC 27306

	<u>2020</u>	<u>2019</u>
Gross Sales	\$ 476,323	\$ 449,318
Gross Profit	120,302	114,600
Change in Net Position Before Profit Distributions	443	(2,687)

NOTE 15 – WORKING CAPITAL

The ABC Board is required by the Alcoholic Beverage Control Commission rule [.0902] to set its working capital requirements at not less than two weeks' average gross sales and not more than three to four months' average gross sales of the last fiscal year. (Gross sales are gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805 (b), (2), (3), and (4).)

The ABC Board's position on this requirement at June 30, 2020 and 2019, was as follows:

	<u>2020</u>	<u>2019</u>
Minimum requirement	\$ 60,028	\$ 54,044
Maximum allowable	390,180	468,372
Actual working capital	309,854	287,505

Montgomery ABC Board has met the working capital requirements at June 30, 2020 and 2019.

NOTE 16 – RISK MANAGEMENT

The ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The ABC Board has commercial property, general liability, workmen's compensation, and employee health coverage. The Board also has liquor legal liability.

There have been no significant reductions in insurance coverage from coverage in the prior year, and settled claims have not exceeded coverage in any of the past three fiscal years.

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2020 and 2019

In accordance with G.S. 18B-700(i), each board member and the employees designated as the general manager and finance officer are bonded in the amount of \$50,000 secured by a corporate security.

REQUIRED SUPPLEMENTARY INFORMATION

**MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
 REQUIRED SUPPLEMENTARY INFORMATION
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)**

Last Seven Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
ABC Board's proportion of the net pension liability (asset) (%)	0.00142%	0.00142%	0.00151%	0.00154%	0.00149%	0.00141%	0.00150%
ABC Board's proportionate share of the net pension liability (asset) (\$)	\$ 38,779	\$ 33,687	\$ 23,069	\$ 32,684	\$ 6,687	\$ (8,315)	\$ 18,081
ABC Board's covered payroll	\$ 137,999	\$ 123,630	\$ 117,444	\$ 114,955	\$ 112,604	\$ 130,413	\$ 125,835
ABC Board's proportion of the net pension liability (asset) as a percentage of its covered payroll	28.10%	27.25%	19.64%	28.43%	5.94%	6.38%	14.37%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ended June 30.

** This will be the same percentage for all participant employers in the LGERS plan.

**MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
 REQUIRED SUPPLEMENTARY INFORMATION
 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM
 SCHEDULE OF CONTRIBUTIONS**

Last Seven Fiscal Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 13,099	\$ 10,861	\$ 9,421	\$ 8,679	\$ 7,874	\$ 7,961	\$ 9,220
Contributions in relation to the contractually required contribution	<u>13,099</u>	<u>10,861</u>	<u>9,421</u>	<u>8,679</u>	<u>7,874</u>	<u>7,961</u>	<u>9,220</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
ABC Board's covered payroll	\$ 144,420	\$ 137,999	\$ 123,630	\$ 117,444	\$ 114,955	\$ 112,604	\$ 130,413
Contributions as a percentage of covered payroll	9.07%	7.87%	7.62%	7.39%	6.85%	7.07%	7.07%

SUPPLEMENTARY INFORMATION

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULES OF STORE EXPENSES
Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Salaries	\$ 221,127	\$ 211,567
Payroll taxes	17,102	16,753
Pension expense	19,436	11,468
Electricity	9,972	10,384
Water	1,336	1,439
Miscellaneous	75	50
Repairs and maintenance	10,128	11,064
Computer maintenance	14,637	11,736
Bags	5,701	4,804
Unloading	2,855	2,495
Supplies	2,691	2,342
Credit card fees	<u>17,033</u>	<u>14,388</u>
	<u>\$ 322,093</u>	<u>\$ 298,490</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULES OF ADMINISTRATIVE EXPENSES
Years Ended June 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Telephone	\$ 4,313	\$ 4,201
Office supplies	1,481	3,225
Insurance and bonds	59,437	58,381
Travel	899	796
Board member fees	6,000	6,000
Accounting and legal fees	6,800	6,800
Dues and advertising	332	380
Bank charges	<u>1,982</u>	<u>2,046</u>
	<u>\$ 81,244</u>	<u>\$ 81,829</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BEFORE DISTRIBUTIONS BY LOCATION
Year Ended June 30, 2020

	<u>Biscoe</u>	<u>Mt. Gilead</u>	<u>Total</u>
OPERATING REVENUES			
Liquor sales	\$ 1,415,788	\$ 476,323	\$ 1,892,111
Mixed beverage sales	<u>131,028</u>	<u>-</u>	<u>131,028</u>
TOTAL GROSS SALES	<u>1,546,816</u>	<u>476,323</u>	<u>2,023,139</u>
DEDUCT TAXES ON GROSS SALES			
State excise tax	339,120	104,406	443,526
Rehabilitation tax	5,388	1,659	7,047
Mixed beverage tax (Revenue)	10,771	-	10,771
Mixed beverage tax (Human Resources)	<u>1,077</u>	<u>-</u>	<u>1,077</u>
TOTAL TAXES	<u>356,356</u>	<u>106,065</u>	<u>462,421</u>
NET SALES	1,190,460	370,258	1,560,718
COST OF LIQUOR SALES	<u>811,881</u>	<u>249,956</u>	<u>1,061,837</u>
GROSS PROFIT ON SALES	<u>378,579</u>	<u>120,302</u>	<u>498,881</u>
OPERATING EXPENSES			
Store expenses	231,846	90,247	322,093
Administrative expenses	56,380	24,864	81,244
Depreciation expense	<u>5,395</u>	<u>3,962</u>	<u>9,357</u>
TOTAL OPERATING EXPENSES	<u>293,621</u>	<u>119,073</u>	<u>412,694</u>
INCOME FROM OPERATIONS	84,958	1,229	86,187
NONOPERATING REVENUES			
Interest income	<u>351</u>	<u>-</u>	<u>351</u>
CHANGE IN NET POSITION BEFORE DISTRIBUTIONS	<u>\$ 85,309</u>	<u>\$ 1,229</u>	<u>\$ 86,538</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULES OF STORE EXPENSES BY LOCATION
Year Ended June 30, 2020

	<u>Biscoe</u>	<u>Mt. Gilead</u>	<u>Total</u>
Salaries	\$ 159,088	\$ 62,039	\$ 221,127
Payroll taxes	12,321	4,781	17,102
Pension expense	14,577	4,859	19,436
Electricity	6,214	3,758	9,972
Water	816	520	1,336
Miscellaneous	37	38	75
Repairs and maintenance	9,408	720	10,128
Computer maintenance	8,586	6,051	14,637
Bags	3,343	2,358	5,701
Unloading	2,030	825	2,855
Supplies	2,180	511	2,691
Credit card fees	<u>13,246</u>	<u>3,787</u>	<u>17,033</u>
	<u>\$ 231,846</u>	<u>\$ 90,247</u>	<u>\$ 322,093</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULES OF ADMINISTRATIVE EXPENSES BY LOCATION
Year Ended June 30, 2020

