

CARTERET COUNTY BOARD OF ALCOHOLIC CONTROL
Budget Message
Fiscal Year Ending June 30, 2026

To the Carteret County ABC Board:

The annual budget for the fiscal year July 1, 2025 through June 30, 2026 has been prepared 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 decrease from \$25,775,000 to \$25,625,000 or 1%.
- Reflects the salaries and benefits of 23 full-time employees and 25 part-time employees.
- Reflects a 7% COLA and up to a 3% Merit raise to all current employees.
- Health insurance remained flat despite a 10.72% increase due to the retirement of a long-term employee. Dental renewal rates increased 3.93%, while Vision remained unchanged.
- Includes continued use of ALE for all law enforcement duties for \$15,000 a quarter.
- Increased Utilities, Telephone/Cable and Trash Removal due to rate increases.
- Shows an increase of \$75,000 in Credit Card Expense to account for increased usage over cash.
- Capital improvement includes \$30,000 to fund replacement of HVAC units as needed.
- The Budget includes \$5M to purchase property and construct a new Morehead City ABC Store, funded using a bank loan and \$500,000 in working capital. Anticipated rate of 5%.
- Based on the recommendation of the ABC Commission, we have included a contingency fund of \$200,000 or approximately 5.00% of budgeted expenses.
- The overall budget will reflect an increase of \$179,500 or 4% bringing the total to \$4,229,000.

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.

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 DOCUMENT
CARTERET COUNTY ABC BOARD
Fiscal Year 2025 - 2026**

The following budget establishing revenues and setting expense appropriations is hereby adopted and effective July 1, 2025 through June 30, 2026.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2025 and ending June 30, 2026 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	\$19,475,000
Mixed Beverage Sales	\$6,133,000
Wine/Mixer Sales	\$17,000
Total	<u>\$25,625,000</u>

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2025 - 2026 and are funded by the revenues made available through Section 1, herein.

Appropriations:

Taxes Based on Revenue	
NC Excise Tax	\$5,596,500
MXB Tax	\$492,000
Rehabilitation Tax	\$61,500
Total	<u>\$6,150,000</u>

Cost of Sales:

Cost of Liquor Sold	\$13,313,440
Cost of Wine/Mixers Sold	\$11,560
Total	<u>\$13,325,000</u>

Operating Expenses:

	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries	\$1,168,000	\$292,000	\$200,000		\$1,660,000
FICA	\$92,000	\$22,500	\$15,500		\$130,000
Retirement	\$81,000	\$46,000	\$43,000		\$170,000
401K	\$33,125	\$13,375	\$8,500		\$55,000
Health Insurance	\$157,265	\$23,585	\$34,150		\$215,000
ALE Agency Fee				\$60,000	\$60,000
Unemployment	\$3,000				\$3,000
Over/Short	\$750	\$50			\$800
Air Conditioning Maintenance	\$9,000		\$1,000		\$10,000
Rent	\$140,000				\$140,000
Xerox		\$4,500			\$4,500
Repairs & Maint. Build & Equip.	\$52,500		\$5,000		\$57,500
Utilities	\$73,500		\$11,500		\$85,000
Telephone/Cable	\$16,600	\$8,400			\$25,000
Common Area Maintenance	\$22,000				\$22,000
Pest Control	\$2,180		\$320		\$2,500

Operating Expenses Cont.:	Store(s)	Admin.	Warehouse	Law Enf.	Total
General Insurance	\$92,500	\$12,500	\$15,000		\$120,000
Paper Products (Bags)	\$50,000				\$50,000
Admin & Board Expense		\$4,000			\$4,000
Supplies/Postage	\$22,000	\$2,000	\$1,000		\$25,000
Lic/Fees & Other Taxes		\$36	\$1,964		\$2,000
Trash Removal	\$30,000	\$1,000	\$2,000		\$33,000
Computers	\$33,000	\$5,000	\$2,000		\$40,000
Professional Services		\$15,000			\$15,000
Mileage Reimbursement	\$3,000	\$200			\$3,200
Training Expense		\$5,000			\$5,000
Alarm Services	\$9,160	\$420	\$420		\$10,000
Security	\$8,500				\$8,500
Paychex		\$9,000			\$9,000
Gas Expense			\$7,500		\$7,500
Credit Card Expense	\$425,000				\$425,000
Dental/Vision	\$11,000	\$2,000	\$2,000		\$15,000
Banking Charges		\$13,500			\$13,500
Contengency Fund	\$185,000	\$5,000	\$10,000		\$200,000
Total	\$2,720,080	\$485,066	\$360,854	\$60,000	\$3,626,000

Capital Outlay:

Property/Building MHC	\$5,000,000				\$5,000,000
Cash Proceeds/Working Capital	-\$500,000				-\$500,000
Debt Proceeds	-\$4,500,000				-\$4,500,000
HVAC	\$30,000				\$30,000
Total	\$30,000	\$0	\$0		\$30,000

Debt Service/Lease:

Loan Repayment	\$573,000				\$573,000
Total	\$573,000	\$0	\$0		\$573,000

Total Estimated Expenses:

\$3,323,080	\$485,066	\$360,854	\$60,000	\$4,229,000
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Distributions:

County/Municipalities				\$1,631,000
Decrease (Increase) LE Reserve				-\$110,000
Alcohol Education & Rehab.				\$200,000
Total Distributions				\$1,721,000

Reserve:

\$200,000

Total Expense, Distribution & Reserve:

\$25,625,000

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 .