

City of St. Francis Bottle Shop 2024 Annual Report



ST. FRANCIS
BOTTLE SHOP

St. Francis
Bottle Shop

GOOSE ISLAND
SMUCK TOP
KONA BREWING CO.
MCKENZIE'S
EVERY DAY LOW PRICE
19.99
24 PACK 12oz CANS
BUD LIGHT
Golden LIGHT
Golden

GET SURLY!
REDDS
BLUE MOON
Lite
Corns LIGHT
EVERY DAY LOW PRICE
24 Pack 12oz. Cans
\$19.99
THE Silo BULLET
THE Silo BULLET

TRUCK &
TRAILER
PARKING
NORTH SIDE
OF BUILDING

BEER of the MONTH
\$12.99

23307

St. Francis
Bottle Shop
NO
\$12.99

City of St. Francis Bottle Shop

Liquor Store Staff

Employee	Position	Date Appointed
Joe Pfeifer	Liquor Store Manager	11/13/2023
Crystal Buskey	Assistant Manager	9/7/2004 (Hired May 22, 2001)
Corrine Lauer	Full-time Cashier	8/3/2021 (Hired February 7, 2014)
Melinda Michels	Part-time Cashier	3/20/2008
Kristi Neubauer	Part-time Cashier	2/14/2019
Erik Hughes	Part-time Cashier	4/19/2022
Kyler Loud	Part-time Cashier	4/19/2022
Colin Reed	Part-time Cashier	6/07/2024

