

**PENNSYLVANIA WINE MARKETING AND RESEARCH PROGRAM**  
**BOARD MEETING VIA SKYPE**  
**Minutes of the November 17, 2020 Board Meeting**

Public notice of the November 17, 2020 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 10:03 a.m. Board members in attendance included Karl Zimmerman, Vice Chairman; John Landis, Secretary/Treasurer; John Skrip, III; Elwin L. Stewart; David Hoffman; Chris Dietz; Jake Gruver; Robert Mazza; and Jamie Williams.

Lela Reichart and Jonathan Patrono were 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; Morgan Sheffield, Specialty Crop Grant Coordinator; Lindsay Young, Senior Manager, McKonly and Asbury, CPAs; John Howard, Esquire, Chief Counsel.

Others present were Dr. Michela Centinari, Assistant Professor of Viticulture, Penn State University; Dr. Molly Kelly, Penn State University Enology Extension Educator Dr. Cain Hickey, Penn State University viticulturist; Elizabeth Brassell, Director of Communications, PLCB; Trish Brown, Paradocx Vineyards; Barb Christ, President, PWA; Carley Mack, PWA Board, Penns Woods Winery; and Larry Shrawder, PWA Board, Stony Run Winery.

**RESOLUTION 2020.35 APPROVAL OF MINUTES**

Presented by: Robert Mazza

Seconded by: Jake Gruver

Passed: Unanimously

To approve the Minutes of the September 1, 2020 meeting.

**ACCOUNTING UPDATE**

Lindsay Young, Senior Manager, McKonly and Asbury, CPAs, referred Board members to the PA Wine Marketing and Research Program Profit and Loss statement, the Balance Sheet as of October 31, 2020, the Budget vs. Actual as of October 31, 2020, and General Overhead and Shared Operational Expense Commitments for further discussion. Ms. Young discussed the Wine Assessment Report as of October 31, 2020, prepared by the Department of Agriculture

which reflected the total collections for the various marketing seasons. She indicated the 2018 audit was underway.

John Landis, Secretary/Treasurer, noted a Fidelity account, which was set up at a rate of 2.6 percent, was down to .01 percent, so those funds were taken from Fidelity and moved back into the account in Harrisburg.

**RESOLUTION 2020.36 APPROVAL OF FINANCIAL REPORT**

Presented by: Chris Dietz

Seconded by: Karl Zimmerman

Passed: Unanimously

To approve the Financial Report as presented.

**RESOLUTION 2020.37 APPROVAL OF ASSESSMENT REPORT**

Presented by: Jake Gruver

Seconded by: David Hoffman

Passed: Unanimously

To approve the Wine Assessment Report as presented.

Patrick Andrews, Chief of Marketing Development, PDA, noted letters would soon be sent and an update would be provided with regard to the 2018 audit.

**OPERATIONAL EXPENSE PORTION - CURRENTLY THE OBLIGATION BETWEEN PWA AND PWMRB**

Chair Mazza thanked members of the PWA Board for joining the meeting. Barb Christ, President, PWA, discussed some of the challenges it faced and the changes that were made. She indicated that income from festivals was "dried up," so the budget had to be reviewed very carefully. At the same time, the grant process changed in terms of reimbursement. Ms. Christ noted a budget was finally initiated by the end of August. She discussed the challenges with staff as well.

Trish Brown, Treasurer, PWA, confirmed remarks made by Ms. Christ. Ms. Brown noted necessary changes and adjustments were being made to continue to move Pennsylvania's wine industry forward.

Carley Mack, PWA member and Chair of Marketing, commented that with the strength of PWA marketing, its legislative knowledge, and actual drive to do well, that it was committed to restructuring and being more involved with the Board.

Chair Mazza thanked those members for sharing their remarks with the Board. He agreed the lines of communication needed to be proactive and open moving forward to ensure ongoing success. He was grateful that Elizabeth Brassell, Director of Communications, PLCB, will take the information back to that board with regard to funding through Act 39, which is approximately seven months ahead of the planned cycle, to help the industry at a critical time.

Chair Mazza discussed two other areas of funding that are ACMA related, which included a fund to help offset administrative costs PWA was facing and a one-time fund to help support the Extension viticulture enology position in terms of operational expenses.

