

Jim Galyon, Chair
Cassandra Brown, Member
Zac Engle, Member



James Upchurch, Member
Nancy Hoffmann, Member
Niegel Sullivan, General Manager

The Honorable Mayor Marikay Abuzaiter
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 2026-2027 (FY2027). In compliance with the ABC system legislation in North Carolina, this budget document has been formally presented directly to the citizens by the Greensboro ABC Board on May 26, 2026.

Highlights of the FY2027 Budget

Revenue and Other Income

The budget projects revenue from liquor sales and other receipts to be \$79,823,447 for FY2027. This projection is based on expected sales which reflect both current trends and strategic planning.

Facility and Technology 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 and constructing Store 15 – Burlington Road to an improved location and completing the renovation our warehouse to improve efficiency and increase overall capacity for inventory, as well as buildout a location to improve service to our mixed beverage customers. We will continue to make various facilities and technology improvements that will enhance the shopping experience for our customers. The budgeted investment in improvements in the FY2026 budget will be \$629,306.

- Store 15 – Burlington Road (Willow Lake) Replace Existing Location
- Warehouse/Mixed Beverage Outlet – Renovation Completion
- Software updates

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. Greensboro ABC Board currently employees 88 full-time employees and 44 part-time employees. This includes 113 store employees, 10 warehouse employees, and 9 administrative employees.

Profit Distributions to Local Government

The Greensboro ABC Board has budgeted \$646,333 for distribution to the general fund of the City of Greensboro and \$60,831 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. 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. FY2026 has been a challenging read in as we reduced revenue by 5% to budget from a reduction in sales, we related to multiple external factors the most significant being inflation, while changes in consumption related to GLP-1 drugs, healthier lifestyle and GEN-Z lifestyle. We continue to make strategic purchases of inventory to achieve 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 spiritous liquor are planned at \$18,986,810. The total cost of goods sold totals \$41,907,313. Personnel expenses and facility expenses comprise most of the operating expenses. Salaries are budgeted for \$5,796,538 and total operating expenses budget is \$16,698,410.

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 spiritous liquor, which will result in increased profitability to give back to the citizens of the City of Greensboro and affiliate communities. As a self-funded unit of the NC ABC system, all capital improvements are taken from the net profits to reinvest in the business for the future growth of the City of Greensboro and the Triad region.

At the Greensboro ABC Board, **our mission is driven by purpose and people** who serve alongside us.

We are committed to:

- **Responsibly managing the sale and distribution of alcoholic beverages**, in full alignment with North Carolina General Statute 18B, knowing that every transaction reflects our integrity and safeguards our community.
- **Supporting health and well-being in our neighborhoods**, by engaging in education and prevention efforts around alcohol and substance abuse—because we care about the lives connected to our work.
- **Empowering our team through innovation and best retail practices**, so that each employee can take pride in their role while helping to grow the resources we return to our local government.
- **Protecting and advancing the state’s ABC system**, honoring our legacy while building a future together.
- **We believe that when our people understand the “why,” they bring their best selves to work—and that’s how we deliver exceptional service, create meaningful impact, and make each other’s jobs easier and more fulfilling.**

Sincerely,



Nigel Sullivan
General Manager