

LIQUOR COMMITTEE MEETING
March 25, 2024 at 5:15 p.m.
Jackson City Hall Council Chambers

The City of Jackson Liquor Committee met on Monday, March 25, 2024 at 5:15 p.m. in the Council Chambers of the Jackson City Hall. Attending the meeting were Liquor Committee members Mayor Marcus Polz, Alderman Nathan Peterson, Alderman Chris Naumann and Alderwoman Sara Mix. Also attending the meeting was Liquor Store Manager Michelle Bratrud, City Administrator Matt Skaret and Recording Secretary Dave Maschoff. (A quorum of the Liquor Committee members was present.)

FEBRUARY 2024 FINANCIAL REPORT

City Administrator Matt Skaret distributed the February 2024 Liquor Store Financial Report to everyone attending the meeting.

Skaret reported January's Financial Report was basically on par with January of 2023. He said February 2024's Financial Report was down about \$3,000 in Liquor Store sales compared to February of last year (2023).

Regarding expenses at the Liquor Store, Skaret explained with the timing of billings and invoices, January's expenses are always low and expenses always run higher in February regarding purchases of product. He said the expenses then go back down in March. Skaret said March sales data won't be tabulated until the end of the month.

Mix noted a bill in February for painting the inside of the Liquor Store. She said the painting in the Liquor Store looks nice. Mix said the new paint kind of brightens up the store.

Liquor Store Manager Michelle Bratrud said the paint is a different color. She said it's supposed to be a light grey. Bratrud said the new paint looks pretty similar to what the paint color was before.

LIQUOR STORE MANAGER SALARY

Skaret said Bratrud's salary is currently on Step 16 of the Step 17 scale. He said Bratrud's salary as Liquor Store Manager is not out of line. Skaret said checking with the League of Minnesota Cities salaries survey, the City of Jackson is right on par with the City of Luverne regarding the Liquor Store Manager's salary.

Skaret noted Bratrud's previous retail experience before becoming the Liquor Store Manager. He said Bratrud does an excellent job. Skaret said he's had liquor distributors stop him in the gas station and comment how Bratrud is the top Liquor Store Manager of all the stores they deliver to. He said they think she does an excellent job running the Liquor Store.

EMPLOYEE SURVEY RESULTS

Mayor Polz said he had received the Liquor Store employee's survey results. He explained the employees filled out individual surveys.

Mayor Polz said basically everything from the survey results were positive and there was nothing out of the ordinary. He noted the survey results indicated liquor store employees felt there was great communication between management and staff. Mayor Polz also said the survey showed employees felt comfortable bringing up situations to management. He noted employees felt they knew what their responsibilities were at the Liquor Store and have a clear knowledge of what's expected of them and the organization's objectives. Mayor Polz said the employee surveys also noted that management is very supportive all of the time. He said employees indicated communication is always there and if anybody has a problem at any point, they're not afraid to speak up about it. Mayor Polz said employees stated Bratrud is really good when they have concerns and will help or fix the problem. He said the survey showed employees felt Bratrud absolutely dealt with issues as needed.

Mayor Polz said the survey results showed Bratrud has a personal interest in employees and is a wonderful leader. He said those were the comments seen over and over in reading the Liquor Store employee's individual surveys.

Mayor Polz said he had no concerns with the employee survey results and thought everything was very positive in general.

Mix suggested adding a couple more questions to future employee surveys such as if an employee could change one thing, what would it be or if one feature could be added to the Liquor Store, what would it be? She said there's a few more things that could be added to the survey that would help the Liquor Committee. Mix said the Liquor Store employees maybe see an opportunity that the Liquor Committee members have never seen. She said given the opportunity to speak up, employees may have some ideas.

Mayor Polz said he was impressed the Liquor Store did a survey on their own. Bratrud said the Liquor Store has all really good employees.

Mix said she personally likes how friendly the employees at the Liquor Store are when you come into the store.

Skaret said he doesn't think the Liquor Store has a high degree of employee turnover. When you look at other retail, Skaret said the Liquor Store's employee turnover is below average.

Mix told Bratrud good job.

Mayor Polz thanked Bratrud for conducting the employee survey.