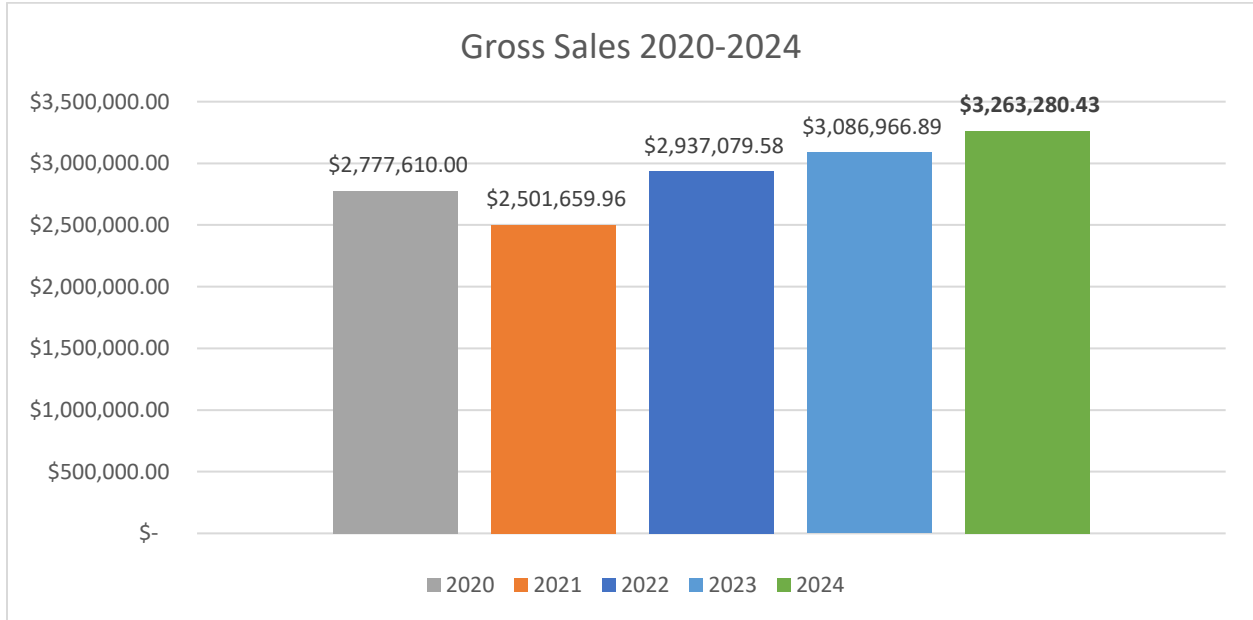
City of St. Francis Bottle Shop

5-Year Comparative Income Statement-2024 Unaudited

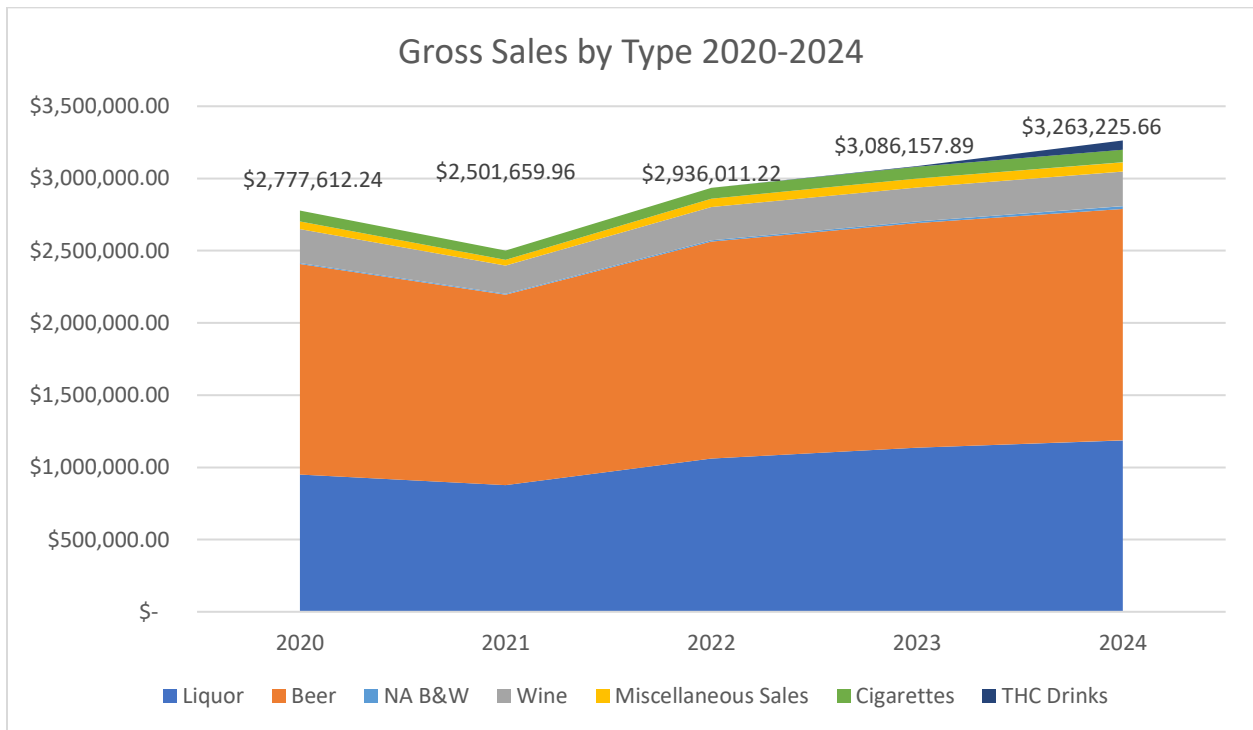
	2020	2021	2022	2023	2024
Liquor	\$ 950,372.97	\$ 876,981.59	\$ 1,061,869.58	\$ 1,137,220.31	\$ 1,186,261.69
Beer	1,457,524.47	1,319,035.77	1,501,830.05	\$ 1,553,322.12	\$ 1,602,793.05
Wine	233,729.08	195,306.57	229,183.75	\$ 234,567.08	\$ 239,339.74
Miscellaneous Sales	53,571.04	39,379.35	58,136.64	\$ 63,343.30	\$ 64,158.56
NAB&W	6,742.92	5,980.57	9,142.63	\$ 11,809.14	\$ 18,985.44
Cigarettes	75,671.76	64,976.11	75,848.57	\$ 80,402.35	\$ 87,766.96
THC Drinks	-	-	-	\$ 5,493.59	\$ 63,920.22
Total Gross Sales	\$ 2,777,612.24	\$ 2,501,659.96	\$ 2,936,011.22	\$ 3,086,157.89	\$ 3,263,225.66
COGS	\$ 2,031,338.67	\$ 1,899,042.82	\$ 2,211,211.51	\$ 2,319,001.56	\$ 2,387,832.57
Gross Profit	\$ 746,273.57	\$ 602,617.14	\$ 724,799.71	\$ 767,156.33	\$ 875,393.09
Gross Profit Margin	26.9%	24.1%	24.7%	24.8%	26.8%
Personnel	\$ 257,951.53	\$ 296,862.34	\$ 399,628.93	\$ 347,591.85	\$ 374,319.53
Insurance	25,129.95	26,195.62	22,176.56	\$ 35,979.34	\$ 33,659.74
Supplies	5,693.66	19,956.06	8,109.57	\$ 7,566.15	\$ 8,368.66
Professional	58,284.18	60,603.93	99,433.74	\$ 86,537.90	\$ 84,789.43
Repairs	6,460.31	16,965.45	41,484.04	\$ 9,782.42	\$ 13,188.11
Communications	3,501.38	2,331.38	1,708.78	\$ 1,532.73	\$ 1,731.18
Other	85,707.52	86,453.38	96,902.62	\$ 107,906.36	\$ 109,529.82
Utilities	12,751.49	11,558.73	14,603.79	\$ 15,354.81	\$ 13,894.41
Depreciation	22,957.28	19,195.42	42,219.04	\$ 42,117.83	\$ 42,000.00
Total Operating Expenses	\$ 478,437.30	\$ 540,122.31	\$ 726,267.07	\$ 654,369.39	\$ 681,480.88
Net Operating Income	\$ 267,836.27	\$ 62,494.83	\$ (1,467.36)	\$ 112,786.94	\$ 193,912.21
Other Income	\$ 39,504.52	\$ (10,387.94)	\$ (23,104.41)	\$ 64,043.89	\$ 71,869.46
Income (Loss) Before Transfers	\$ 307,340.79	\$ 52,106.89	\$ (24,571.77)	\$ 176,830.83	\$ 265,781.67
Transfers Out	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 60,000.00	\$ 65,000.00
Net Income/(Loss)	\$ 247,340.79	\$ (7,893.11)	\$ (84,571.77)	\$ 116,830.83	\$ 200,781.67
Cash Balance	\$ 1,982,657	\$ 1,204,211	\$ 1,048,587	\$ 1,149,835	\$ 1,230,298

