

CARTERET COUNTY BOARD OF ALCOHOLIC CONTROL
Budget Message
Fiscal Year Ending June 30, 2018

To the Carteret County ABC Board:

The annual budget for the fiscal year July 1, 2017 through June 30, 2018 has been prepared in an effort to provide the expected level of customer service in order to generate the revenues needed to sustain the operations and capital projects of the system while also providing distributions to the beneficiaries.

The key elements of the budget are as follows:

- Projected revenues will increase \$1,250,000.
- We estimate an increase in health insurance costs of approximately 12.8% over the current year.
- We estimate dental and vision insurance costs will increase 5.0% for the next fiscal year.
- Our overall budget for general insurance will decrease 4.0% for the next fiscal year.
- Our budget for the credit card expense line item will increase to \$192,000 to cover the increased revenues and the high volume of credit card transactions.
- Our budgeted capital improvements will remain consistent with current year at \$65,000.
- We have increased the loan payment line item by \$50,000 and will continue to make additional principal payments on the existing loans.
- The HVAC maintenance line item will remain the same as in the current year.
- We will increase the equipment repairs line item by \$2,000 for the next fiscal year.
- We will leave the building repairs and maintenance line item the same as in the current year.
- Based on the recommendation of the ABC Commission, we are continuing the contingency fund in the amount of \$120,000. This amount is approximately equal to 5.00% of budgeted expenses.
- The overall budget will reflect an increase of \$100,000 or 4.0% bringing the total to \$2,500,300.

The ABC Board of Carteret County has been following a similar budget process for many years and there has been little variance in that process. The substantial changes in line items are reflected in the prior section of this message and all other line items will remain similar in amount to the current operating year.

There have been no major changes in the fiscal policy of the ABC Board in the current year. Staffing changes have made it necessary to rearrange some of the duties. However, the work has continued to be completed timely and in accordance with the rules as cited by the North Carolina General Statutes that govern boards such as this one.

It is my hope that this budget reflects the mission of this Board and its responsibility to Carteret County.



Jack Askew
General Manager

**PROPOSED BUDGET
CARTERET COUNTY ABC BOARD
Fiscal Year 2017 - 2018**

The following budget establishing revenues and setting expense appropriations is hereby adopted and effective July 1, 2017 through June 30, 2018.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2017 and ending June 30, 2018 to meet the operational and functional appropriations as set forth in Section 2, in accordance with the chart of accounts prescribed by the state ABC Commission.

Estimated Revenues:

Liquor Sales	\$11,105,000
Mixed Beverage Sales	\$2,600,000
Wine/Mixer Sales	\$45,000
Total	\$13,750,000

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2017 - 2018 and are funded by the revenues made available through Section 1, herein.

Appropriations:

Taxes Based on Revenue	
NC Excise Tax	\$2,932,875
MXB Tax (Dept. of Rev.)	\$232,375
MXB Tax (DHHS)	\$23,375
Rehabilitation Tax	\$38,500
Total	\$3,227,125

Cost of Sales:

Cost of Liquor Sold	\$6,976,750
Cost of Wine/Mixers Sold	\$26,125
Total	\$7,002,875

Operating Expenses:	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries & Benefits	\$920,700	\$158,000	\$108,500	\$22,400	\$1,209,600
Unemployment	\$2,000	\$500	\$500		\$3,000
Over/Short	\$500				\$500
Air Conditioning Maintenance	\$7,000	\$750	\$750		\$8,500
Rent	\$122,600				\$122,600
Repairs & Maintenance	\$20,500	\$1,000	\$5,500		\$27,000
Utilites	\$57,500	\$2,500	\$2,500		\$62,500
Telephone/Cable	\$12,850	\$5,400	\$1,750		\$20,000
Common Area Maintenance	\$17,500	\$500			\$18,000

Pest Control	\$1,934	\$83	\$83		\$2,100
General Insurance	\$76,800	\$5,000	\$12,000	\$2,200	\$96,000
Store/Office Supplies	\$27,000	\$12,000	\$1,000		\$40,000
Admin & Board Expense		\$2,200			\$2,200
Lic/Fees & Other Taxes		\$36	\$1,764		\$1,800
Trash Removal	\$7,125	\$1,825	\$1,550		\$10,500
Janitorial Services	\$1,500	\$1,000			\$2,500
Computers	\$30,500	\$13,500	\$3,000		\$47,000
Professional Fees		\$14,000			\$14,000
Mileage Reimbursement	\$1,800	\$200			\$2,000
Training Expense		\$2,000			\$2,000
Alarm Services	\$6,250	\$250	\$500		\$7,000
Security	\$3,000				\$3,000
Payroll		\$5,500			\$5,500
Gas Expense			\$4,500	\$1,500	\$6,000
Credit Card Expense	\$192,000				\$192,000
Banking Charges		\$10,000			\$10,000
Loan Interest	\$25,000	\$2,500	\$2,500		\$30,000
Contengency Fund	\$75,000	\$20,000	\$25,000		\$120,000
Total	\$1,609,059	\$258,744	\$171,397	\$26,100	\$2,065,300

	Store(s)	Admin.	Warehouse	Law Enf.	Total
Capital Outlay:					
Office/Warehouse Complex		\$360,000	\$840,000		\$1,200,000
Debt Proceeds		-\$360,000	-\$840,000		-\$1,200,000
HVAC	\$50,000	\$5,000	\$10,000		\$65,000
Total	\$50,000	\$5,000	\$10,000		\$65,000

Debt Service/Lease:					
Loan Repayment (Principle)	\$125,000	\$68,000	\$177,000		\$370,000
Total	\$125,000	\$68,000	\$177,000		\$370,000

Total Estimated Expenses	\$1,784,059	\$331,744	\$358,397	\$26,100	\$2,500,300
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Distributions:					
County/Municipalities					\$874,700
Law Enforcement					\$55,000
Alcohol Education & Rehab.					\$90,000
Total Distributions					\$1,019,700

Total Expense, Distribution & Reserve					<u>\$13,750,000</u>
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Section 3. Copies of this Budget Document shall be furnished to the Carteret County Board of Commissioners, the state ABC Commission, and to the Budget Officer and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted by the Carteret County ABC Board on ____/____/____.