CUMBERLAND COUNTY
ALCOHOLIC BEVERAGE CONTROL
BOARD

Fayetteville, North Carolina

BUDGET

FOR

JULY 1, 2026 – JUNE 30, 2027

Final Budget
House Bill 1717, G.S. 18B-702

June 8, 2026

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CUMBERLAND COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD
Budget for the fiscal year 2026 – 2027

June 8, 2026

RE: BUDGET MESSAGE

To: The Cumberland County ABC Board

The Annual Budget for the fiscal year July 1, 2026 - June 30, 2027 (FY27) has been prepared per the North Carolina General Statute 18B-702 "Financial operations of the local board". The ABC Board determines, through the adoption of an annual budget, the level of customer services that the ABC system will provide and the resources available for operations and capital projects.

Factors contributing to the preparation of this budget include the projected revenue, taxes, cost of goods sold, operating expenses, non-operating revenue (expenses), capital improvements, and distributions.

Projected operating revenues reflect a proposed average sales decrease of 3% over FY26 sales. The budget consists of projected revenues of $58.2 million from liquor sales, $15,000 from other incomes, taxes related to liquor income of $13.6 million, cost of sales of $30.3 million, operating expenses costs of $8.4 million, and income distribution of $6 million.

Highlights of the Budget: Key elements include:

- The assumption was that no debt will be incurred; all expenses will be funded through cash. Listed below are the planned capital projects for FY27.
    - Stockroom racking for Store #2 - $15K
    - LED lights for Store #2 - $12K
    - Stockroom ceiling fans for Store #2 - $10K
    - Breakroom remodel for Store #2 - $10K
    - Parking lot repair for Store #3 - $7.5K
    - Parking lot repair for Store #4 - $25K
    - Stockroom racking for Store #6 - $10K
    - A/C Unit for Store #6 - $45K
    - Powerwash building/sidewalk at Store #7 - $7.5K
    - Tree removal at Store #7 - $10K
    - A/C Unit for Store #8 - $45K
    - Landscaping at Store #10 - $7.5K
    - Powerwash building/sidewalk at Store #10 - $7.5K
    - Insulation repair at the Warehouse - $35K
    - MXB delivery van for the Warehouse - $65K

- Garage door repair at the Warehouse - \$7.5K
- Box truck repair for the Warehouse - \$25K
- Vehicle purchase for Law Enforcement - \$95K

- A cost-of-living increase in employees' pay will be granted if revenues are available. The Board adopted a policy on October 13, 2003, that the employees are given at least what the County gives for COLA to their employees, we are budgeting 4%.
- Merit wage increases shall be considered for employees based on meritorious work performance.
- Longevity pay will be given in December to eligible employees with at least 3 years of service.

The Board's Budget Process: The Board's first budget was presented in FY 2003 - 04. The budget is prepared by the General Manager, with the proposed budget being presented to the Board in May. The final budget is presented for approval at the June Board meeting.

The Board does not have any outstanding debt.

Priorities and Assumptions:

- The Board has hired Alcohol Law Enforcement officers as authorized under NC GS 18B-501(f).
- Alcohol Education: Cumberland County ABC Board must contribute 7% of the net profit remaining after the required distribution in NC GS 18B-805(c)(2).
- The Board is required to maintain working capital at no less than two weeks' average gross sales of the latest fiscal year and no greater than three months' average gross sales of the latest fiscal year. Gross sales mean gross receipts from the sales of alcoholic beverages less distributions as defined in GS 18B-805(b)(2),(3), and (4)."
    - As of March 31, 2026, the Board's Working Capital is calculated to be:
        - Minimum working capital \$1,702,952
        - Maximum working capital \$11,069,190
    - The actual Working Capital as of 03/31/2026 was \$6,100,000. The Board voted on 02/13/2023 to adopt \$6,100,000 as the minimum amount to maintain for Working Capital.
    - Profit distributions to the County are paid quarterly.

CUMBERLAND COUNTY ALCOHOLIC BEVERAGE CONTROL BOARD
Budget for the fiscal year 2026 – 2027

Staffing Summary:

The Board has authorized a total of 54 full-time positions and 33 part-time positions. All positions are allocated by the department as follows:

Retail and Liquor-By-the-Drink Permit ABC Store Employees	67
Warehouse Employees	11
General & Administrative Employees	5
Law Enforcement	4

Conclusion:

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

David Horne

David Horne
General Manager

Attached: Final Budget for the Fiscal Year 2026 – 2027.