Gross Sales

2024 was a soft year for many liquor stores across the state. We were not one of them. We saw an increase in sales of \$176,313.54 in sales over 2023.

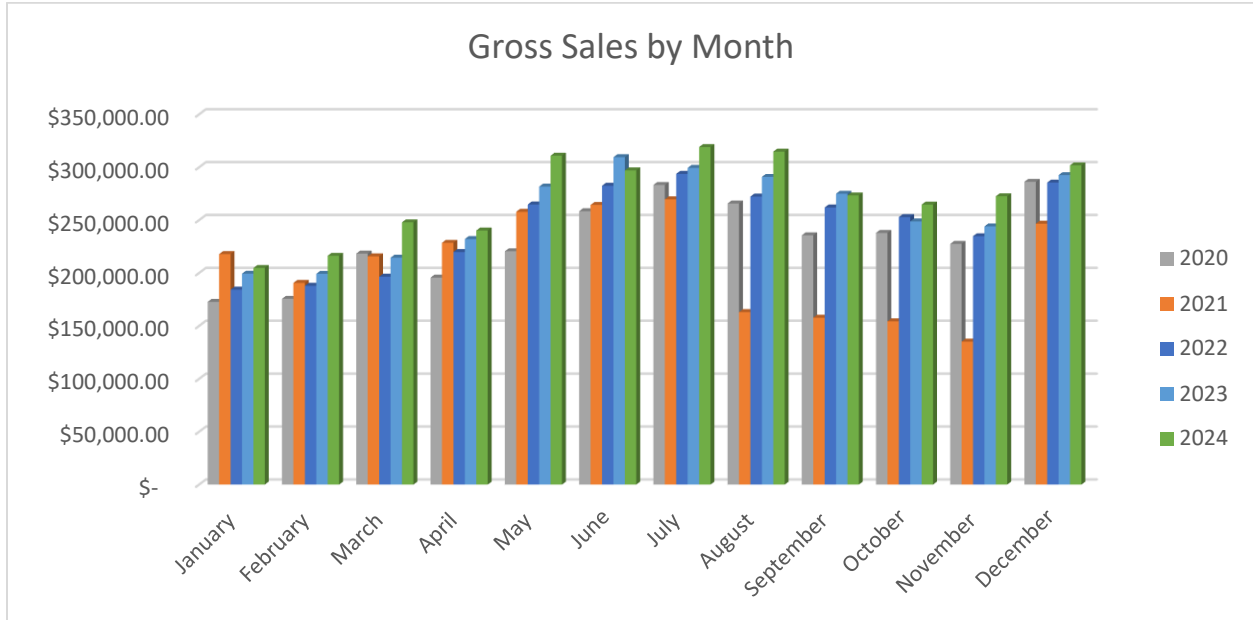


THC was added to the chart and is already almost 4th place for overall gross sales by type (it should surpass cigarettes sales in 2025)

