

PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
BOARD MEETING VIA SKYPE
Minutes of the February 16, 2021 Board Meeting

Public notice of the February 16, 2021 Pennsylvania Wine Marketing and Research Program Board Meeting was given as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the skype conference to order at 10:08 a.m. Board members in attendance included Karl Zimmerman, Vice Chairman; John Skrip, III; Elwin L. Stewart; David Hoffman; Chris Dietz; Jake Gruver; Robert Mazza; and Jamie Williams.

John Landis, Secretary/Treasurer, was not present at the commencement of the meeting.

Lela Reichart was not present.

Also present were Patrick Andrews, Chief of Marketing Development, PDA; Laura England, Director, Bureau of Market Development, PDA; Char Riley, Liaison PDA and ACMA Boards; John Howard, Esquire, Chief Counsel; and Holly Zarefoss, Clerk 2, Bureau of Market Development.

Lindsay Young, Sherri Voxakis, McKonly and Asbury CPAs; Dr. Molly Kelly, Penn State University Enology Extension Educator; Dr. Cain Hickey, Penn State University Viticulturist; Trish Brown, PWA, Paradox Vineyards; Barb Christ, President, PWA; Carley Razzi, PWA; Larry Shrawder, PWA, Stony Run Winery; Elizabeth Brassel, Director of Communications, PLCB; Greg O'Laughlin, SWELL; and Dr. Ryan John Elias, Professor of Food Science, Penn State University were also in attendance.

APPROVE MEETING MINUTES

RESOLUTION 2021.2-APPROVAL OF MINUTES

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

(The Board discussed corrections to the Minutes.)

Passed: Unanimously

To approve the Minutes of the November 17, 2020 meeting with three lines of comments by Ms. Brown stricken on page three.

ACCOUNTING AND ASSESSMENT UPDATE

Lindsay Young and Sherri Voxakis, McKonly and Asbury CPAs, presented before the Board for discussion of the Pennsylvania Wine Marketing and Research Program Balance Sheet as of

January 31, 2021. Ms. Young would be requesting approval from the Board to move some funds out of checking to the money market account.

Ms. Young referred members to the Budget vs. Actual Statement and the Balance Sheet for the period ending January 31, 2021, Profit and Loss for the period July 2020 through January 2021 and General Overhead Expenditures. Board members had questions.

RESOLUTION 2021.3-APPROVAL OF FINANCIAL REPORT

Presented by: Jake Gruver

Seconded by: David Hoffman

Passed: Unanimously

To approve the Financial Report as presented.

RESOLUTION 2021.4-APPROVAL TO TRANSFER FUNDS

Presented by: Jake Gruver

Seconded by: Robert Mazza

Passed: Unanimously

To approve the transfer of \$400,000 from the checking to a money market account.

Ms. Young referred to the Wine Assessment Report as of 1/31/2021 for further discussion. She indicated that several audit letters from 2016 were distributed, some from 2017 would be sent out from the legal office to the remaining delinquents and some first letters from 2018 were distributed. There was further discussion.

RESOLUTION 2021.5-APPROVAL OF ASSESSMENT REPORT

Presented by: Jake Gruver

Seconded by: Jamie Williams

Passed: Unanimously

To approve the Wine Assessment Report as presented.

APPROVAL OF AGREED-UPON PROCEDURES REPORT

Lindsay Young, McKonly and Asbury CPAs, referred members to the Agreed-Upon Procedures Report of Garcia Garman and Shea, P.C. She indicated that the most notable recommendation as part of this agreed-upon procedure was the accounts payable process that Ms. Riley had put into place for updating invoices to include who is being paid, how much they were being paid, and the invoice numbers.

RESOLUTION 2021.6-APPROVAL OF AGREED-UPON PROCEDURES REPORT

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Agreed-Upon Procedures Report as presented.

MCKONLY AND ASBURY MONTHLY/ANNUAL FEE COLA ADJUSTMENT

Mr. Andrews stated McKonly and Asbury requested an increase in their fees to all commodity boards. The increase requested for this Board is 6 percent, from \$3,000 to \$3,180 annually. Mr. Andrews noted this to be reasonable and recommended approval of the request.