	<u>Biscoe</u>	<u>Mt. Gilead</u>	<u>Total</u>
Telephone	\$ 2,102	\$ 2,211	\$ 4,313
Office supplies	803	678	1,481
Insurance and bonds	43,776	15,661	59,437
Travel	554	345	899
Board member fees	4,588	1,412	6,000
Accounting and legal fees	3,400	3,400	6,800
Dues and advertising	166	166	332
Bank charges	991	991	1,982
	<u>\$ 56,380</u>	<u>\$ 24,864</u>	<u>\$ 81,244</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULE OF DISTRIBUTIONS OF PROFITS
Year Ended June 30, 2020

	<u>Amount</u>	<u>Date of</u> <u>Distribution</u>	<u>Restrictions</u>
DISTRIBUTIONS			
Law Enforcement			
Montgomery County	\$ 100	7/25/2019	Law Enforcement
Montgomery County	100	8/28/2019	Law Enforcement
Montgomery County	100	9/20/2019	Law Enforcement
Montgomery County	100	10/29/2019	Law Enforcement
Montgomery County	100	11/25/2019	Law Enforcement
Montgomery County	100	12/23/2019	Law Enforcement
Montgomery County	100	1/24/2020	Law Enforcement
Montgomery County	100	2/25/2020	Law Enforcement
Montgomery County	100	3/26/2020	Law Enforcement
Montgomery County	100	4/21/2020	Law Enforcement
Montgomery County	100	5/19/2020	Law Enforcement
Montgomery County	100	6/23/2020	Law Enforcement
	<u>1,200</u>		
Alcohol Education			
Montgomery County	<u>700</u>	7/30/2019	Alcohol Education
Profit			
Town of Biscoe	2,653	7/30/2019	Law Enforcement
Town of Mt. Gilead	2,653	7/30/2019	Law Enforcement
Town of Biscoe	5,790	7/30/2019	Unrestricted
Town of Candor	2,862	7/30/2019	Unrestricted
Town of Mt. Gilead	4,024	7/30/2019	Unrestricted
Town of Star	2,984	7/30/2019	Unrestricted
Town of Troy	10,865	7/30/2019	Unrestricted
Montgomery County	<u>21,220</u>	7/30/2019	Unrestricted
	<u>53,051</u>		
TOTAL DISTRIBUTIONS	\$ <u>54,951</u>		

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
REVENUES				
Operating revenues:				
Liquor sales	\$ 1,595,710	\$ 1,874,014	\$ 1,892,111	\$ 18,097
Mixed beverage sales	138,000	125,371	131,028	5,657
Total	<u>1,733,710</u>	<u>1,999,385</u>	<u>2,023,139</u>	<u>23,754</u>
Nonoperating revenues:				
Interest income	<u>200</u>	<u>340</u>	<u>351</u>	<u>11</u>
TOTAL REVENUES	<u>1,733,910</u>	<u>1,999,725</u>	<u>2,023,490</u>	<u>23,765</u>
EXPENDITURES AND DISTRIBUTIONS				
Taxes based on revenue:				
State excise tax	364,041	450,533	443,526	7,007
Rehabilitation tax	7,200	7,300	7,047	253
Mixed beverage tax (Revenue)	11,259	13,934	10,771	3,163
Mixed beverage tax (Human Resources)	1,500	1,200	1,077	123
Total	<u>384,000</u>	<u>472,967</u>	<u>462,421</u>	<u>10,546</u>
Cost of goods sold	<u>922,166</u>	<u>1,062,358</u>	<u>1,061,837</u>	<u>521</u>
Store expenses:				
Salaries and wages	229,214	228,395	220,614	7,781
Payroll related expenses	31,600	31,600	30,201	1,399
Utilities	14,100	14,100	11,308	2,792
Miscellaneous	1,000	600	75	525
Repairs and maintenance	25,000	24,800	24,765	35
Bags and store supplies	8,000	9,000	8,392	608
Unloading	3,500	3,500	2,855	645
Credit card fees	15,725	18,020	17,033	987
Total	<u>328,139</u>	<u>330,015</u>	<u>315,243</u>	<u>14,772</u>
Administrative expenses:				
Telephone	4,700	4,700	4,313	387
Office supplies	2,500	2,500	1,481	1,019
Insurance and bonds	67,030	65,330	59,437	5,893
Accounting and legal fees	7,300	7,300	6,800	500
Bank charges	2,775	3,180	1,982	1,198
Board member fees	6,000	6,000	6,000	-
Travel	1,300	1,100	899	201
Dues, conventions, subscriptions	1,000	1,000	332	668
Total	<u>92,605</u>	<u>91,110</u>	<u>81,244</u>	<u>9,866</u>

MONTGOMERY ALCOHOLIC BEVERAGE CONTROL BOARD
SCHEDULE OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Positive (Negative)
Capital outlay	-	13,100	13,094	6
Distributions:				
Profit distribution - County and Towns	5,800	26,775	58,791	(32,016)
Law enforcement and alcohol education	1,200	3,400	3,340	60
Total	<u>7,000</u>	<u>30,175</u>	<u>62,131</u>	<u>(31,956)</u>
TOTAL EXPENDITURES AND DISTRIBUTIONS	<u>1,733,910</u>	<u>1,999,725</u>	<u>1,995,970</u>	<u>3,755</u>
REVENUES OVER EXPENDITURES AND DISTRIBUTIONS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27,520</u>	<u>\$ 27,520</u>

**RECONCILIATION FROM BUDGETARY
BASIS (MODIFIED ACCRUAL) TO
FULL ACCRUAL:**

Revenues over expenditures and distributions - Budgetary basis	\$ 27,520
Reconciling items:	
Depreciation	(9,357)
Capital outlay	13,094
Deferred outflows of resources for contributions made to pension plan in current year	13,099
Pension expense	(19,436)
Increase in accrued vacation pay	<u>(513)</u>
CHANGE IN NET POSITION	<u>\$ 24,407</u>

J. B. WATSON & CO., P.L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

120 SOUTH RUTHERFORD STREET

P. O. BOX 341

WADESBORO, N.C. 28170

JAMES F. HANNA, CPA
DENEAL H. BENNETT, CPA
J. DAVID BURNS, CPA

TELEPHONE (704) 694-5174
FACSIMILE (704) 694-6970

To the Board of Directors
Montgomery Alcoholic Beverage Control Board
Biscoe, North Carolina

In planning and performing our audit of the basic financial statements of Montgomery Alcoholic Beverage Control Board as of and for the year ended June 30, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Montgomery Alcoholic Beverage Control Board's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Montgomery Alcoholic Beverage Control Board's internal control. Accordingly, we do not express an opinion on the effectiveness of Montgomery Alcoholic Beverage Control Board's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. As discussed below, however, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness.

