



CATAWBA COUNTY ABC BOARD

*1910 Fairgrove Church Road
Newton, North Carolina 28658
(828) 464-7192 office
(828) 464-0699 fax
catawbacoabc@gmail.com*

*Jeff Bronnenberg, Chairman Kim Brown Don Coleman David Isenhower Jody Street Charles Conner, III
Ronald G Kaylor, Jr, General Manager*

May 30, 2019

RE: Budget Message

The Annual budget for the fiscal year beginning July 1, 2019, and ending June 30, 2020 has been prepared in accordance to the North Carolina General Statute 18B-702 "Financial operations of local boards". The ABC Board determines, through adoption of an annual budget, the level of customer services that the Catawba County ABC system will provide and the resources available for operations and capital projects.

The primary goals desired to be reached by the adoption of this budget is to project and meet desired operating costs levels and to obtain sufficient revenues to meet and sustain an exceptional customer service level as well as obtaining sufficient funds to allow for capital improvements while maintaining adequate distributions to our beneficiaries.

The projected increase in sales is 5.2%.

The projected revenues from liquor sales and other income is \$22,304,720.

Items of interest in this budget are:

- The increase in sales are due to price increases and new customers*
- The assumption that no debt will be incurred, and all capital improvements will be funded by available cash*
- Pay increases will remain in the 2% to 4% range*
- A continued effort will be done to cut costs when needed*
- A continued effort to build reserves for unforeseen necessities*

Debt: The board has no debt at this time, and none is expected.

Priorities and Assumptions:

- *The board's primary source of revenue is through the sales of spirituous beverages. As this is the item that drives/controls many of the other projections within this budget, careful consideration has been given to make sure that sales are projected as correctly as possible.*
- *If the board considers other retail locations, adjustments downward will have to be considered when making contributions to beneficiaries until additional sales from such locations will be able to recoup cost of such projects.*
- *The board always seeks way to provide excellent facilities, employee performance standards while continuing substantial contributions to beneficiaries.*

Staffing Summary:

The board employs 1 general manager, 1 operation manager, 3 office staff, 1 warehouse personnel, 42 full time retail clerks and store managers, and 8 part-time clerks.

Other observations:

The Catawba County ABC Board desires to see accurate projections and cost assumptions with each budget while striving to operate precisely under each budget's expectations.

*Ronald G Kaylor, Jr
Chief Executive Officer*