RESOLUTION 2021.7-APPROVAL OF ANNUAL FEE COLA ADJUSTMENT

Presented by: Robert Mazza

Seconded by: Jake Gruver

Passed: Unanimously

To approve the 6 percent Annual Fee Adjustment for McKonly and Asbury, CPAs.

WMRB HIRING STATUS

Chair Mazza noted previous discussion regarding the hiring of a programs coordinator part time to help with recording and other obligations for both Act 39 and ACMA grants. He stated the process was moving forward and would then include the Beer Board to change that into a full-time position. He thanked Mr. Williams, Mr. Landis, and Ms. Reichart for helping to draft and post the position. The Board would be provided an update regarding the matter after the first round interview. There was discussion regarding insurance obligations and W-9 paperwork pertaining to the new position.

ROUND 6 RFP

Chair Mazza indicated an RFP was currently out, published in the Pennsylvania Bulletin, for Round 6 Act 39 funds with a submission deadline of February 26, 2021. Ms. Riley noted no proposals had been submitted as of this time.

John Landis entered the meeting at 10:32 a.m.

PA WINE BOARD IMPACT REPORT

Chair Mazza referred to the attachment in the packet, which highlights some of the impacts of research and work done that had been funded through various grants, including both Act 39 and ACMA.

Dr. Ryan John Elias, Professor of Food Science, Penn State University, noted the goal is to update this information on a regular basis. Mr. Stewart was pleased with the information in the packet and referred to it as a "big step forward."

DISCUSSION OF PSU EXTENSION EDUCATOR OPERATIONAL SUPPORT MOU

Chair Mazza noted this topic had been brought up for discussion in prior meetings and there was a request to revisit. He stated a motion for funding had been passed to help with operational support.

Ms. Christ stated PWA would welcome support. Chair Mazza noted the amount was approximately \$15,000 for each position shared between PWA and the Wine Marketing and Research Program.

Robert Mazza noted he would "wholeheartedly support" the Wine marketing and Research Board taking on that entire responsibility in terms of operational expenses for those positions.

RESOLUTION 2021.8 - APPROVAL OF PSU EXTENSION EDUCATOR OPERATIONAL SUPPORT

Presented by: Robert Mazza

Seconded by: Jake Gruver

Passed: Unanimously

To approve the responsibility in its entirety for viticulture and enology extension operational expenses. The MOU will be updated and executed.

NEW BUSINESS

Mr. Williams thanked Mr. Stewart for providing feedback on the Round 2 reports. He inquired what the next steps were in the process after the summaries were finished. Mr. Andrews indicated that it would go to the legislature as well as the PLCB for review. He explained the process after that point. Mr. Williams would welcome comments from the Research Committee on the rough draft.

There was discussion regarding a Round 2 funding in which two educators were sent to a conference for \$20,000 and what details to include in that report. There was further discussion regarding the matter.

Ms. Christ discussed PWA staffing. Greg O'Laughlin provided a summary of the Round 5 activities.

Ms. Riley responded to an inquiry by Mr. Landis regarding whether or not meetings could be held in person by summertime. She explained that virtual meetings were scheduled until June 30, 2021, but would be crossing her fingers for possibly the November meeting. Mr. Andrews

suggested members download the Microsoft Team program to join other meetings and be on camera rather than calling in. It was noted that by clicking on an icon in the email, members can join virtually and see everyone as well.

ADJOURN

RESOLUTION 2021.9-MOTION TO ADJOURN

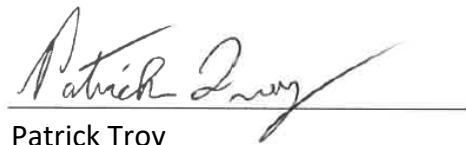
Presented by: Jamie Williams

Seconded by: Chris Dietz

Passed: Unanimously

To adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Teleconference adjourned at 11:09 a.m.

A handwritten signature in cursive script, reading "Patrick Troy", is written over a horizontal line.

Patrick Troy

February 16, 2021