The ABC Board currently has a lack of segregation of duties. The small number of personnel limits the degree of possible segregation of duties. Certain steps, however, can be taken to separate incompatible duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or to all phases of a transaction. Where duties cannot be segregated, we recommend increased involvement and oversight by the Board of Directors.

This communication is intended solely for the information and use of the Board of Directors of Montgomery Alcoholic Beverage Control Board, management, and others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.

J. B. Watson & Co., P.L.L.C.

September 9, 2020

J. B. WATSON & CO., P.L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

120 SOUTH RUTHERFORD STREET

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JAMES F. HANNA, CPA
DENEAL H. BENNETT, CPA
J. DAVID BURNS, CPA

TELEPHONE (704) 694-5174
FACSIMILE (704) 694-6970

September 9, 2020

To the Board of Directors
Montgomery Alcoholic Beverage Control Board
Biscoe, North Carolina

We have audited the financial statements of Montgomery Alcoholic Beverage Control Board for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter dated January 27, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Montgomery Alcoholic Beverage Control Board are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2020. We noted no transactions entered into by the Board during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management's estimate of the depreciation expense and accumulated depreciation of capital assets. We evaluated the key factors and assumptions used to develop the depreciation expense and accumulated depreciation in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimates for net pension liability and the related deferred inflows and outflows of resources are based on an actuarial valuation as of December 31, 2018. The total pension liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements, if any. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. Our audit adjustments included adjusting inventory to actual at year end and accruing the net pension liability and related deferred inflows and outflows of resources.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 9, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Montgomery Alcoholic Beverage Control Board's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Board's auditors. These discussions, however, occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to Management's Discussion and Analysis and the Local Governmental Employees' Retirement System's Schedules of Proportionate Share of Net Pension Liability (Asset) and Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Schedules of Store Expenses, Schedules of Administrative Expenses, Statements of Revenues, Expenses, and Changes in Net Position before Distributions by Location, Schedules of Store Expenses by Location, Schedules of Administrative Expenses by Location, Schedule of Distributions of Profits, and budgetary schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and the management of Montgomery Alcoholic Beverage Control Board and is not intended to be, and should not be, used by anyone other than these specified parties.

Respectfully submitted,

J. B. Watson + Co., P.L.L.C.

J.B. Watson & Co., P.L.L.C

MONTHLY REPORTS

MONTHLY REVENUE & INVENTORY

MONTGOMERY ABC BOARD

P.O. Box 279
Biscoe, NC 27209

(910) 428-2231

MONTH/YEAR	AUG 2020	SEPT 2020
FIDELITY BANK (CHECKING)	\$ 108,410.76	\$ 129,873.25
FIRST BANK (CREDIT CARDS)	<u>\$ 91,048.82</u>	<u>\$ 84,347.82</u>
TOTAL	\$ 199,459.58	\$ 214,221.07
TRUCK LOAD	\$ 120,570.30	\$ 86,179.88
TRUCK DELIVERY DATE	08/07/20	09/15/20
	08/18/20	
	08/31/20	
INVENTORY	\$ 308,060.53	\$ 291,136.57
INVENTORY SAME PERIOD LAST YEAR	\$ 301,805.82	\$ 313,266.63
BISCOE SALES	\$ 118,414.00	\$ 133,791.35
MT. GILEAD SALES	<u>\$ 44,036.20</u>	<u>\$ 46,103.10</u>
TOTAL	<u>\$ 162,450.20</u>	<u>\$ 179,894.45</u>
MXB SALES	+ <u>\$ 19,395.80</u>	<u>\$ 19,683.40</u>
GRAND TOTAL MONTHLY SALES	\$ 181,846.00	\$ 199,757.85

YTD TOTAL SALES	\$ 566,764.55	(JUL-SEPT 2020)
YTD BUDGETED GOAL	- <u>\$ 468,882.00</u>	(\$156,294.00 MONTHLY GOAL)
DIFFERENCE	\$ 97,882.55	SURPLUS SALES

MONTGOMERY ABC
FY 2020 MONTHLY EXPENSE REPORT
CUMALITIVE THROUGH
09/30/20

OPERATING EXPENSES:	BUDGET	SPENT	REMAINING BALANCE	%
Cost of Sales - Liquor	\$ 998,807.00	\$ 309,278.92	\$ 689,528.08	69%
Excise Tax & NC MXB	\$ 427,300.00	\$ 128,197.00	\$ 299,103.00	70%
MXB HR Tax	\$ 1,600.00	\$ 449.32	\$ 1,150.68	72%
Rehab & Education Tax	\$ 7,314.00	\$ 1,813.05	\$ 5,500.95	75%
Salaries and Wages	\$ 223,000.00	\$ 51,561.40	\$ 171,438.60	77%
Payroll Taxes	\$ 18,600.00	\$ 3,902.65	\$ 14,697.35	79%
Retirement	\$ 14,100.00	\$ 3,471.29	\$ 10,628.71	75%
Group Health Insurance	\$ 57,650.00	\$ 13,977.60	\$ 43,672.40	76%
Insurance and Bonds	\$ 13,500.00	\$ -	\$ 13,500.00	100%
Legal & Audit	\$ 8,000.00	\$ -	\$ 8,000.00	100%
Board Member Mtg Fees	\$ 7,400.00	\$ -	\$ 7,400.00	100%
Travel	\$ 1,400.00	\$ 390.34	\$ 1,009.66	72%
Building-Grounds Maintenance	\$ 15,000.00	\$ 1,388.31	\$ 13,611.69	91%
Computers & License Fees	\$ 15,000.00	\$ 7,930.09	\$ 7,069.91	47%
Dues, Subscriptions, Advertising	\$ 1,000.00	\$ 418.59	\$ 581.41	58%
Utilities	\$ 19,800.00	\$ 3,988.71	\$ 15,811.29	80%
Office Supplies	\$ 2,850.00	\$ 329.32	\$ 2,520.68	88%
Store Supplies, Bags	\$ 8,500.00	\$ 1,789.86	\$ 6,710.14	79%
Unloading	\$ 3,500.00	\$ 950.00	\$ 2,550.00	73%
Bank & Process Charges	\$ 21,000.00	\$ 5,158.51	\$ 15,841.49	75%
Law Enforcement Contract	\$ 1,200.00	\$ 300.00	\$ 900.00	75%
Profit Distributions	\$ 7,000.00	\$ -	\$ 7,000.00	100%
Contingency	\$ 2,000.00	\$ -	\$ 2,000.00	100%
TOTAL OPERATING EXPENSES	\$ 1,875,521.00	\$ 535,294.96	\$ 1,340,226.04	71%