CANNABIS UPDATE

Skaret said City Clerk Dave Maschoff attended the Municipal Clerks and Finance Officers Association of Minnesota (MCFOA) Conference March 19th through March 22nd in St. Cloud. He said Maschoff attended a workshop lead by a League of Minnesota Cities attorney regarding cannabis. Skaret said there were some things that were brought up at the workshop that the City may not have been aware of.

Maschoff reported Attorney Kyle Hartnett of the League of Minnesota Cities lead a session regarding cannabis. He noted there's been discussion about the City obtaining a license from the State to operate a cannabis dispensary. Maschoff said it had been thought the City could have the cannabis license and exclusively operate a cannabis dispensary similar to exclusively having a municipal liquor store.

Maschoff said what he learned is, as the State law is written, the City cannot exclusively hold a cannabis license. He said if the City held a cannabis license, someone else could also apply to the State and have a cannabis license.

As a matter of fact, Maschoff said in the license application process, someone with social equity points would be looked upon more favorably in being granted a cannabis dispensary license.

Maschoff said other factors to keep in mind is the Federal government still looks upon cannabis as a controlled substance. He said having the City possess a cannabis dispensary license could also create potential problems for the City in obtaining Federal grants. Maschoff said another issue is the depositing of cash from cannabis sales in a bank facility that's insured by the FDIC (Federal Deposit Insurance Corporation). He said the State of Minnesota in essence got the cart ahead of the horse regarding issues surrounding cannabis. Maschoff noted the State has not yet hired an Office of Cannabis Director.

Maschoff said it appears there's a lot of issues pertaining to cannabis. He said he asked at the workshop if the City could have an exclusive cannabis dispensary license similar to having an exclusive municipal liquor store and the answer was no you can't. Maschoff said someone with higher social equity points may have a better opportunity to obtain a cannabis dispensary license than the City.

Peterson asked if there was discussion about THC products.

Maschoff said there was some discussion at the workshop regarding THC products and zoning distances from schools, churches or playgrounds and that type of thing.

Peterson noted there are THC beers that are coming onto the market.

Maschoff said that was also mentioned at the workshop.

Bratrud said the THC beers are on the market. She said there are stores in the area that sell beers with THC. Bratrud said one of the Liquor Store's sales representatives said to hold-off selling THC beer. She said the sales representative said there are instances where a liquor store will receive a shipment of THC beer and then all of a sudden, the liquor store will be told they can't sell it because it doesn't have the correct THC level or for other reasons. Bratrud explained then there's nothing the store can do with the THC beer but dump it out. She said the sales representative said the THC beer is kind of a waste of money right now.

Maschoff said there's still so many questions regarding cannabis. He said he was surprised that the City can't have exclusive control of a cannabis dispensary license within a municipality.

Naumann asked if there will be rules regarding the distance a cannabis dispensary has to be away from parks and schools.

Maschoff said that's all being decided yet by the State. He said it's too bad the State didn't have everything in place before they launched legalizing cannabis.

Peterson said the issue of cannabis is being brought up again in the current State Legislative Session.

Skaret noted there is some cannabis legislation that will be discussed during this year's Legislative Session.

Maschoff said Attorney Kyle Hartnett from the League of Minnesota Cities really did a nice job in his presentation at the MCFOA Conference. He said he could provide Hartnett's contact information if any of the Liquor Committee members wanted to talk to him.

Other:

Skaret said Kim Barnett has accepted the offer to fill the position of Assistant Manager at the Liquor Store.

Bratrud said Barnett will start her duties at the Liquor Store starting on April 8th.

Peterson asked when the Liquor Store will start being open on Sundays.

Skaret said the Liquor Store will start being open on Sundays beginning April 7th.

Naumann asked if the Liquor Store has advertised that it will be open on Sundays.

Bratrud said there has been advertising and a lot of people already know about it.

Mix suggested doing additional advertising.

Peterson suggested putting up a banner in front of the Liquor Store.

Mix noted about looking at getting a lighted digital sign for the Liquor Store, if not this year, look at budgeting for it next year.

Peterson said his church has been looking at installing a digital sign. He said he would provide some information to Bratrud regarding digital signs.

ADJOURNMENT

With no further business, the Liquor Committee meeting adjourned at 5:41 p.m.

David A. Maschoff, Recording Secretary