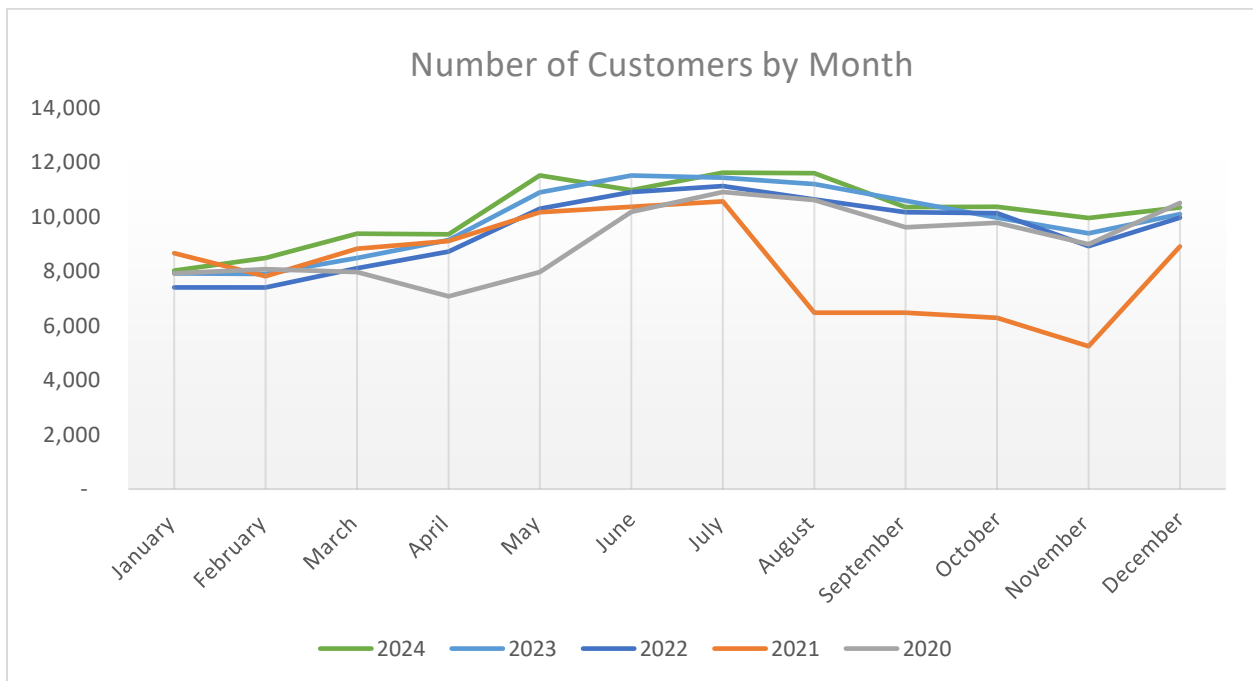


Gross Sales by Month

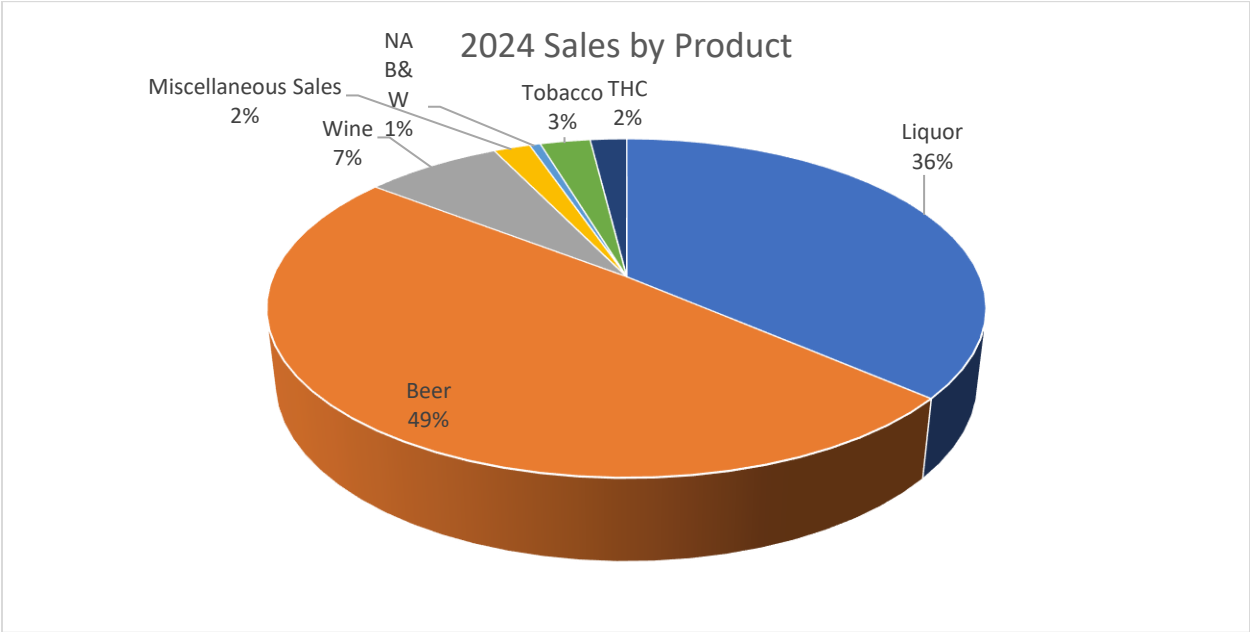
Summer months continue to be our busier season, and we had stronger sales this past year (versus 2023) every month except for June and September.



