

# 2023 Downtown & Plaza Liquor Budget - Discussion Document

## Introduction

Alexandria's community owned Liquor Stores, where buying locally benefits locally! Profits from Downtown & Plaza Liquor add value to our community:

There are many unique advantages and important purposes for having a municipal liquor operation. Our mission and goal is to control the sale of beverage alcohol to minors and intoxicated persons while simultaneously providing a source of revenue for our community. The municipal operations are profitable and generate income for the city to apply toward operating costs for some city services.

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.

Our staff is in constant contact with customers and visitors answering questions and providing information about our community. The core of our sales associate training is on personal service. We want our customers to feel like guests, not just a number. Another important aspect of training involves knowing and recommending locally owned businesses and restaurants. Shop local, support local is an important piece of our service philosophy.

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 \$255,000
- ✓ Public awareness through marketing initiatives promoting all city departments.
- ✓ Community partnerships with the Area Food Shelf, Humane Society and United Way, Downtown Merchants and the Chamber of Commerce
- ✓ Identify and provide funds for projects within the community (future)
- ✓ Currently profits are for general fund activities and could be for special projects including recreation programs and public safety equipment.

## PBB Inventory & Costing Estimate

Program	hrs/yr	%
Staff Training and Development	0	20%
Meet with suppliers, distributors & vendors	0	20%
Marketing, Advertising, Promotions	0	10%
Retail Sales & Stocking	0	10%
Safety & Risk Management	0	10%
Policy & Compliance	0	10%
Monthly Reports & Meetings	0	10%
Store Layout and Design – Consumer Convenience	0	10%
<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. Throughout the year I meet with winery/brewery/liquor owners and regional managers. This allows us to learn about product and consumer trends.

**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, United Way, Downtown Merchants and Chamber of Commerce allows for unique marketing and promotions. This allows the community members to interact on a personal level 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. This is also an important area covered in the staff training and development process.

**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.