

**MINUTES
MUNICIPAL OFF-SALE RETAIL LIQUOR BOARD**

FEBRUARY 7, 2017

The meeting was called to order by Chairperson, Reed Ringstad at 6:15 p.m. Members present were Bill Ludwig, Liquor Store Manager; Steve Vaske, Len Gilmore, and Jennifer Welling, Administrative Assistant/Zoning Specialist. Sue Hecht was absent.

Motion was made by Welling to approve the minutes from the November 1, 2016 and December 6, 2016 Municipal Off-Sale Liquor Board meetings. Seconded by Vaske and unanimously carried.

ELECTION OF OFFICERS

Motion was made by Gilmore to elect Ringstad as Chair, Vaske as Vice Chair, and Welling as Secretary. Seconded by Welling and unanimously carried.

MEETING SCHEDULE

Motion was made by Welling to keep the meeting schedule the same; first Tuesday of each month at 6:15 p.m. Seconded by Gilmore and unanimously carried.

FEBRUARY PROMOTIONS

Ludwig reviewed the February promotions.

MICROPHONE

Ringstad has been researching a new microphone with speaker as the current one no longer works and is un-fixable. Ringstad has found a good one for less than \$200.00.

Motion was made by Gilmore to purchase a microphone with speaker in an amount up to \$200.00. Seconded by Vaske and unanimously carried.

DELANEY CONSULTING – CUSTOMER SERVICE TRAINING

Ludwig presented the customer service training from Delaney Consulting that he and his staff would like to attend. The fee is \$600.00; plus mileage and hotel costs to be split with the City of Callaway. There would also be staff time incurred. The training would be conducted on a Sunday. The funds for this are not in the 2017 budget. After a lengthy discussion,

Motion was made by Gilmore to approve the training pending Renee Eckerly's recommendation and to be completed by the end of May, 2017. Seconded by Vaske and unanimously carried.

CHAMBER SHOWCASE EXPO PARTICIPATION

Ludwig stated that the Liquor Store would participate with 1919 Root Beer if the City participated and had a booth.

2017 GOALS

The Board discussed the following (with comments in bold and italic):

Bill - Short Term - 1 – 5 years:

1. Raise gross profits for liquor store
2. Retain staffing in all departments
3. Customer service training for staff from Delaney consultants – ***working on***
4. Game plan for Sunday Sales – ***maybe only do an 8 hour day and adjust the hours***

Long Term - 10 plus years:

1. Future location of liquor store
2. Ideas for future expansion

Reed

1. Make sure that we keep up with equipment by replacing old and out dated with more efficient pieces
2. Make sure that Bill has the employees that he needs
3. See that events do not over shadow what we are trying to do – ***fundraisers; no summer events***

Jennifer

1. Employee Manual - complete and get to City Hall for approval before May 1, 2017 been working on the changes from Policies & Procedures since April of 2014 – ***on 2-7-7 Eckerly received the first 10 pages***
2. Start “Power Buys” with other stores immediately to spread our dollars further – ***doing with Litchfield***
3. Bring trailer sign back or surplus it – no use to us if just stored in a shed – ***not in the winter, will put back out in the spring***
4. Carry-out service, when staffed for such, West Side Liquor is running radio ads for such – ***doing***
5. Unique advertising inside and outside the store – need to do something different – Wine Club ad has been the same for 3 years – ***will change wine club ad in 2018***
6. Increase customer count, the more people we can bring into the store the better chance we have of selling them something which in turn increases sales and profits – ***doing***
7. Advertise using rebates (Menards does it) – been a goal since 2012 – ***could do***
8. Reward Card Program – this will keep our customers coming back to us and not go somewhere else that doesn’t have rewards (every kind of store under the sun is doing this) – been a goal since 2010 – ***REMOVE***
9. Increase advertising with hotel and resorts – been a goal since 2012 – ***been doing for 3 years on TV and not in books***
10. “Ad Match Monday” – discussed back in 2010 – ***REMOVE***
11. Gift cards instead of paper certificates – been a goal since 2012

Len/Steve/Reed

1. Bus trip to winery/craft brewery

The Board consented to focus on the following four items for 2017:

- Employee Manual - complete and get to City Hall for approval before May 1, 2017
- Unique advertising inside and outside the store – need to do something different
- Gift cards instead of paper certificates
- Bus trip to winery/craft brewery

There would be no changes to ticket prices this year for Wine Club. Special events will be priced accordingly.

SALES & PURCHASING REPORT

Ludwig reported the following for January:

- Sales up \$39,886 or 2.8%
- Profit up 5,436 or 1.8%

Ludwig reported the final unaudited numbers for 2016:

- Sales up \$39,886 or 2.8%
- Profits up \$5436 or 1.8%
- Customer count up 2,015 from 2015
- Turns of total products 8.5 times (sales divided by inventory), best year since 2009
 - Beer 27.4
 - Liquor 5.8
 - Wine 2.5
 - Misc. 10.1
 - Tobacco 17
- Total Expenses (not including purchasing)
 - Budget \$405,784
 - Actual \$ 395,154
 - \$10,630 under budget
- Payroll Budget \$165,594
 - Actual \$ 150,035
 - \$15,559 under Budget
- Labor was 10.3% of sales, industry standard is 10-12%
- Inventory total was \$166,908 down \$8942 from 2015 or 11.7% of sales - industry standards for out state Minnesota is 10-15%
- Wine Club sold 949 bottles or 79 cases, profit of \$2,984.84
- Average sale was down \$.09 from 2015

WINE CLUB

Ludwig reported that 50 people attended the January Wine Club with 78 bottles sold.

SUNDAY LIQUOR

The Board discussed the possibility of Sunday Liquor passing and how that may affect the store, staff, etc.

NEXT MEETING

The next meeting will be Thursday, March 7, 2017 at 6:15 p.m.

There being no further business, the meeting was adjourned at 8:15 p.m.