LBD Group Sales Summary

Begin Date: 9/1/2020 End Date: 9/30/2020

Outlet Code	Name	.750 L FIFTH	Retail	LBD Tax	Total	Surcharge
00101533MB	TILLERY TRADITION	50	\$1134.90	\$187.50	\$1322.40	\$4.79
00171238MB	COACHES	25	\$416.65	\$93.75	\$510.40	\$2.40
00178741MB	OLD NORTH STATE	45	\$895.35	\$168.75	\$1064.10	\$4.50
00238302MB	SWEET TEE	38	\$473.60	\$142.50	\$616.10	\$3.64
00248643MB	RIVER WILD	288	\$6692.60	\$1080.00	\$7772.60	\$28.45
00277754MB	SCALLYWAGS BAR AND GRILL LLC	290	\$4636.30	\$1087.50	\$5723.80	\$27.78
00290867MB	CHEERS LAKESIDE BAR & GRILL	146	\$2306.50	\$547.50	\$2854.00	\$14.08
Location Totals:		882	\$16555.90	\$3307.50	\$19863.40	\$85.65
Grand Total		882	\$16555.90	\$3307.50	\$19863.40	\$85.65

MONTGOMERY ABC BOARD

MINUTES

September 16, 2020

BOARD MEMBERS

Jackie Morris, Chairman	Troy	Ben Haithcock	Mt. Gilead
Gene Anderson	Biscoe	Wayne Wooten	Montgomery
Jim McLeod	Candor	Mary O'Brien	Star

STAFF PRESENT

Phillip Richardson	General Manager	Lisa Wilson	Finance Officer
--------------------	-----------------	-------------	-----------------

Chairman Morris inquired if anyone from the general public had joined the meeting. No one responded. Morris welcomed the members and called the meeting to order. Richardson began with the reading of the following as required by the State of North Carolina and the NC ABC Commission:

In accordance with General Statute 18B-201, it is the duty of every Board Member to avoid both conflicts of interest and the appearance of conflicts. Does any member have any known conflict of interest or appearance of conflict with respect to any matter coming before the Board today? If so, please identify the conflict or appearance of conflict and refrain from any undue participation in the particular matter involved.

No conflicts or appearance of conflicts were noted.

MINUTES

The previously mailed August 2020 Minutes were unanimously approved upon a motion by Jim McLeod; seconded by Gene Anderson.

MONTHLY REPORTS

The financial and sales reports for the month were reviewed. Richardson noted August sales were up 12.53% over the same period of 2019. Jim McLeod requested the monthly sales goal (\$156,294) be included on the monthly financial report. Richardson noted three truck loads were ordered last month to fill product shortages. There was discussion regarding product availability, allocated products and the statewide shortages. Richardson confirmed the same problems were being experienced by other Boards. There was also discussion on mixed beverage sales and restaurant bar restrictions and guidelines. Richardson confirmed Cheers (formerly the White House) was very successful in the new (formerly Big Cats) location.

OLD BUSINESS

Chairman Morris explained it was time to perform the yearly General Manager evaluation. Morris stated the process could be completed through the mail and telephone discussions or postponed until next year. It was the consensus to postpone until next year due to the pandemic.

NEW BUSINESS

Richardson reported an inventory count was completed on September 14, 2020. The total product loss was \$20.94 for both stores combined. Sales for the inventory period (May 14 – September 14) were \$717,080.40. The loss ratio equaled .0000292% of the period sales. Chairman Morris stated the inventory figures were remarkable and extended appreciation to the Staff.

Wayne Wooten asked if there had been any problems getting the clerks to return to work upon the Biscoe Store returning to the full 12 hours a day of operation. Richardson verified there had been no problems, all the clerks returned. Chairman Morris questioned had there been an increase in sales during the additional hours of operation. Wilson explained since returning to a 12-hour day the sales were up an additional 20% overall; but specific hour by hour sales figures are not available.

The next teleconference meeting was scheduled for Wednesday, October 20, 2020. There being no further business Jim McLeod motioned to adjourn; seconded by Wayne Wooten, the meeting adjourned.

