

# 2020 Downtown & Plaza Liquor Budget - Discussion Document

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## ***Introduction***

Alexandria's community owned Liquor Stores, where buying locally benefits locally! Downtown & Plaza Liquor works with and for all departments to add value to citywide operations:

There are many unique advantages and important purposes for having a municipal liquor operation. While the purpose for a municipal liquor store is to promote moderation and use of alcoholic beverages, the municipal operations are also profitable and generate income for the community.

Annually through our budget process, the City Council allocates profits from the liquor stores from the general budget to support other departments such as Parks, FD, PD, RCC and Streets.

Promoting the community value of our Municipal Liquor Stores with the goal of encouraging customers to purchase at the municipal liquor operation, instead of somewhere else. Our staff is in constant contact with customers and visitors answering questions and providing information about our community.

Some important and unique advantages of Alexandria's liquor operations in today's marketplace include:

- ✓ Providing yearly deposits into the general fund in the amount of \$225,000
- ✓ Public awareness through marketing initiatives promoting all city departments.
- ✓ Community partnerships with the Area Food Shelf, Humane Society and United Way
- ✓ Identify and provide funds for projects within the community (future)
- ✓ Currently profits are used for general fund activities and could be used for special projects including recreation programs and public safety equipment.

## ***PBB Inventory & Costing Estimate***

Program	hrs/yr	%
Staff Training and Development	0	10%
Meet with suppliers, distributors & vendors	0	5%
Marketing, Advertising, Promotions	0	5%
Retail Sales & Stocking	0	60%
Safety & Risk Management	0	5%
Policy & Compliance	0	5%
Monthly Reports & Meetings	0	5%
Store Layout and Design – Consumer Convenience	0	5%
<b>Total</b>		<b>100%</b>



The following includes some of the activities within each program element noted in the PBB estimate table above:

**Staff Training and Development:** Responsible selling and identification training helps to ensure that we are selling within the Federal and State guidelines as well as following community expectations. Education on product and selling techniques allows for personal growth as well as set us apart from our competition. Customer service training guarantees a shopping experience for our customers not just an ordinary shopping trip.

**Meet with suppliers, distributors & vendors:** Vendor meetings have enabled us to increase inventory selection and reduce expenses through purchasing, pricing and merchandising.

**Marketing, Advertising, Promotions:** Educational seminars and vendor meetings have enabled us to increase revenue and significantly reduce expenses through pricing, inventory control, merchandising and promotion. Community partnerships with the Area Food Shelf, Humane Society and United Way allows for unique marketing and promotions. We collect donations and cash for these service groups throughout the year. This allows the community members to get involved with us.

**Retail Sales & Stocking:** These functions are critical for success of the stores. Having clearly merchandised product and fully stocked shelves increases overall revenues and the consumer perception of a well run successful operation.

**Safety & Risk Management:** Ongoing education on loss prevention. Keeping aisles clear and displays neatly stacked on the sales floor as well as back store are imperative for staff safety.

**Policy & Compliance:** Maintaining knowledge of local, state and federal legislative laws, initiatives and changes regarding liquor compliance.

**Monthly Reports & Meetings:** Providing monthly and quarterly reports regarding the health of the liquor stores to our Finance Director as well as City Administrator. Monthly meetings to keep Liquor Committee members well informed on marketing, promotions, community events, customer counts and store production of revenues.

**Store Layout and Design – Consumer Convenience:** Providing a shopping experience for our customers not just an ordinary shopping trip is one of the most important ways that we can increase overall revenues and the consumer perception of a fun and inviting atmosphere. Keeping a customer comfortable through customer service, selection and design can increase the time and dollar amount a consumer spends in the stores.