

## EXCESS WORKING CAPITAL

On August 26, 2015 the Pittsboro, NC ABC Board adopted the following resolution with regard to the \$80,728 excess working capital accrued at the end of the 2014-15 fiscal year, and any excesses in working capital that may be accrued in subsequent years:

The Board will seek approval from the Town of Pittsboro Board of Commissioners to make an additional contribution to the town of 40 percent of the excess working capital (\$32,291 in this fiscal year) and to retain 60 percent of the remaining working capital excess (\$48,437 in this fiscal year) as a part of the plan to meet the long range requirements for additional ABC stores that will be needed with the Chatham Park buildout. In this fiscal year, approximately \$24,000 of this retained excess working capital will go to fund the repurposing of the office into retail space to facilitate additional sales. The Board also requests of the Board of Commissioners of the Town of Pittsboro that the same proportions will apply for the handling of any excess in accrued working capital for each year to come – that is, 40% as an additional distribution to the Town of Pittsboro and 60% to be added to the Board's fund for helping to cover the expenses of necessary expansion. In any future year, should the Board need to pay for unanticipated requirements for building repairs or other significant expenses, the required amount will be taken from the 60 per cent of excess working capital accrued during that year that the Pittsboro ABC Board would have set aside in preparation for anticipated expansion.

The long range plan envisions three Pittsboro ABC stores at the end of the 20 to 30 year Chatham Park buildout. Over the next 20 years (FY 2015-16 thru FY 2035-36), the Board proposes and will seek approval from the Town of Pittsboro Board of Commissioners to retain 60 percent of excess working capital to meet the funding requirements for growth and distribute 40 percent of excess working capital to the town of Pittsboro in addition to the required distributions.

At the end of this period the long range plan would be to have a downtown store, a north village store and a south village store to service an estimated population of 50,000 to 60,000.