

**Jim Galyon, Chair**  
**Cassandra Brown, Member**  
**Cecelia Thompson, Member**



**James Upchurch, Member**  
**Adam Marshall, Member**  
**Niegel Sullivan, General Manager**

**The Honorable Mayor Nancy Vaughan**  
**Members of the City Council of Greensboro**  
**The North Carolina ABC Commission**  
**The Greensboro ABC Board and**  
**The Citizens of Greensboro, North Carolina:**

The following budget is the comprehensive spending plan for the Greensboro ABC Board for the Fiscal Year 2024-2025 (FY2025). In compliance with the ABC system legislation in North Carolina, this budget document has been formally presented directly to the citizens and approved by the Greensboro ABC Board on May 28, 2024.

### **Highlights of the FY2024 Budget**

#### **Revenue and Other Income**

The budget projects revenue from liquor sales and other receipts to be \$81,054,450 for FY2025. This projection is based on expected sales which reflect both current trends and strategic planning.

#### **Facility Improvements**

To grow the business to meet the new demands of a growing population and new consumer shopping habits, successful organizations must adapt and change. The Greensboro ABC Board will be relocating one existing retail location, constructing two new retail locations, and renovating our warehouse to improve efficiency and increase overall capacity for inventory. We will continue to make various facility and technology improvements that will enhance the shopping experience for our customers. The budgeted investment in improvements in the FY2025 budget will be \$1,780,000.

- Store 4 – Gate City – Relocation
- Store 17 – Bantiff Way – New Location
- Store 18 – Redbourne Drive – New Location
- Warehouse - Renovation

#### **Compensation Plan**

In accordance with the Board's compensation plan, competitive base salaries are maintained to retain and attract talent to meet the current and future needs of the business. We contracted with Catapult Employers Association to compile a wage analysis. In FY2025 we will be raising our minimum living wage from \$15.00 per hour to \$16.00 per hour for our part-time employees and from \$17.00 per hour to \$18.00 per hour for our full-time employees. Greensboro ABC Board currently employees 83 full-time employees and 47 part-time employees. This includes 108 store employees, 11 warehouse employees, and 11 administrative employees.

#### **Profit Distributions to Local Government**

The Greensboro ABC Board has budgeted \$2,054,757 for distribution to the general fund of the City of Greensboro and \$193,389 to other municipal entities in Guilford County. Distributions are paid quarterly. At the end of each fiscal year the Greensboro ABC Board determines the actual amount of contribution that can be made, often exceeding the budgeted amount. The final contribution is based on how much funding is available over the anticipated operating expenses to ensure Statute required working capital is retained and strategic needs funding that will enable Greensboro ABC Board to continue to thrive and for the long term.

## Major Projection Variables and Assumptions

The Board's primary source of revenue is the sale of spirituous liquor. Projected sales growth is an important assumption in our proposed budget. Business has normalized post COVID, and we have seen a tightening of sales due to high inflation and other external forces that have and will continue to impact the business. We continue to make strategic purchases of inventory to realize cost savings and ensure that we have adequate inventory to serve our retail and mixed beverage customers in the event of potential supply chain issues that could impact the industry.

Taxes related to the sale of spirituous liquor are planned at \$19,002,159. The total cost of goods sold totals \$42,026,732. Personnel expenses and facility expenses comprise most operating expenses. Salaries are budgeted for \$5,114,983 and total operating expenses budget is \$13,198,373.

Our goal is to replicate that of a world class retailer, while meeting the requirements of North Carolina General Statute for the safe sale of spirituous liquor, which will result in increased profitability to give back to the citizens of the City of Greensboro and affiliate communities.

### **OUR MISSION:**

**To serve the consumers of Guilford County by dispersing spirituous liquors responsibly, ethically and lawfully. Thereby, protecting the quality of life in our municipality, and contributing profits annually to the operating budgets of the great city of Greensboro, NC, and affiliate communities.**

Sincerely,



Nigel Sullivan  
General Manager

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