Mary O'Brien
Montgomery ABC Secretary

North Carolina ABC Commission
ABC Board Monthly Sales Summary
 September, 2020

Board	Retail Sales	MIB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MIB	Credit Sales	Average Credit	Debit Sales	Average Debit
Alhannance Municipal ABC Board	\$1,466,513	\$140,900	\$1,607,413	32.56%	\$1,019,313	\$193,291	\$1,083,270	\$34	\$0	\$0
Albemarle ABC Board	\$305,718	\$32,151	\$337,870	31.96%	\$230,128	\$25,906	\$231,833	\$40	\$0	\$0
Alexander County ABC Board	\$76,531	\$6,637	\$83,169		\$0	\$0	\$86,903	\$33	\$0	\$0
Andrews ABC Board	\$88,402	\$4,389	\$92,791	33.46%	\$66,851	\$2,678	\$61,145	\$38	\$0	\$0
Angier ABC Board	\$363,792	\$1,329	\$365,121	89.73%	\$191,595	\$851	\$299,916	\$52	\$0	\$0
Ashboro ABC Board	\$328,680	\$35,161	\$363,841	35.31%	\$234,415	\$34,471	\$68,960	\$41	\$173,815	\$32
Ashville ABC Board	\$2,584,270	\$831,548	\$3,415,818	10.45%	\$1,852,852	\$1,239,905	\$973,461	\$49	\$1,195,135	\$32
Beaufort County ABC Board	\$558,512	\$30,727	\$589,238	28.73%	\$424,963	\$32,767	\$372,863	\$33	\$0	\$0
Belmont ABC Board	\$274,809	\$50,982	\$325,792	\$0.06%	\$163,770	\$41,051	\$269,449	\$40	\$0	\$0
Belville ABC Board	\$456,710	\$4,474	\$461,184	30.41%	\$351,298	\$2,350	\$371,652	\$35	\$0	\$0
Bertie County ABC Board	\$88,418	\$788	\$89,206	41.12%	\$62,794	\$420	\$47,467	\$31	\$0	\$0
Bessemer City ABC Board	\$58,242	\$5,771	\$64,013	38.29%	\$41,807	\$4,483	\$38,413	\$23	\$24,056	\$8
Black Mountain ABC Board	\$276,438	\$23,814	\$300,252	34.02%	\$197,480	\$26,552	\$255,980	\$37	\$0	\$0
Blowing Rock ABC Board	\$174,437	\$71,695	\$246,132	39.19%	\$101,732	\$75,098	\$155,209	\$54	\$0	\$0
Boiling Spring Lakes ABC Board	\$94,159	\$0	\$94,159	27.41%	\$73,903	\$0	\$71,018	\$31	\$0	\$0
Boone ABC Board	\$523,909	\$117,247	\$641,156	8.51%	\$448,174	\$142,714	\$457,723	\$43	\$0	\$0
Brevard ABC Board	\$408,550	\$53,683	\$462,233	38.71%	\$282,028	\$51,202	\$335,295	\$40	\$0	\$0
Brunswick ABC Board	\$43,600	\$0	\$43,600	22.64%	\$35,551	\$0	\$24,388	\$28	\$0	\$0
Brunswick County ABC Board	\$357,715	\$56,457	\$414,172	53.79%	\$219,897	\$49,406	\$284,493	\$40	\$0	\$0
Bryson City ABC Board	\$249,535	\$26,260	\$275,795	43.08%	\$165,719	\$27,035	\$192,687	\$42	\$0	\$0
Bunn ABC Board	\$95,338	\$0	\$95,338	30.48%	\$73,066	\$0	\$65,461	\$28	\$0	\$0
Burnsville ABC Board	\$147,264	\$11,198	\$158,462	40.35%	\$103,422	\$9,482	\$103,566	\$37	\$0	\$0
Calabash ABC Board	\$181,841	\$27,502	\$209,343	42.17%	\$124,106	\$23,142	\$128,197	\$34	\$0	\$0
Camden County ABC Board	\$202,445	\$0	\$202,445	66.63%	\$121,490	\$0	\$140,416	\$32	\$0	\$0
Canton ABC Board	\$155,165	\$6,473	\$161,638	32.94%	\$114,800	\$6,784	\$110,569	\$30	\$0	\$0
Carteret County ABC Board	\$1,512,592	\$339,995	\$1,852,587	51.75%	\$971,066	\$249,755	\$1,247,878	\$41	\$0	\$0
Caswell County ABC Board	\$219,022	\$3,401	\$222,423	37.54%	\$157,508	\$4,205	\$132,995	\$0	\$0	\$0

Board	Retail Sales	MB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MB	Credit Sales	Average Credit	Debit Sales	Average Debit
Catawba County ABC Board	\$1,870,562	\$230,393	\$2,100,955	30.20%	\$1,387,905	\$225,677	\$1,428,682	\$32	\$0	\$0
Chatham County ABC Board	\$481,395	\$13,107	\$494,502	38.93%	\$357,665	\$18,266	\$452,554	\$51	\$0	\$0
Cherryville ABC Board	\$109,935	\$359	\$110,294	35.02%	\$81,060	\$625	\$80,223	\$28	\$0	\$0
Chowan County ABC Board	\$146,139	\$11,763	\$157,902	31.18%	\$110,603	\$9,770	\$91,157	\$35	\$0	\$0
Clay County ABC Board	\$284,656	\$12,129	\$296,785	37.32%	\$202,810	\$13,315	\$221,552	\$44	\$0	\$0
Clinton ABC Board	\$206,421	\$7,773	\$214,194	19.02%	\$170,412	\$9,553	\$116,407	\$32	\$0	\$0
Columbus ABC Board	\$69,800	\$4,786	\$74,586	\$1.52%	\$47,827	\$1,399	\$50,211	\$30	\$0	\$0
Concord ABC Board	\$1,988,210	\$222,221	\$2,210,431	44.57%	\$1,258,543	\$270,474	\$1,723,108	\$37	\$0	\$0
Crannton ABC Board	\$312,965	\$4,411	\$317,376	38.86%	\$225,127	\$3,427	\$269,338	\$37	\$0	\$0
Craven County ABC Board	\$966,967	\$130,692	\$1,097,659	30.07%	\$708,369	\$135,542	\$717,151	\$37	\$0	\$0
Cumberland County ABC Board	\$3,639,138	\$370,242	\$4,009,381	33.03%	\$2,486,824	\$527,084	\$2,727,579	\$34	\$0	\$0
Currituck County ABC Board	\$742,108	\$96,967	\$839,075	70.92%	\$424,686	\$66,220	\$629,489	\$46	\$0	\$0
Dare County ABC Board	\$1,946,933	\$470,054	\$2,416,987	61.81%	\$1,158,691	\$335,038	\$1,655,213	\$45	\$0	\$0
Davidson County ABC Board	\$325,560	\$3,196	\$328,756	117.05%	\$146,076	\$5,392	\$269,132	\$42	\$0	\$0
Dobson ABC Board	\$77,407	\$714	\$78,121	44.96%	\$52,278	\$1,615	\$49,792	\$35	\$0	\$0
Dunn ABC Board	\$238,140	\$13,024	\$251,164	27.91%	\$186,355	\$9,998	\$144,771	\$30	\$0	\$0
Durham County ABC Board	\$3,422,482	\$305,741	\$3,728,223	19.86%	\$2,389,732	\$720,858	\$2,857,503	\$37	\$0	\$0
Eden ABC Board	\$180,335	\$10,127	\$190,463	27.63%	\$138,955	\$10,278	\$104,773	\$29	\$0	\$0
Edgecombe County ABC Board	\$564,970	\$7,178	\$572,148	44.25%	\$388,391	\$8,241	\$291,900	\$28	\$0	\$0
Elizabethtown ABC Board	\$168,428	\$4,183	\$172,611	42.35%	\$115,506	\$5,753	\$95,612	\$33	\$0	\$0
Fairmont ABC Board	\$84,093	\$103	\$84,196	48.14%	\$55,340	\$1,494	\$0	\$0	\$0	\$0
Fletcher ABC Board	\$271,098	\$14,338	\$285,436	45.42%	\$194,739	\$1,543	\$250,744	\$41	\$0	\$0
Forest City ABC Board	\$224,509	\$15,890	\$240,399	33.26%	\$161,190	\$19,203	\$145,394	\$30	\$0	\$0
Franklin ABC Board	\$268,407	\$23,593	\$292,000	26.40%	\$209,088	\$21,926	\$199,327	\$37	\$0	\$0
Franklinton ABC Board	\$152,870	\$0	\$152,870	48.15%	\$102,685	\$503	\$108,148	\$30	\$0	\$0
Gastonia ABC Board	\$1,084,405	\$115,010	\$1,199,415	37.14%	\$752,709	\$121,875	\$772,822	\$29	\$0	\$0
Gates County ABC Board	\$89,772	\$0	\$89,772	46.00%	\$61,487	\$0	\$64,324	\$37	\$0	\$0
Gilsonville ABC Board	\$170,131	\$7,882	\$178,012	90.17%	\$90,506	\$3,101	\$138,478	\$36	\$0	\$0
Granite Falls ABC Board	\$125,790	\$4,812	\$130,602	28.80%	\$98,504	\$2,891	\$86,907	\$30	\$0	\$0
Granville County ABC Board	\$332,262	\$12,365	\$344,627	-2.51%	\$334,660	\$18,848	\$217,469	\$32	\$0	\$0
Greene County ABC Board	\$106,998	\$543	\$107,541	43.37%	\$74,180	\$828	\$0	\$0	\$0	\$0