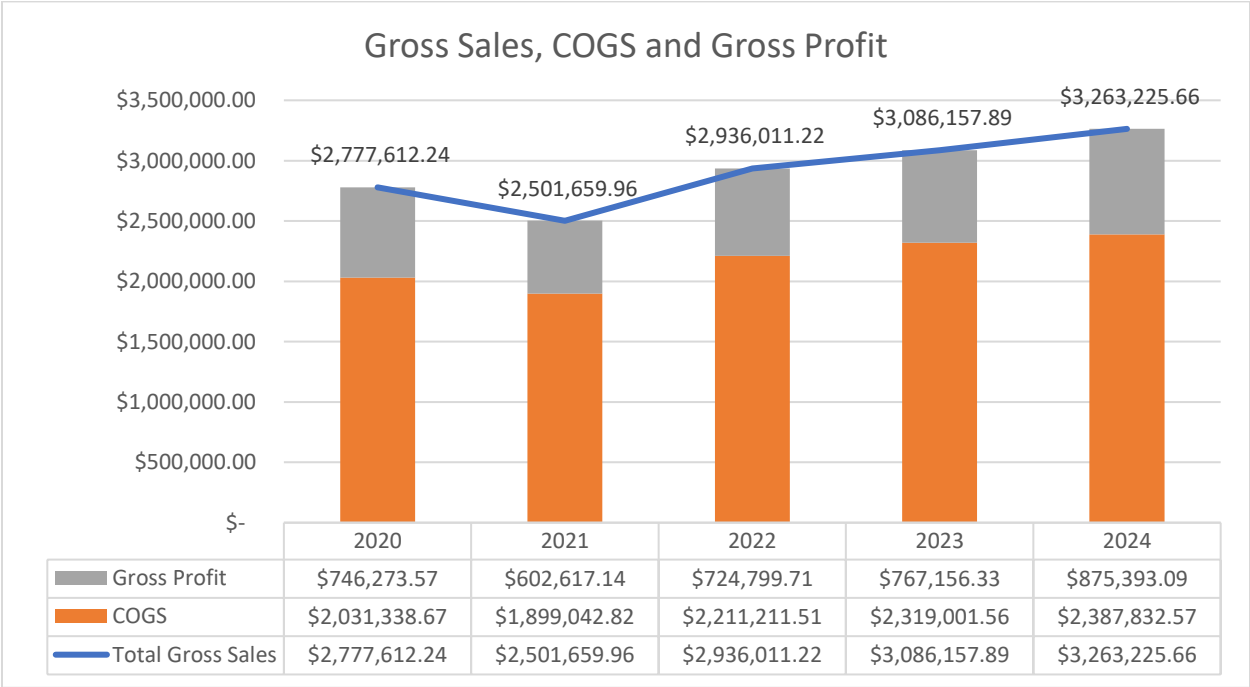
Similar pattern for customer counts, with June and September being the slower months.



The next chart shows the 2024 Sales by product. Beer is still strong with #1 sales and nearly 50%, with liquor right behind it at 36%. THC went from a fraction of a percent to over 2% of all sales.

