

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

FEBRUARY 12, 2014

The meeting was called to order by Chairperson, Reed Ringstad at 6:32 p.m. Members present were Bill Ludwig, Liquor Store Manager; Jennifer Welling, Steve Vaske, Sue Hecht, and Jeff Thompson.

No minutes available for approval.

Motion was made by Thompson to approve the Consent Agenda. Seconded by Hecht and unanimously carried.

ELECTION OF OFFICERS

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

FEBRUARY PROMOTIONS

Through February 15th:

Miller Lite, MGD & MGD 64	24pk, 12oz.	\$16.99
Barefoot	750ml	\$4.99
	1.5L	\$9.99
Mc Masters Whiskey		\$13.99

Starting February 17th:

Bud & Bud Light & Select	12oz., 24pk	\$16.99
Coors Light	16oz., 24pk	\$19.99
Pinnacle Vodka	1.75L	\$20.99

All month Bourbon is 15% off

2013 AUDIT

Ludwig reported that the 2013 Audit went well. For the year the store was \$352.49 short for \$1.3 million dollars in sales.

HOCKEY ASSOCIATION

Ludwig reported that the Hockey Association has approached him regarding a sponsorship for their annual River Lakes Beer & Wine Expo event. The Board discussed that the City already works collaboratively with the Association with the Compost Site.

Motion was made by Hecht to not participate. Seconded by Vaske and unanimously carried.

2014 EVENTS/VENUES

The Board discussed hosting Wine Club on a monthly basis at Ron & Judy's; except for August there would be no Wine Club. May Wine Club will be held Thursday, May 15, 2014. Beer Camp was set for June 6, 2014 at the Paynesville American Legion. Customer Appreciation will be held Friday, May 23, 2014 at the Liquor Store.

2014 CALENDAR OF EVENTS/COUPONS/ADVERTISING

The Board discussed doing a coupon insert similar to what Teals does. Extras would be made to put at the hotel, Liquor Store, and resorts. Welling is no longer doing the advertising, but would help with this project.

Motion was made by Vaske to pursue a coupon insert. Seconded by Thompson and unanimously carried.

WE FEST PROMOTION

The Board consented to not participate in the WE Fest promotion this year.

BILLBOARD

Ludwig reported that Steve Anderson contacted him regarding a Liquor Store billboard on the compost site property. The City would give Anderson the land to erect the sign in exchange the City would receive ½ of one side of the billboard. Then Mr. Anderson could still sell one whole side plus the other ½ of one side of the sign. The Board was open to this, but wanted more information. This will be put back on the next agenda.

SALES & PURCHASING REPORT

Ludwig reported on the following:

- End of year sales were up \$72,153.00 or 6%
- End of year profit was up \$17,545.00 or 6.6%
- The store did \$1.3 million dollars in sales for 2013
- December had great holiday sales; up 8.2% in sales and 10.9% in profit
- In the last five years both sales and profit have continued to increase
- Events profited \$657.78; however, this does not include advertising
- Big end of the year buys were purchased
- Top 25 products of which most are beer
- Over/short for cash/checks for the year was \$2.42 over

- Prime selling time is still the 3 – 6 pm
- Average transaction was up - \$20.84
- Transaction count was 57,898

DECEMBER WINE CLUB/CUSTOMER APPRECIATION NIGHT & JANUARY WINE CLUB

Ludwig reported that December Wine Club had 105 people in attendance and sold 226 bottles. The night was a huge success; however, more food is needed for next year. January Wine Club had 67 customers and 100 bottles were sold.

FEBRUARY WINE CLUB

The February Wine Club will be held Thursday, February 27, 2014 at 7:00 p.m. at Ron & Judy's. The featured vendor is The Wine Company.

2014 LIQUOR STORE GOALS

The Board noted that the goals for the store may depend on if the store moves to a new location. Welling suggested telling people their savings on their receipt and making them aware that the profits benefit the community. Welling also suggested getting the recipe section up and going sooner than later. Goals will be put back on the next agenda.

LIQUOR STORE LOCATION

The Board discussed the possibility of moving the store to a new location; including size and costs for such. Ludwig reported the following:

\$1,202,691.00 (2013 total sales) divided by 3,100 sq. ft. (sq. ft. of current store) = \$387.96 in sales per sq. ft.

\$264,456.00 (2013 total profit) divided by 3,100 sq. ft. (sq. ft. of current store) = \$85.30 in profit per sq. ft.

The store paid \$1,635.00 in rent for years 1-5. \$1,635 divided by 3,100 is \$.53 cents per sq. ft. for rent

The next five years (6-10) of lease rent will be \$1,838.00. \$1,838.00 divided by 3,100 is \$.59 cents per sq. ft. for rent

Adding up wants and needs the store could get by with 5,500 sq. feet.

The Board further discussed the amount of square footage actually needed, costs, meeting room, possible lease amounts, areas to cut, etc.

NEXT MEETING

The next meeting is scheduled for Thursday, February 20, 2014 at 6:15 p.m. in the City Hall Conference Room.

There being no further business, the meeting was adjourned at 8:43 p.m.