Board	Retail Sales	MIB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MIB	Credit Sales	Average Credit	Debit Sales	Average Debit
Greensboro ABC Board	\$4,494,578	\$700,174	\$5,194,752	27.30%	\$3,163,563	\$917,021	\$3,177,565	\$41	\$0	\$0
Halifax County ABC Board	\$587,191	\$24,155	\$611,346	41.99%	\$398,222	\$32,430	\$306,687	\$30	\$0	\$0
Hanlet ABC Board	\$137,845	\$4,315	\$142,160	\$1.65%	\$87,478	\$6,265	\$77,425	\$28	\$0	\$0
Hendersonville ABC Board	\$687,940	\$88,011	\$775,951	24.57%	\$531,500	\$91,404	\$569,700	\$39	\$0	\$0
Hertford ABC Board	\$115,564	\$1,032	\$116,596	32.16%	\$87,387	\$835	\$77,080	\$34	\$0	\$0
Hertford County ABC Board	\$253,045	\$3,099	\$256,143	38.76%	\$181,424	\$3,166	\$140,577	\$30	\$0	\$0
High Country ABC Board	\$339,834	\$85,214	\$425,048	36.06%	\$246,329	\$66,070	\$294,647	\$48	\$0	\$0
High Point ABC Board	\$1,791,928	\$187,778	\$1,979,706	31.32%	\$1,324,541	\$183,048	\$414,621	\$46	\$934,267	\$31
Highlands ABC Board	\$188,605	\$106,239	\$294,844	44.93%	\$111,307	\$92,132	\$170,561	\$54	\$0	\$0
Hoke County ABC Board	\$345,525	\$15,163	\$360,687	60.97%	\$212,894	\$11,174	\$255,481	\$32	\$0	\$0
Hyde County ABC Board	\$67,752	\$21,994	\$89,746	365.78%	\$19,056	\$212	\$44,598	\$35	\$0	\$0
Indian Trail ABC Board	\$403,624	\$54,672	\$458,296	42.73%	\$269,038	\$52,057	\$349,116	\$38	\$0	\$0
Jackson County ABC Board	\$446,659	\$111,105	\$557,764	29.99%	\$342,779	\$86,288	\$434,524	\$0	\$0	\$0
Johnston County ABC Board	\$1,932,175	\$127,435	\$1,959,610	33.50%	\$1,317,667	\$150,164	\$1,510,663	\$36	\$0	\$0
Jones County ABC Board	\$100,146	\$0	\$100,146	11.21%	\$90,052	\$0	\$59,476	\$33	\$0	\$0
Kannapolis ABC Board	\$54,953	\$0	\$54,953	20.65%	\$45,092	\$457	\$30,382	\$27	\$0	\$0
Kings Mountain ABC Board	\$165,432	\$9,063	\$174,495	26.03%	\$129,470	\$8,985	\$118,441	\$27	\$0	\$0
Lake Lure ABC Board	\$74,454	\$31,851	\$106,305	17.76%	\$63,805	\$26,468	\$48,395	\$32	\$0	\$0
Lake Waccamaw ABC Board	\$60,803	\$0	\$60,803	48.70%	\$40,889	\$0	\$44,901	\$32	\$0	\$0
Laurel Park ABC Board	\$135,026	\$14,653	\$149,679	27.75%	\$101,222	\$15,942	\$113,035	\$39	\$0	\$0
Lenoir City ABC Board	\$352,025	\$17,042	\$369,067	37.10%	\$253,344	\$15,848	\$229,649	\$31	\$0	\$0
Lenoir County ABC Board	\$460,735	\$25,116	\$485,850	35.39%	\$330,011	\$28,841	\$257,947	\$30	\$0	\$0
Lexington ABC Board	\$417,759	\$27,008	\$444,767	21.79%	\$333,375	\$31,831	\$270,763	\$30	\$0	\$0
Liberty ABC Board	\$104,523	\$1,992	\$106,515	45.75%	\$71,408	\$1,674	\$0	\$0	\$0	\$0
Lillington ABC Board	\$167,597	\$26,875	\$194,472	16.57%	\$139,010	\$27,825	\$144,090	\$42	\$0	\$0
Lincoln County ABC Board	\$508,584	\$60,008	\$568,592	63.35%	\$297,697	\$50,395	\$433,472	\$42	\$0	\$0
Lincolnton ABC Board	\$270,189	\$7,975	\$278,165	23.58%	\$212,564	\$12,529	\$0	\$0	\$0	\$0
Locust ABC Board	\$232,171	\$9,382	\$241,553	49.58%	\$153,683	\$7,806	\$190,505	\$37	\$0	\$0
Louisburg ABC Board	\$187,486	\$8,769	\$196,255	47.15%	\$128,546	\$4,824	\$117,682	\$31	\$0	\$0
Lumberton ABC Board	\$456,116	\$22,833	\$478,949	49.98%	\$292,794	\$26,540	\$265,637	\$29	\$0	\$0
Madison ABC Board	\$160,973	\$10,269	\$171,242	41.61%	\$113,616	\$7,305	\$113,740	\$39	\$0	\$0

