

**PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM
MS TEAMS VIRTUAL BOARD MEETING
Minutes of the November 15, 2022 Board Meeting**

Public notice of the November 15, 2022 Pennsylvania Wine Marketing and Research Program Board Meeting was given as stipulated by the Sunshine Law.

CALL TO ORDER

Mario Mazza, Chairman, called the virtual meeting to order at 10:04 a.m. Board members in attendance included Karl Zimmerman, Vice Chair Jake Gruver; John Landis, Treasurer; David Hoffman; Carley Razzi; John Skrip, III; Chris Dietz; Robert Mazza; and Jamie Williams.

Elwin Stewart and Lela Reichart were not present.

Also present were Patrick Andrews, Chief of Marketing Development, PDA; Beth Williams, Board Project/Program Coordinator; Holly Zarefoss, Administrative Assistant for Commodities; and Jenny Groff, Clerical Assistant.

Also in attendance were Lindsay Young, McKonly and Asbury CPAs; and Virginia Mitchell, PWA Grant Administrator.

APPROVAL OF MEETING MINUTES

RESOLUTION 2022.25-APPROVAL OF MEETING MINUTES

Presented by: Robert Mazza

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Meeting Minutes of August 30, 2022.

ACCOUNTING UPDATE

It was noted this would be the last meeting for John Landis as Treasurer. Chairman Mazza on behalf of the Board thanked him for his years of service. Mr. Landis thanked the Board for the privilege and voiced his pleasure working with Lindsay.

Lindsay Young, McKonly and Asbury CPAs, referred Board members to the allocations in the Summary for the Marketing Research Program from July 1 of 2022 through June 30, 2023, including Accounts Payable, Net Income, Comparatives over the 2021-2022 fiscal year for further discussion.

RESOLUTION 2022.26-APPROVAL OF FINANCIAL STATEMENT

Presented by: Jake Gruver

Seconded by: Carley Razzi

Passed: Unanimously

To approve the Financial Statement as presented.

ASSESSMENTS REPORT

Holly Zarefoss, Administrative Assistant for Commodities, introduced and welcomed Jenny Groff as the Board's new clerical assistant.

Ms. Zarefoss referred Board members to the Assessment Report for further discussion of collections for 2019 through 2022. She noted information on the 2019 Audit Report and is awaiting corrected information from the PLCB on the 2020 Audit Report, which Mr. Andrews commented is regarding 30 wineries.

RESOLUTION 2022.27-APPROVAL OF ASSESSMENTS REPORT

Presented by: Chris Dietz

Seconded by: John Landis

Passed: Unanimously

To approve the Wine Assessments Report as presented.

DATABASE BUILD

Patrick Andrews, Chief of Marketing Development, noted the software build, which involves the payment system and costs, would commence on November 16, 2022, at 1:00 p.m. He noted the software build requires daily standup meetings with the developers, weekly story discussions, meetings with the PLCB's IT team. He stated ATH transactions from bank accounts are not yet affected and summarized yearly changes for the electronic payment systems including 14 cents per transaction or \$933.81 and the 2.65 percent transaction fee. Mr. Andrews commented that the Commonwealth is investing approximately \$350,000 to \$550,000.

The software will manage the producers for each board by identifying them, their payment history, communication, audit processes and will help to manage the ACMA contract. There was further discussion. Mr. Andrews requested that Ms. Young or an appointee will participate in the meetings.

Ms. Young commented the software would increase the transactions that are being recorded to make sure we're able to recognize that fee separately that is being charged. It was noted this

would involve an additional cost to the Board but the efficiency and timeliness will be a significant gain.

Mr. Andrews received an update that ATH transactions will be 15 cents apiece, which was not included in the original information.

AUP REPORT REVIEW

Board members were referred to the AUP Report for further review. Ms. Young noted information included in the annual Agreed Upon Procedures Report by Garcia, Garman and Shea for Fiscal Year ending June 2022.

The accounting firm reviews transactions, deposits, QuickBooks files, bank reconciliation findings, cash disbursement findings, cash receipt findings.

RESOLUTION 2022.28-APPROVAL OF AUP REPORT

Presented by: Jake Gruver

Seconded by: David Hoffman

Passed: Unanimously

To approve the AUP Report as presented.

REVIEW RFP

Mr. Andrews inquired if information about working with the Beer Board in COVID-19 should be included in the RFP. He pointed out that the PLCB did not fund several of the Beer Board's recommended projects, and there were issues with some universities. Deletion of COVID-19 recovery projects was suggested. Continuing joint proposals with the Beer Board was discussed. Mr. Andrews commented that the Beer Board wanted any reference to ACMA funds stricken from their proposal. Board members agreed to delete the joint language.

RESOLUTION 2022.29-APPROVAL OF AMENDED RFP

Presented by: Jamie Williams

Seconded by: Chris Dietz

There was further discussion.

Passed: Unanimously

To delete the COVID-19 recovery language and any references for joint submission to both Beer and Wine Board but would not preclude set proposals.

PWA ACTIVITY STATUS REPORT

Members were referred to additional updates for further review.

Virginia Mitchell, PWA Grant Administrator, had discussion of the PWA Status Report. She indicated that PWA has been focusing on introducing a podcast series and producing six high quality vineyard experience videos, and five of the six videos have been published. She stated the videos highlight various vineyard topics including harvest methods, canopy management and other topics.

Diane McCormick, recently awarded freelance journalist of the year, will write articles that will go along with two of the videos. Missy Wilson, podcast host, has been interviewing various grape growers and winemaking experts with 21 being published so far and 3 remaining for 2022.