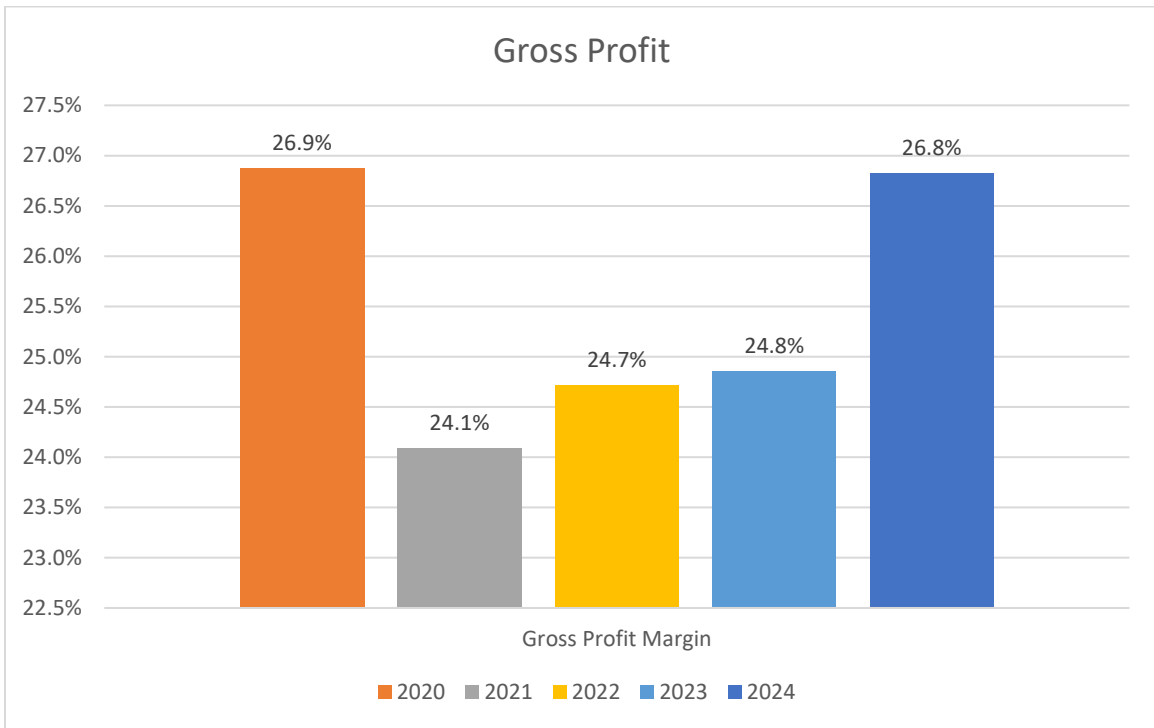


After gross sales, this next graph shows the relationship gross sales to cost of goods sold (COGS) and the gross profit that is created. Cost of goods sold is what the Bottle Shop pays for the liquor, beer, wine and miscellaneous. Once that is deducted from the gross sales you have the gross profit amount.



Gross Profit Margin

The Bottle Shop shoots to have a gross profit margin of 25%. As you can see, we blew that number up substantially in 2024. With an increase in THC sales and better buying, we went up a full 2% in GP. That's huge!

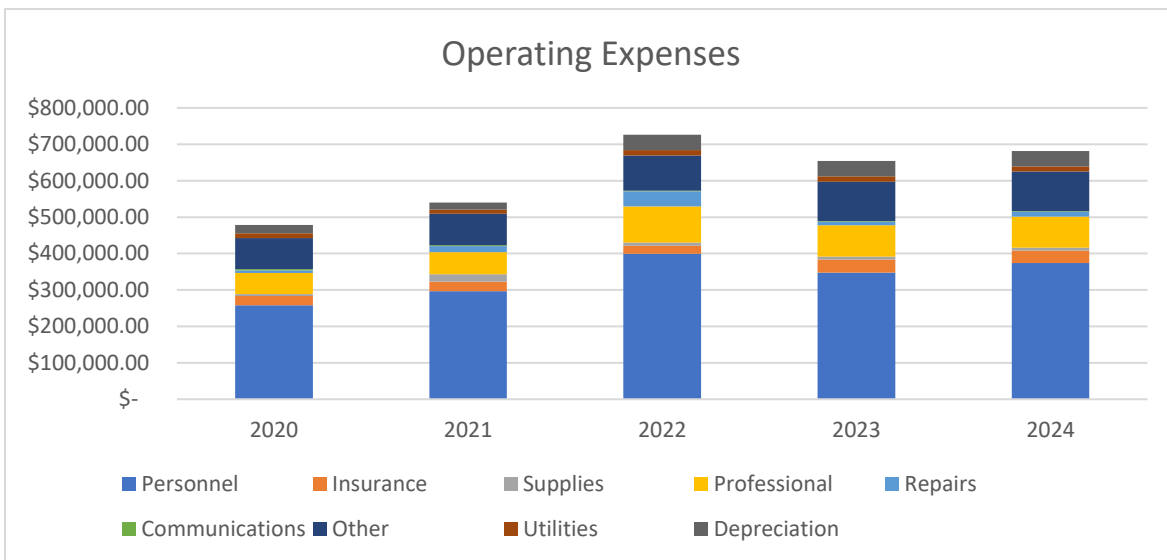


Operating Expenses

The costs for running the liquor store operations is broken down into the following categories: Personnel, insurance, supplies, profesional services, repairs and maintenance, communications, other, utilities and depreciation.