Board	Retail Sales	MB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MB	Credit Sales	Average Credit	Debit Sales	Average Debit
Maggie Valley ABC Board	\$303,668	\$21,397	\$325,065	39.98%	\$211,744	\$20,479	\$234,915	\$38	\$0	\$0
Marion ABC Board	\$295,023	\$18,300	\$313,323	33.79%	-\$204,552	\$29,640	\$203,966	\$34	\$0	\$0
Marshallville ABC Board	\$98,474	\$722	\$99,195	55.49%	\$63,310	\$485	\$0	\$31	\$0	\$0
Marion County ABC Board	\$253,513	\$7,049	\$260,563	41.13%	\$180,787	\$3,845	\$147,009	\$20	\$0	\$0
Maxton ABC Board	\$86,279	\$0	\$86,279	28.23%	\$67,282	\$0	\$0	\$0	\$0	\$0
Mecklenburg County ABC Board	\$12,074,101	\$3,442,330	\$15,516,431	12.30%	\$8,643,804	\$5,172,699	\$3,895,178	\$53	\$6,518,608	\$36
Mocksville Cooleenoe ABC Board	\$236,898	\$9,674	\$246,572	41.06%	\$161,318	\$13,478	\$179,999	\$39	\$0	\$0
Monroe ABC Board	\$411,557	\$46,543	\$458,100	22.68%	\$315,604	\$57,812	\$325,694	\$33	\$0	\$0
Monroe ABC Board	\$411,557	\$46,543	\$458,100	22.68%	\$315,604	\$57,812	\$325,694	\$33	\$0	\$0
Montgomery ABC Board	\$179,894	\$19,863	\$199,758	52.97%	\$119,119	\$11,469	\$108,882	\$35	\$0	\$0
Moore County ABC Board	\$977,237	\$311,383	\$1,288,620	27.30%	\$741,174	\$271,066	\$819,267	\$44	\$0	\$0
Mooreville ABC Board	\$1,108,498	\$239,675	\$1,348,173	36.16%	\$768,149	\$221,983	\$999,269	\$43	\$0	\$0
Morganton ABC Board	\$321,619	\$29,183	\$350,802	30.35%	\$236,635	\$32,487	\$220,274	\$31	\$0	\$0
Mount Airy ABC Board	\$243,058	\$21,843	\$264,901	31.66%	\$175,567	\$25,636	\$162,862	\$34	\$0	\$0
Mount Holly ABC Board	\$216,803	\$18,841	\$235,645	40.95%	\$150,894	\$16,293	\$168,722	\$28	\$0	\$0
Mount Pleasant ABC Board	\$84,369	\$6,624	\$90,993	27.26%	\$64,842	\$6,663	\$0	\$0	\$0	\$0
Murphy ABC Board	\$362,786	\$17,549	\$380,335	41.38%	\$256,463	\$12,551	\$277,895	\$42	\$0	\$0
Nash County ABC Board	\$1,189,085	\$65,052	\$1,254,137	42.88%	\$793,753	\$83,985	\$717,631	\$35	\$0	\$0
New Hanover County ABC Board	\$3,555,962	\$1,008,145	\$4,564,107	22.86%	\$2,621,230	\$1,093,639	\$2,928,386	\$43	\$0	\$0
Newton Grove ABC Board	\$63,866	\$457	\$64,323	32.61%	\$47,436	\$1,069	\$28,804	\$25	\$0	\$0
North Wilkesboro ABC Board	\$143,140	\$4,031	\$147,171	37.80%	\$101,667	\$5,133	\$94,541	\$31	\$0	\$0
Northampton County ABC Board	\$123,459	\$0	\$123,459	40.84%	\$87,661	\$0	\$46,602	\$25	\$0	\$0
Northwood ABC Board	\$72,469	\$6,237	\$78,706	66.33%	\$46,712	\$608	\$47,522	\$35	\$0	\$0
Oak Island ABC Board	\$332,857	\$61,165	\$394,022	64.30%	\$197,752	\$42,069	\$341,841	\$50	\$0	\$0
Ocean Isle Beach ABC Board	\$300,311	\$33,773	\$334,084	83.64%	\$154,808	\$27,115	\$266,426	\$47	\$0	\$0
Onslow County ABC Board	\$1,752,477	\$304,896	\$2,057,373	34.15%	\$1,235,677	\$297,984	\$1,414,312	\$37	\$0	\$0
Orange County ABC Board	\$1,933,891	\$114,014	\$2,047,905	20.19%	\$1,339,469	\$364,442	\$1,757,612	\$40	\$0	\$0
Pamlico County ABC Board	\$152,707	\$8,121	\$160,829	28.67%	\$116,457	\$8,539	\$113,643	\$0	\$0	\$0
Pasquotank County ABC Board	\$273,612	\$45,106	\$318,719	7.47%	\$251,461	\$45,097	\$192,805	\$32	\$0	\$0
Pembroke ABC Board	\$131,002	\$6,369	\$137,371	28.27%	\$101,561	\$5,532	\$74,580	\$26	\$0	\$0
Pender County ABC Board	\$784,320	\$82,909	\$867,228	45.09%	\$537,589	\$60,147	\$616,622	\$39	\$0	\$0