Mobile app developers are inputting all 400-plus wineries information into the app, which can now be downloaded on iOS and androids. Updates for the app including search engine options, favoriting and headers for each of the programs will be integrated into marketing efforts for the 2023 Farm Show.

PWA marketing team has been utilizing strategic targets and marketing on social media and at Pennsylvaniawine.com. where a lot of key wine information can be found. The website also has links to a monthly blog, articles by Paul Vigna and wine trail information.

Ms. Mitchell noted three PA wine trails, which submitted applications for marketing campaigns were awarded initial funding, including Susquehanna Heartland, Bucks County and Brandywine Valley. An additional opportunity near the end of the year will be given to continue efforts with grant funding.

More analytics regarding impact on social media and Google were included for review. Ms. Mitchell would provide additional information.

Mr. Gruver noted the videos are very well done, very informative.

SUBCOMMITTEE UPDATES

Marketing

Mr. Dietz reported no update.

Research

Round Three report summaries have been completed, which should be provided to legislature early in 2023. Chairman Mazza noted Blair Siegfried is the new Associate Dean for Research for the College of Ag Sciences. There was further discussion.

Institutional Relations

No update.

Finance

Robert Mazza noted that he, Mr. Landis and Mr. Stewart have been discussing the possibilities of moving some monies into more profitable investments. An opinion was obtained from PDA legal regarding what type of investments could be done, which would include CDs and bonds and treasury bonds. Mr. Mazza commented that four institutions were contacted with regard to interest rates, which he noted were substantial. He noted the committee is still gathering information and offered explanation of a ladder portfolio would involve investment of a certain amount of dollars in bonds or CDs. Mr. Mazza requested a resolution to allow the committee, which consists of himself, Mr. Landis, Mr. Stewart, as well as the new treasurer, to identify \$600,000 to be used in this type of investment.

RESOLUTION 2022.30-APPROVAL OF INVESTMENT

Presented by: Jake Gruver

Seconded by: Jamie Williams

Passed: Unanimously

To allow the Finance Committee to identify \$600,000 to be used in a ladder portfolio investment.

Industry Relations

Chairman Mazza asked members to review information regarding Wine America's Second National Economic Impact Study used for national policy advocacy completed by John Dunham and Associates.

It was noted national data as well as state data would be included in the Round Three report.

Mr. Andrews noted proposals for review are due by four o'clock on Friday, December 9, 2022 and would be discussed at the Tuesday, February 21, 2023 meeting. Mr. Andrews stated he would update his calendar regarding this matter every three years.

Conference Planning Committee Update

Beth Williams, Board Project/Program Coordinator, reported a good "head start" on planning for this year's conference. Save the Date cards were mailed out and a speaker list should be finalized by next week or early December. Ms. Williams discussed some sponsorship opportunities at the conference. Later on, an allocation of funds for the conference would be requested.

RESOLUTION 2022.31-APPROVAL OF FUNDING FOR CONFERENCE

Presented by: Jake Gruver

Seconded by: Jamie Williams

Passed: Unanimously

To fund the conference in the amount of \$12,000.

IDENTIFY NEW TREASURER

Mr. Landis provided an overview of the position, which included the budgeting process and signing off/approving invoices that are processed.

Mr. Landis nominated Chris Dietz, who declined the nomination due to other obligations.

Carley Razzi volunteered for the position.

RESOLUTION 2022.32-APPROVAL OF NEW TREASURER

Presented by: Robert Mazza

Seconded by: Dave Hoffman

Passed: Unanimously

To cast a unanimous ballot for the nominated official for Treasurer, Carley Razzi.

PSU VITICULTURE EDUCATION

Chairman Mazza reported he had been in contact with Dr. Cain Hickey, Penn State Viticulture Educator who notes an effort within Penn State to allow for some growth in his position to include a teaching appointment, which would allow the opportunity for a viticulture curriculum as well as internship or other programs.

RESOLUTION 2022.33-APPROVAL OF ADDITIONAL COST IN SALARY FOR DR. CAIN

Presented by: Jamie Williams

Seconded by: Dave Hoffman

There was further discussion.

Passed: Unanimously

To approve negotiation of an MOU for the additional cost in salary that it would require for Dr. Cain to perform viticulture teaching.

BUDGET REVISION REQUEST

This is regarding the reallocation of funds within the budget with the total budget remaining the same for an ACMA funded project.

Ms. Zarefoss referred members to information regarding the matter.

RESOLUTION 2022.34-APPROVAL OF BUDGET ADJUSTMENT

Presented by: Jake Gruver

Seconded by: Dave Hoffman

Passed: Unanimously

To approve the budget adjustment for Misha's project.

2023 MEETING DATES

There was discussion regarding the 2023 meeting dates.

Chairman Mazza commented virtual meetings had been effective, but it was nice to be in person once in a while, especially with regard to the main funding meetings.

2023 Meeting dates were noted as follows: February 21, 2023; April 4, 2023; May 23, 2023; July 11, 2023, in person; August 29, 2023; November 14, 2023.

NEW BUSINESS

None.

ADJOURNMENT

RESOLUTION 2022.35-ADJOURNMENT

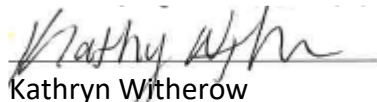
Presented by: Jamie Williams

Seconded by: Chris Dietz

Passed: Unanimously

To adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Virtual Meeting adjourned at 12:04 p.m.



Kathryn Witherow
November 15, 2022