

PITTSBORO ALCOHOLIC BEVERAGE CONTROL BOARD

Proposed Budget for the fiscal year 2013/2014

RE: BUDGET MESSAGE

To the Pittsboro ABC Board

The Annual Budget for the fiscal year July 1, 2013 through June 30, 2014 has been prepared in accordance with North Carolina General Statutes. The ABC Board determines, through adoption of an annual budget, the level of customer services that the ABC system will provide and the resources available for operations.

The primary drivers during the preparation of this budget included projected operating costs required to sustain acceptable levels of customer service during fiscal year 13/14, and the need for revenues sufficient to fund operations as well as to provide distributions to beneficiaries.

Projected operating revenues reflect a proposed average sales increase of 2.00%. The budget consists of projected revenues from liquor sales and other receipts of \$1,017,613.00, taxes related to income of \$232,121.00, cost of sales of \$533,508.00, operating expenses of \$196,538.00, and income distributions of \$38,500.00.

Highlights of the Budget: Key elements include:

- Deferred maintenance and renovation of the interior of the building are required in order to extend the useful life of the building as an ABC store.
- The assumption was that no debt will be incurred; all capital improvements will be funded through cash.
- Employees will be granted a modest raise and be eligible to receive holiday pay and paid personal leave.

Priorities and Assumptions:

- The Board's primary source of revenue is through the sale of spirituous beverages. A key assumption is the amount of expected sales growth. Revenue projections are calculated using the expected sales growth combined with historic sales figures.
- The Board contracts for local Alcohol Law Enforcement with the Pittsboro Police Department as authorized under NC GS 18B-501(f).

Staffing Summary:

The Board has authorized a total of 1 full-time position with the possibility of adding another full-time clerk if needed. Part-time employees are employed on an "as needed" basis.

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Recommendations for Future Budget Considerations:

- Establish a budget calendar for creation of the annual budget.
- Create a plan to determine future financial requirements of this Board.

Conclusion:

The budget reflects the Board's commitment to fulfill its mission based on known information.

Nancy E. Gooch

General Manager/Budget Officer

Attached: Proposed Budget Ordinance for Fiscal Year 2013/2014