Board	Retail Sales	MB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MB	Credit Sales	Average Credit	Debit Sales	Average Debit
Person County ABC Board	\$409,247	\$15,027	\$424,275	69.17%	\$235,000	\$15,804	\$272,572	\$34	\$0	\$0
Pilot Mountain ABC Board	\$147,352	\$3,869	\$151,221	56.60%	\$94,725	\$1,837	\$107,665	\$40	\$0	\$0
Pitt County ABC Board	\$1,887,087	\$195,017	\$2,082,104	29.11%	\$1,315,483	\$297,234	\$1,365,230	\$33	\$0	\$0
Pittsboro ABC Board	\$135,789	\$15,184	\$150,973	6.37%	\$126,038	\$15,699	\$116,222	\$39	\$0	\$0
Ramseur ABC Board	\$110,853	\$0	\$110,853	114.33%	\$51,721	\$0	\$88,958	\$0	\$0	\$0
Randolman ABC Board	\$178,239	\$12,670	\$190,909	35.14%	\$132,410	\$8,857	\$120,852	\$30	\$0	\$0
Red Springs ABC Board	\$106,938	\$0	\$106,938	48.30%	\$71,893	\$218	\$54,068	\$31	\$0	\$0
Reidsville ABC Board	\$248,778	\$17,291	\$266,069	32.60%	\$187,876	\$12,781	\$154,253	\$35	\$0	\$0
Rockingham ABC Board	\$266,917	\$11,026	\$277,943	47.94%	\$178,463	\$9,409	\$143,578	\$29	\$0	\$0
Roseboro ABC Board	\$111,390	\$281	\$111,671	62.90%	\$67,961	\$592	\$64,957	\$28	\$0	\$0
Rowan/Kannapolis ABC Board	\$1,338,947	\$107,341	\$1,446,287	35.35%	\$968,476	\$100,106	\$107,341	\$30	\$0	\$0
Rowland ABC Board	\$31,030	\$0	\$31,030	57.34%	\$19,722	\$0	\$14,224	\$30	\$0	\$0
Rutherfordton ABC Board	\$139,505	\$11,333	\$150,838	30.73%	\$101,757	\$13,623	\$99,708	\$34	\$0	\$0
Saint Pauls ABC Board	\$59,166	\$0	\$59,166	-43.87%	\$105,410	\$0	\$21,149	\$27	\$0	\$0
Sanford ABC Board	\$653,150	\$44,627	\$697,777	43.08%	\$440,023	\$47,667	\$469,047	\$33	\$0	\$0
Scotland County ABC Board	\$202,007	\$1,096	\$203,103	28.33%	\$155,941	\$2,328	\$116,231	\$29	\$0	\$0
Shallotte ABC Board	\$197,747	\$30,713	\$228,460	45.44%	\$137,853	\$19,229	\$147,581	\$35	\$0	\$0
Shelby ABC Board	\$413,826	\$36,069	\$449,895	18.86%	\$341,154	\$37,369	\$287,037	\$33	\$0	\$0
Siler City ABC Board	\$171,291	\$2,353	\$173,644	36.71%	\$125,608	\$1,404	\$122,108	\$37	\$0	\$0
Southport ABC Board	\$322,670	\$72,306	\$394,976	37.56%	\$218,787	\$68,346	\$277,289	\$46	\$0	\$0
Sparta ABC Board	\$91,718	\$11,123	\$102,841	53.63%	\$56,936	\$10,006	\$63,289	\$41	\$0	\$0
Spruce Pine ABC Board	\$140,328	\$11,132	\$151,459	32.94%	\$102,118	\$11,816	\$101,280	\$0	\$0	\$0
Statesville ABC Board	\$597,176	\$41,154	\$638,331	30.83%	\$431,262	\$56,631	\$421,254	\$33	\$0	\$0
Sunset Beach ABC Board	\$191,146	\$10,939	\$202,085	63.78%	\$115,118	\$8,269	\$169,415	\$41	\$0	\$0
Tabor City ABC Board	\$106,971	\$0	\$106,971	39.18%	\$76,856	\$0	\$57,630	\$31	\$0	\$0
Thomasville ABC Board	\$389,910	\$11,388	\$401,298	51.83%	\$246,845	\$17,464	\$263,100	\$33	\$0	\$0
Triad Municipal ABC Board	\$4,122,772	\$495,751	\$4,618,523	24.81%	\$2,990,501	\$710,063	\$3,145,221	\$36	\$0	\$0
Troutman ABC Board	\$188,465	\$808	\$189,273	53.28%	\$119,516	\$3,964	\$155,377	\$35	\$0	\$0
Tyron ABC Board	\$30,461	\$8,162	\$38,623	20.91%	\$22,520	\$9,423	\$24,557	\$33	\$0	\$0
Tyrrell County ABC Board	\$56,447	\$0	\$56,447	43.49%	\$39,250	\$90	\$0	\$0	\$0	\$0
Valdese ABC Board	\$113,843	\$4,605	\$118,448	44.50%	\$77,252	\$4,718	\$81,791	\$33	\$0	\$0

Board	Retail Sales	MIB Sales	Total Sales	% Change	Prev. Year Retail	Prev. Year MIB	Credit Sales	Average Credit	Debit Sales	Average Debit
Vance County ABC Board	\$489,824	\$8,076	\$497,900	66.04%	\$287,329	\$12,542	\$294,932	\$33	\$0	\$0
Wadesboro ABC Board	\$143,570	\$2,166	\$145,736	36.68%	\$104,607	\$2,015	\$68,920	\$24	\$0	\$0
Wake County ABC Board	\$12,096,630	\$1,990,694	\$14,087,324	18.98%	\$8,494,462	\$3,345,529	\$10,488,164	\$42	\$0	\$0
Wallace ABC Board	\$186,190	\$12,880	\$199,070	38.25%	\$132,063	\$11,933	\$111,206	\$33	\$0	\$0
Walnut Cove ABC Board	\$116,788	\$2,027	\$118,814	46.22%	\$78,076	\$3,180	\$77,917	\$32	\$0	\$0
Warren County ABC Board	\$316,959	\$10,245	\$327,204	66.81%	\$186,183	\$9,971	\$241,099	\$45	\$0	\$0
Warsaw ABC Board	\$93,787	\$0	\$93,787	72.14%	\$54,482	\$0	\$52,074	\$30	\$0	\$0
Washington County ABC Board	\$110,534	\$2,520	\$113,054	46.00%	\$76,620	\$817	\$66,516	\$34	\$0	\$0
Washington County ABC Board	\$110,534	\$2,520	\$113,054	46.00%	\$76,620	\$817	\$66,516	\$34	\$0	\$0
Waxhaw ABC Board	\$351,572	\$35,623	\$387,195	39.79%	\$240,617	\$36,359	\$323,718	\$40	\$0	\$0
Wayne County ABC Board	\$1,029,968	\$104,839	\$1,134,807	45.01%	\$714,534	\$68,038	\$665,517	\$30	\$0	\$0
Waynesville ABC Board	\$284,233	\$47,119	\$331,352	36.16%	\$199,236	\$44,124	\$233,270	\$40	\$0	\$0
Weaerverville ABC Board	\$321,054	\$15,571	\$336,625	33.99%	\$238,300	\$12,940	\$278,765	\$41	\$0	\$0
West Columbus ABC Board	\$90,426	\$0	\$90,426	52.37%	\$59,346	\$0	\$44,947	\$28	\$0	\$0
West Jefferson ABC Board	\$226,805	\$7,856	\$234,661	39.86%	\$156,746	\$11,034	\$188,304	\$43	\$0	\$0
Whiteville ABC Board	\$143,709	\$8,760	\$152,469	47.08%	\$94,447	\$9,215	\$81,232	\$28	\$0	\$0
Wilkesboro ABC Board	\$252,976	\$12,979	\$265,954	32.44%	\$186,538	\$14,271	\$179,025	\$33	\$0	\$0
Wilson County ABC Board	\$947,284	\$73,466	\$1,020,751	47.36%	\$639,511	\$53,201	\$606,636	\$35	\$0	\$0
Wingate ABC Board	\$152,798	\$0	\$152,798	51.80%	\$100,654	\$0	\$99,180	\$28	\$0	\$0
Woodfin ABC Board	\$223,173	\$1,485	\$224,658	49.34%	\$141,343	\$9,087	\$182,386	\$35	\$0	\$0
Yadkin Valley ABC Board	\$211,620	\$11,936	\$223,556	53.35%	\$137,963	\$7,817	\$157,384	\$35	\$0	\$0
Youngsville ABC Board	\$160,692	\$3,903	\$164,594	50.44%	\$105,455	\$3,951	\$132,816	\$33	\$0	\$0
TOTALS:	\$107,243,510	\$15,323,125	\$122,566,635	28.82%	\$75,242,081	\$19,905,564	\$74,158,787	\$35	\$8,845,881	\$28