Ms. Brown stated PWA budgeted no funds but was current with payments. PWA did have those offered administrative funds allocated to complete that obligation. Funds were used to support payroll, so there would be no lapse.

Chair Mazza inquired of Mr. Landis whether the motion previously approved at the September meeting supporting \$44,000 in administrative funds to PWA had any restrictions with regard to the specific nature of those administrative costs. Chair Mazza noted the matter would need to be revisited. He asked Ms. Brown to confirm where the funds had been allocated either to date or moving forward.

Ms. Young read into the record a description of the account payable invoice with regard to the \$44,000, which was located under administrative management and resources used to execute grant projects under Round No. 4 and for COVID recovery grant for the time period September 1st, 2020, through August 31st of 2021. There was further discussion regarding PWA financial challenges, grant projects, and Act 39 funding recommendations.

Larry Shrawder, PWA member, commented that the PWA Board is capable of handling "anything that comes up." He stated all monies for grants administered were segregated from the general funds, and there are no issues financially at all. He further stated, after review of money available, there was enough to hire somebody full time to concentrate on the grants and other things. There was further discussion.

Elizabeth Brassell, Director of Communications, PLCB, will report back to the PLCB regarding this meeting's discussion, but she would need to know if there were any changes in the Wine Board's recommendations regarding the grants prior to November 16, 2020, 11:00 a.m. meeting.

Board members offered comments regarding confidently addressing this meeting's topics. PWA was asked to increase communication with the Board, so confidence could continue to be built with regard to recommendations.

Dr. Michela Centinari, Penn State Assistant Professor of Viticulture, and Dr. Cain Hickey, Penn State University viticulturist, were asked about an alternative approach to the research symposium, which was unable to be conducted this year. Dr. Hickey suggested a small virtual

online symposium or an in-person symposium and new grower workshop in the summer of 2021 to encourage new people to join the industry. The matter would be discussed further at a future meeting.

Chair Mazza suggested any further discussion regarding the PWA and PWMRB operational expenses and the Penn State Extension viticulture enology position be tabled pending clarity of PWA's financial position.

#### **SUPPORT STAFF MEMBER**

Chair Mazza noted previous discussion regarding the hiring of a support staff member part time to manage documentation, recording requirements, et cetera, with the potential for the opportunity to cost share that position with the Beer Board for administration of Act 39 grants. Mr. Landis drafted an initial description for the Board's review and comment. Robert Mazza suggested the job description be shared with the Beer Board members as well. There was further discussion.

#### **RECOVERY GRANT REVIEW PROGRESS**

Chair Mazza discussed the COVID recovery RFP, noting that PLCB discussion of the subject was moved back a couple of meetings but would review recommendations noted in the minutes from the last meeting tomorrow.

#### **NEW BUSINESS**

Mr. Andrews noted there would need to be discussion with this Board regarding the next RFP. He stated the Beer Board felt the need to keep the COVID recovery language as well as the language regarding a joint proposal in the next RFP.

He also suggested the addition of the format exception that required a declaration regarding reporting, stating accepted outcomes and measuring the performance to achieve those outcomes. There was further discussion regarding the suggestions. Mr. Andrews was requested to circulate a draft of the RFP for review.

#### **2021 BOARD MEETINGS**

Char Riley, Liaison PDA and ACMA Boards, stated, at this time, all 2021 meetings would be held virtually until otherwise noted. She asked the Board to approve the next meeting scheduled for February 16, 2021, and she would follow up with an email requesting approval of the rest of the 2021 dates.

#### **MISCELLANEOUS**

Jamie Williams inquired as to the process involved with credit card payments online. Mr. Andrews discussed software that would provide administrative support to all commodity boards and other programs.

**ADJOURN**

**RESOLUTION 2020.38 MOTION TO ADJOURN**

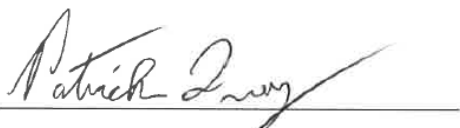
Presented by: Jamie Williams

Seconded by: Elwin Stewart

To adjourn the meeting.

There being no further business, the Pennsylvania Wine Marketing and Research Program Board Teleconference adjourned at 11:58 a.m.

Patrick Troy



November 17, 2020