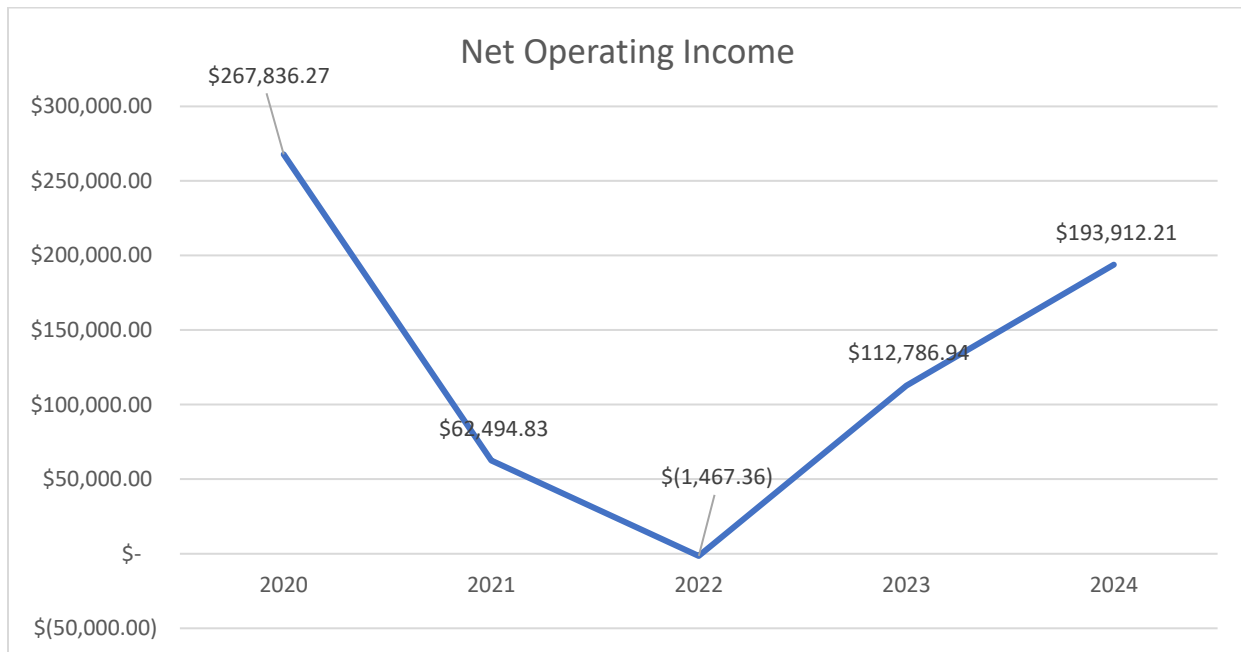
The biggest line item is the personnel line. The Bottle Shop employs three full-time staff. The manager, the assistant manager and a full-time clerk. The full-time clerk was added 2021. During 2022, the hourly rates of the part-time employees was looked at and council decided to adjust the wage up to be comparable to other jobs in the area.

The next biggest line item is the professional services line. This line includes auditing costs, computer consulting costs, administration charge (this is transferred to the general fund) and the cost of credit card processing.



