

CARTERET COUNTY BOARD OF ALCOHOLIC CONTROL
Budget Message
Fiscal Year Ending June 30, 2027

To the Carteret County ABC Board:

The annual budget for the fiscal year July 1, 2026 through June 30, 2027 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 \$25,625,000 to \$25,525,000 or less than 1%.
- Reflects the salaries and benefits of 23 full-time employees and 24 part-time employees.
- Reflects up to a 6% raise to qualified employees to be given throughout budget year.
- Includes continued use of ALE for all law enforcement duties for \$75,000 annually.
- Increase to Health Insurance and dental/vision due to rate increases.
- Shows an increase of \$25,000 in Credit Card Expense to account for increased usage over cash.
- Increase to Computers to allow for equipment updates in office and replacement of registers and credit card terminals in stores as needed.
- Increase to General Insurance to reflect a 10% increase in premiums mostly attributed to Wind & Hail.
- Capital Improvements Budgeted include:
 - Allocated \$200,000 to outfit a second Morehead City location dedicated solely to MXB to alleviate space issues at the current location.
 - Allocated \$115,000 for purchase of warehouse delivery truck.
 - Allocated \$36,000 for replacement of HVAC units as needed.
 - Allocated \$15,000 for purchase/installation of coolers at all stores.
- Based on the recommendation of the ABC Commission, we have included a contingency fund of \$100,000.
- The overall budget will reflect a decrease of \$21,000 or less than 1% in expenditure.

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.

 Jeff Nance, General Manager,

**PROPOSED BUDGET DOCUMENT
CARTERET COUNTY ABC BOARD
Fiscal Year 2026 - 2027**

The following budget establishing revenues and setting expense appropriations is hereby adopted and effective July 1, 2026 through June 30, 2027.

Section 1. Estimated Revenues. It is estimated that the revenues listed below will be available during the fiscal year beginning July 1, 2026 and ending June 30, 2027 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	\$19,111,000
Mixed Beverage Sales	\$6,375,000
Wine/Mixer Sales	\$14,000
Other Income	\$25,000
Total	<u>\$25,525,000</u>

Section 2. Appropriations. The following expenses are hereby appropriated for fiscal year 2026 - 2027 and are funded by the revenues made available through Section 1, herein.

Appropriations:

Taxes Based on Revenue	
NC Excise Tax	\$5,546,000
MXB Tax (Dept. of Rev.)	\$480,000
MXB Tax (DHHS)	\$48,000
Rehabilitation Tax	\$51,000
Total	<u>\$6,125,000</u>

Cost of Sales:

Cost of Liquor Sold	\$14,000,000
Cost of Wine/Mixers Sold	\$10,000
Total	<u>\$14,010,000</u>

Operating Expenses:

	Store(s)	Admin.	Warehouse	Law Enf.	Total
Salaries	\$1,300,000	\$300,000	\$200,000		\$1,800,000
FICA	\$92,000	\$20,000	\$13,000		\$125,000
Retirement	\$117,000	\$46,000	\$27,000		\$190,000
401K	\$35,000	\$16,000	\$9,000		\$60,000
Health Insurance	\$220,000	\$40,000	\$40,000		\$300,000
ALE Agency Fee				\$75,000	\$75,000
Unemployment	\$3,000				\$3,000
Over/Short	\$500				\$500
Air Conditioning Maintenance	\$9,000		\$1,000		\$10,000
Rent	\$145,000				\$145,000
Xerox		\$3,500			\$3,500
Repairs & Maint. Build & Equip.	\$59,500		\$2,500		\$62,000
Utilities	\$75,000		\$5,000		\$80,000
Telephone/Cable	\$18,400	\$6,600			\$25,000

Common Area Maintenance	\$20,000				\$20,000
Pest Control	\$2,180		\$320		\$2,500
Operating Expenses Cont.:	Store(s)	Admin.	Warehouse	Law Enf.	Total
General Insurance	\$96,000	\$16,000	\$18,000		\$130,000
Paper Products (Bags)	\$40,000				\$40,000
Admin & Board Expense		\$4,000			\$4,000
Supplies/Postage	\$20,000	\$5,000			\$25,000
Lic/Fees & Other Taxes		\$36	\$2,464		\$2,500
Trash Removal	\$31,700	\$3,300			\$35,000
Computers	\$45,000	\$15,000			\$60,000
Professional Services		\$15,000			\$15,000
Mileage Reimbursement	\$3,800	\$200			\$4,000
Training Expense		\$10,000			\$10,000
Alarm Services	\$9,160	\$420	\$420		\$10,000
Security	\$5,000				\$5,000
Paychex		\$12,000			\$12,000
Gas Expense			\$10,000		\$10,000
Credit Card Expense	\$450,000				\$450,000
Dental/Vision	\$12,000	\$2,000	\$2,000		\$16,000
Banking Charges		\$12,000			\$12,000
Contengency Fund	\$100,000				\$100,000
Total	\$2,909,240	\$527,056	\$330,704	\$75,000	\$3,842,000

Capital Outlay:

MHC Expansion	\$200,000				\$200,000
Warehouse delivery truck	\$115,000				\$115,000
HVAC	\$36,000				\$36,000
Coolers for each store	\$15,000				\$15,000
Total	\$366,000	\$0	\$0	\$0	\$366,000

Debt Service/Lease:

Loan Repayment	\$0				\$0
Total	\$0	\$0	\$0	\$0	\$0

Total Estimated Expenses:

\$3,275,240	\$527,056	\$330,704	\$75,000	\$4,208,000
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Distributions:

County/Municipalities				\$1,107,000
Decrease (Increase) LE Reserve				-\$125,000
Alcohol Education & Rehab.				\$100,000
Total Distributions				\$1,082,000

Working Capital Retained (11%):

\$100,000

Total Expense, Distribution & Reserve:

\$25,525,000

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 .