BUDGET DOCUMENT
CUMBERLAND ABC BOARD
Fiscal Year 2026 - 2027

BE IT ORDAINED by the Cumberland ABC Board, of Cumberland County, North Carolina, that the following budget establishes revenues and expense appropriations for fiscal 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 & Other Income	$ 58,215,000

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	$ 13,631,500

Cost of Sales:

Cost of Goods Sold	$ 30,264,179

Operating Expenses	**Store(s)**	**Admin.**	**Warehouse**	**Law Enf.**	**Total**
Salaries and Wages	2,922,700	677,400	593,000	395,500	$ 4,588,600
Group Insurance	542,700	150,700	101,700	14,500	$ 809,600
Board Member Expense		18,600			$ 18,600
Cash Over/Short	800				$ 800
Lease Amortization Expense	443,000	6,800	0	0	$ 449,800
Rent	0	0	2,500	0	$ 2,500
Repairs & Maint - Build & Equip.	114,000	10,000	22,000	2,000	$ 148,000
Bank Service Charges	800				$ 800
Utilities & Phone	172,000	29,100	51,800	10,500	$ 263,400
Insurance - General & Bonds		250,000		2,400	$ 252,400
Supplies	130,500	31,500	26,300	5,700	$ 194,000
Uniforms	6,250		2,000	1,500	$ 9,750
Travel		19,000		3,000	$ 22,000
Licenses & Taxes	8,000	500	1,100		$ 9,600
Publications Newspaper		1,000		0	$ 1,000
Drug Testing		6,500		500	$ 7,000
Convention Expense		9,000			$ 9,000
Professional Fees	720	103,280	0		$ 104,000
Dues & Subscriptions	1,450	17,550	0	1,700	$ 20,700
Maintenance Agreements	116,900	20,000	12,000	5,500	$ 154,400
Training	6,400	1,000		1,600	$ 9,000
Security	19,400	2,800	3,800	1,100	$ 27,100

BUDGET DOCUMENT
CUMBERLAND ABC BOARD
Fiscal Year 2026 - 2027

Operating Expenses	Store(s)	Admin.	Warehouse	Law Enf.	Total
Vehicle		10,000	30,000	20,000	$ 60,000
Credit Card Processing Fees	796,000				$ 796,000
Inspection Fee	900	100	100	100	$ 1,200
Undercover Expense (LE)				2,500	$ 2,500

Operating Expenses	Store(s)	Admin.	Warehouse	Law Enf.	Total
Contributions				0	$ -
Late Payment Penalty					$ -
Less revenue designated for LE				0	$ -
Contingencies (5%)		398,100			$ 398,100
					$ -
Total Operating Expenses	$ 5,282,520	$ 1,762,930	$ 846,300	$ 468,100	$ 8,359,850

	Store(s)	Admin.	Warehouse	Law Enf.	Total
Capital Outlay:					
Vehicle	$ -	$ -	$ 90,000.00	$ 95,000.00	$ 185,000
Building Improvements	$ 122,000.00	$ -	$ 42,500.00	$ -	$ 164,500
Equipment & Software	$ 90,000.00	$ -	$ -	$ -	$ 90,000
Capital Outlay Total	$ 212,000	$ -	$ 132,500	$ 95,000	$ 439,500
Working Capital Proceeds	$ (212,000)	$ -	$ (132,500)	$ (95,000)	$ (439,500)
Debt Service/Lease:					
					$ -
					$ -
Total Debt Service/Lease	$ -	$ -	$ -	$ -	$ -
Total Estimated Expenses	$ 5,282,520	$ 1,762,930	$ 846,300	$ 468,100	$ 52,255,529
Distributions:					
Mandatory 3 1/2% & Bottle Tax					$ 1,612,132
Law Enforcement					$ -
Alcohol Education & Rehab.					$ 337,081
Other County/Municipal					$ 4,010,258
Other Distributions					
Total Distributions					$ 5,959,471
Working Capital Retained					
Total Expense, Distribution & Reserve					$ 58,215,000

Section 3. Copies of this Budget Document shall be furnished to the County 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.