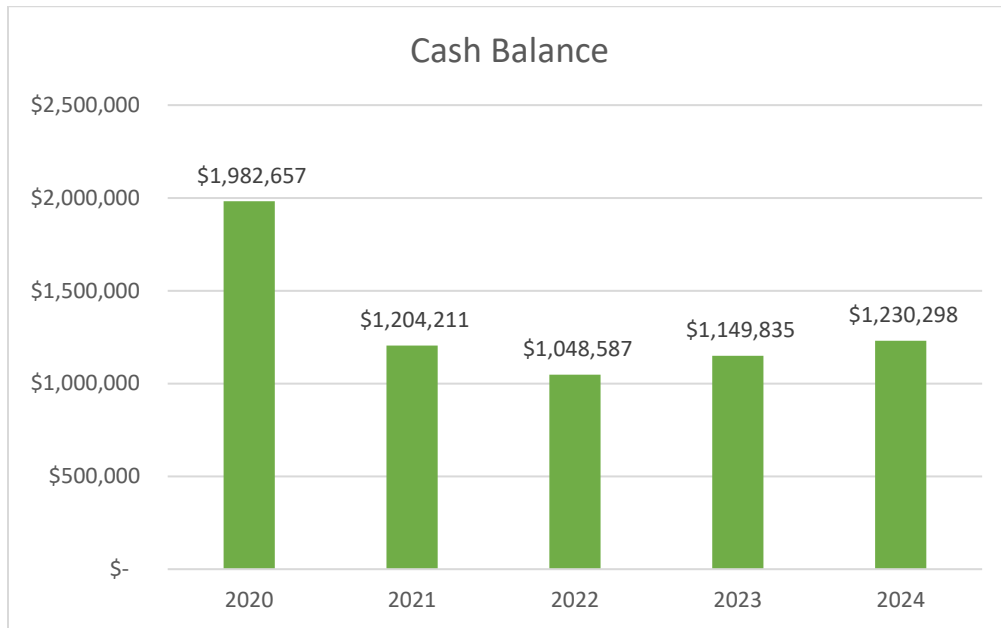
Net Operating Income

Net Operating Income is the amount left over after operating expenses are subtracted from gross profit. The trend is downward right now except for the exceptional year of 2020. Inflation is hitting everyone including city operations. Please note that 2024 amount is unaudited. This is the amount before any transfers that this city makes out of this fund. It's good to see that number continue to rise, with an \$81,125.27 increase over 2023.



Cash

The cash balance has dropped in the last couple of years. The reason for this drop is the remodeling project that occurred in 2021. The overall costs associated with the remodeling amounted to \$920,945. This included the construction contract, architectural fees, and any miscellaneous costs associated with the project. 2024 helped, bringing our cash balance up by \$80,463.



2024 Trends

2023 brought the legalization of hemp-derived THC. 2024 brought the explosion of new brands of THC, as well as many breweries expanding to offer THC beverages and gummies as well. We expanded from a small cooler and shelf to an entire 4-foot wall of drinks, two additional coolers, and a large display of THC gummies and shots at the register area. We went from \$5,493.59 in 2023 to \$63,920.22 in 2024. Big numbers getting bigger.

The other category, premixed cocktails, also saw a huge spike. Carbliss saw a 56% increase from 451 to 705 cases and Cutwater saw an increase of 51% as well spiking from 110 to 216 cases in 2024.



Changes for the better

2024 was a great year for The Bottle Shop. We made some big changes with the store layout and were able to bring in many new items. Created more space for larger displays, which helped make it easier to buy properly. This helped a lot with our GP as well as our overall sales. Many items that were slow movers were discounted and sold through, and overall, the new items have been doing well.

We are now open all hours of operation that are legal in the state of Minnesota. 8am to 10pm Monday through Saturday, and 11am to 6pm on Sundays. Changing our hours to 8am has seen an increase in customers and it was the right decision, only adding one hour of labor per day as the opener was coming in at 9am to open at 10am.

Grew our Facebook page to 999 followers and got our rating up to 90%. Continue to post several times a week with specials and other events going on both inside the store as well as within the city.

Worked with Cityhive and now have an app that you can utilize to order online for store pickup.

We are now running sales every month! Printing better signs and have actual sale tags on the shelf. Much more professional look.

I spent most of my Wednesdays this past summer helping at the farmer's market! It was a good time and nice to interact with my customers outside of the store.

I ordered new keg taps, and we have seen several go out. I even have a few keg customers that followed me from G-Will and buy their kegs here regularly.

We had beer tastings every Friday in April as well as food trucks weekly.

Did a cooler reset in April, giving us a better flow for customers and better placement for premixed cocktails, Seltzers and Teas. All those categories have seen solid growth since being relocated.

We added vinyl curtains at the entries of our coolers, keeping the cold air in the coolers when the doors are open for stocking. Better energy efficiency.

Set up a table at National Night Out and hung out with customers. Handed out candy and had a few giveaways.

Had a large Oktoberfest tasting in September. Hoping to do again next year as repetition is key to better turn outs.

We had wine tastings every Friday in October.

We did a bourbon endcap in November and had many popular brands on sale, each purchase got them an opportunity to purchase an allocated bottle of bourbon. We are also starting to see an increase in allocations due to an increase of products carried and buying more cases.

Joined Saint Francis Fire Department for a second year as Santa collecting food for the food shelves. Hoping to continue this tradition moving forward as it's a lot of fun!

We did multiple fundraisers:

\$410.61 in April to the Humane Society

\$647.97 in August to the St. Francis Fire Department

\$1,538.93 in December to the Vikings Foundation

With the help of our customers, we raised a total of **\$2,597.51** this year!

Special Events throughout the year

Food Trucks



Giveaways



MMBA Fire Fighter Fundraiser



Oktoberfest

ALL 12 PACKS ON SALE!

**OKTOBERFEST TASTING:
SEPTEMBER 13TH 4PM-6PM**

Shiner
OKTOBERFEST

Leinenkugel's
OKTOBERFEST

SUMMIT
OKTOBERFEST

Paulaner
Oktoberfest

SAMUEL ADAMS
OKTOBER FEST

Oktoberfest
AMBER MARZEN

Oktoberfest
Oktoberfest







