



# ST. ANTHONY VILLAGE LIQUOR OPERATIONS

Annual Report  
Feb. 26, 2024

## CONVENIENT LOCATIONS



Silver Lake Village 2602 39<sup>th</sup> Ave.



Marketplace 2700 Highway 88

# MISSION STATEMENT



*Our goal at St. Anthony Village Wine and Spirits is to actively prevent the sale of beverages that contain alcohol to minors and intoxicated persons, while simultaneously generating revenue for the community, in accordance with all city, state and county liquor laws and ordinances.*



# VISION STATEMENT



*The St. Anthony Village Wine and Spirits brand is committed to providing a unique retail environment that is based on excellent customer service, product selection, competitive pricing, while providing safe, bright and clean stores that drive long term customer loyalty.*



# THE VALUE OF MUNICIPAL LIQUOR OPERATIONS



- “Without municipal liquor profits, cities would need to either reduce their budgets or increase their fees and property taxes.”
- “In general, they do not operate any differently than a private liquor store.”
- “Municipal stores must abide by the same laws and three-tier distribution model.”
- “Residents also benefit from a publicly owned asset that generates an economic return on equity and capital, putting taxpayer dollars to productive use.”

- Valuation Viewpoints, Shenehon Business & Real Estate Valuations



# THE VALUE OF ST. ANTHONY VILLAGE WINE AND SPIRITS



*Our profits are transferred to the General Fund and can be used to provide property tax levy relief and supplement general fund purchases, at the Mayor and Council's discretion.*



# THE VALUE OF ST. ANTHONY VILLAGE WINE AND SPIRITS



**Liquor Operations actively participate in the City's Mission, Vision and Strategic Initiatives:**

- Environmentally responsible
- Engaged with community
- Welcoming retail environment
- Fiscally & organizationally strong
- Quality infrastructure.
- Safe and secure stores



# THE VALUE OF ST. ANTHONY VILLAGE WINE AND SPIRITS



## A Community Service

The City Council, Administration, and residents have chosen to have their own Police, Fire, Public Works and Liquor Departments, as well as our own schools for good reason.

We can guarantee the quality of the services provided by being independent and not outsourcing.

Every City Department inspires a culture that represents the St. Anthony Village Brand.

We can reinforce the Mayor and Council's reputation for taking the long view to determine what is best for its residents and the future of the Village.

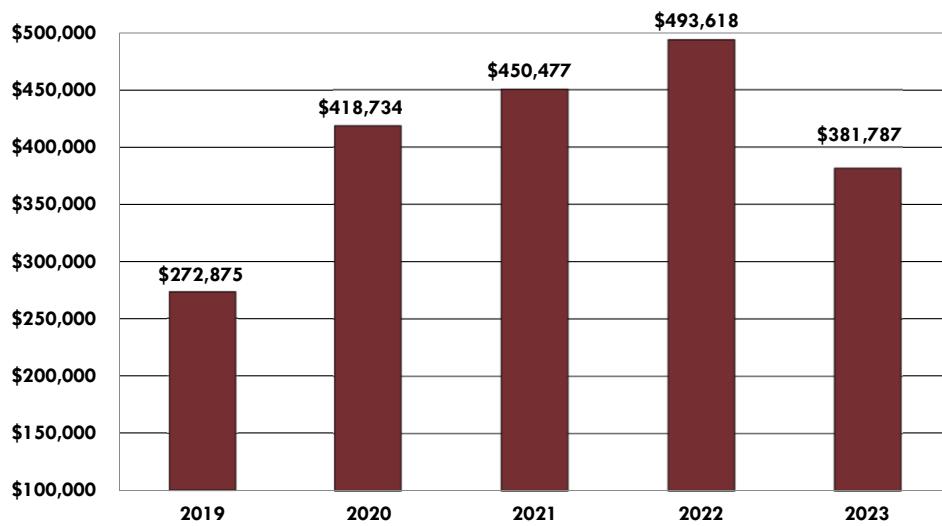


## SALES AND PROFIT COMPARISON 2023-2022

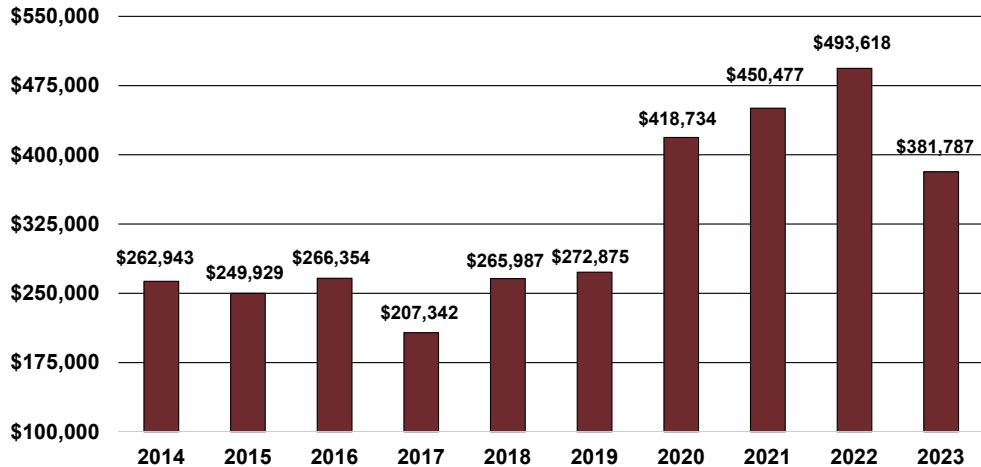
Year to Date	12/31/23	12/31/22	Increase (Decrease)
Sales	\$7,065,953	\$7,040,797	\$25,156
Less: Purchases/Cost of Goods Sold	\$5,246,547	\$5,212,282	\$34,265
Gross Profit	\$1,819,406	\$1,828,515	\$1,038
<b>Gross Margin</b>	<b>25.75%</b>	<b>25.97%</b>	
Operating Expense:			
Salaries, Wages, & Benefits	\$900,994	\$828,131	\$72,863
All Other Expenses	\$537,218	\$506,261	\$30,957
Total Operating Expense	\$1,438,212	\$1,334,393	\$103,819
<b>Total Expense as a Percent of Sales</b>	<b>20.35%</b>	<b>18.95%</b>	
Profit from Operations	\$381,192	\$494,121	(\$112,929)
Non-Operating Revenue/Expenses	\$594	(\$417)	\$1,011
<b>Net Income/Percentage</b>	<b>\$381,787</b>	<b>\$493,704</b>	<b>(\$111,917)</b>



## 5-YEAR PROFIT HISTORY



# 10-YEAR PROFIT HISTORY



## BENCHMARKS AND COMPARISONS



Inventory Turn Ratio = 5 times

Inventory Value = 14% of total sales

Labor Costs = 13% of total sales

Total Operating Expense = 20.3% of sales

Physical Inventory Adjustments (\$745.00):

- .00007% of our year-end inventory value
- .00001% of our total sales
- .00002% of our received inventory

### 2022 State Auditors Report

- Ranked 16<sup>th</sup> in the state in total sales
- Ranked 7<sup>th</sup> in net profits of 18 metro operations
- 176 cities operating 211 stores



## CURRENT CONDITIONS...

- Open 7 days a week, regular store hours
- Increased product availability but delivery/supply chain issues continue
- Rising product, labor and operating supply costs
- Hosting sampling events



## CURRENT CONDITIONS...

### THC/CBD Sales

- Sales began August 8, 2023
- 2023 sales were \$44,000 averaging \$18.00 per sale
- Continually expanding selection.
- Sales continue to increase
- Demographics are evenly split.
- Typically an add on purchase.



## 2023 CELEBRATION YEAR!

### Celebrated 75 Years of Public Service!

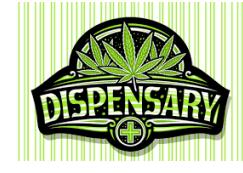
On February 10<sup>th</sup> 1948, St. Anthony City Council passed an ordinance to form a municipal liquor operation

- Controlling the sale of liquor products in our community remains the top priority
- Beyond the benefit of control and revenue, the liquor stores provide a great opportunity for St. Anthony employees to engage with residents and visitors that may not normally interact with city employees



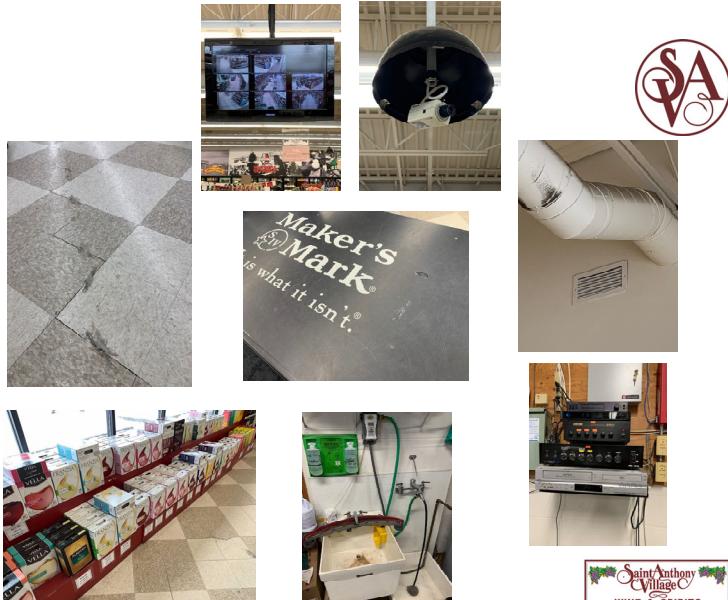
## LOOKING AHEAD...2024

- Continued product collaboration with distilleries and breweries
- Leveraging purchasing power as part of the state's largest chain of stores
- Cannabis Dispensary
- Bottle and can deposit legislation
- Alcohol in grocery and convenience stores
- Spring sampling event, March 23<sup>rd</sup>, 2:00-5:00pm at the Marketplace location.



## LOOKING AHEAD...2024

- Part of Council's tour of city facilities in 2023
- Reinvesting in the stores infrastructure and maintenance needs
- Any needs to assist us for the future trends of the retail alcohol business



## THE VALUE OF ST. ANTHONY VILLAGE WINE AND SPIRITS



### Purpose and Profits

Purpose is not a mere tagline or marketing campaign; it is a company's fundamental reason for being—what it does every day to create value for its stakeholders. **Purpose is not the sole pursuit of profits but the animating force for achieving them.** -

*Harvard Law School Forum on Corporate Governance*

Purpose-driven companies are more likely to have motivated employees, satisfied customers and higher business success than those that don't. - *Forbes Media*

**Profit is an output, not a purpose.**



# WEBSITE: SAVMN.COM

- Event calendar
- Monthly specials
- News & updates
- Product requests
- Store hours
- Contact information
- **“Notify Me”, email & text alerts**