

Allan Hancock College

Viticulture & Enology Foundation



Board of Directors Meeting

March 10, 2021
3:30 PM

This meeting will be conducted via zoom:
<https://cccconfer.zoom.us/j/96318536899>

ALLAN HANCOCK COMMUNITY COLLEGE
Viticulture & Enology Foundation



Minutes

Board of Directors

Wednesday, December 9, 2020

3:30 p.m.

Teleconference: <https://cccconfer.zoom.us/j/96318536899>

Kevin G. Walthers, Ph.D., Board President
 Larry Lahr, Vice President
 Eric D. Smith, Treasurer
 Sean J. Abel, Secretary
 Alfredo Koch, Ph.D., Board Member

Allan Hancock College
 Captain's Room 102, Building B
 800 South College Drive, Santa Maria, CA 93454

1. Call to Order

Dr. Kevin G. Walthers called the meeting to order at 3:30 p.m. with the following directors present: Sean J. Abel, Alfredo Koch, and Larry Lahr.

Absent: Eric D. Smith

Guests present: Jon Hooten, Keli Seyfert

Note taker: Espie Valenzuela

2. Public Comment

No public comments were received.

3. Action Items

3.A. Approval of September 16, 2020 Meeting Minutes

On a motion by Sean J. Abel seconded by Alfredo Koch, the board approved the minutes from the September 16, 2020 board meeting.

(Ayes: Abel, Koch, Lahr, Walthers; Noes: None; Abstentions: None; Absent: Smith)

3.B. Acceptance of Donations

The board received donations from Snap-on Inc., and Cambria Winery – Jackson Family Wines valued at \$5,547.50 in support of the viticulture program.

On a motion by Alfredo Koch seconded by Sean J. Abel, the board approved the donations received.

(Ayes: Abel, Koch, Lahr, Walthers; Noes: None; Abstentions: None; Absent: Smith)

4. Information Items

4.A. Planting Suggestions

Alfredo Koch stated Pinot Noir was increasing for market conditions. The plan is to reduce Pinot Noir and start practicing with other varietals that can be blended with existing wines that we already have. Alfredo indicated our vineyard is in constant change and adaption. He shared a presentation of the Vineyard Plans. The recommendation is to adapt slowly to future blends and sell the Pinot Noir grapes at market price of approximately \$2,000/ton. And gradually start

4.F. Financial Report

Keli Seyfert discussed the financial statements detailing the year-to-date financial data ending October 31, 2020.

5. New Business/Oral Reports

Kelsie Norris provided an update regarding the Encore Circle and President's Circle event. Sold 10-15 cases of wine, totaling \$3500.

Alfredo Koch shared student recommendations for a Sales and Marketing Plan, AHC Wine Guide developed and published on an annual basis. A newsletter, booklet would be informational and serve as additional advertising. Marketing plan ideas and Regional Marketing Program was suggested for an eat local/drink local marketing program. A Mobile Marketing Program was suggested to initiate and develop, student involvement, community outreach, creating videos for marketing program, wine guide, Edu-tainment (educational videos), use QR Codes, International Education Program.

6. Adjournment

The next regular meeting of the board of directors will be held on March 10, 2021 at 3:30 p.m.

adjourned 4:30 p.m.

Kevin G. Walthers, Ph.D.
Board President Secretary



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: March 10, 2021
Subject: Winery Online Sales Software Change Update	Item Number: 4.A.
	Enclosure(s): Page 1 of 2

BACKGROUND

Training is close to completion.

We plan to continue with both VinoShipper for out of state sales and Activ8 for in state sales.

Wine sales are currently being conducted through VinoShipper. VinoShipper was contracted for online sales, collections and shipping. Our bond is used in the state of California and in other states VinoShipper bond is used. Costs are 4.75 percent plus 75 cents per unit sold in California and 8.75 percent plus 75 cents per unit sold in any other state. Wine club sales are at 8.75 percent plus 75 cents per unit.

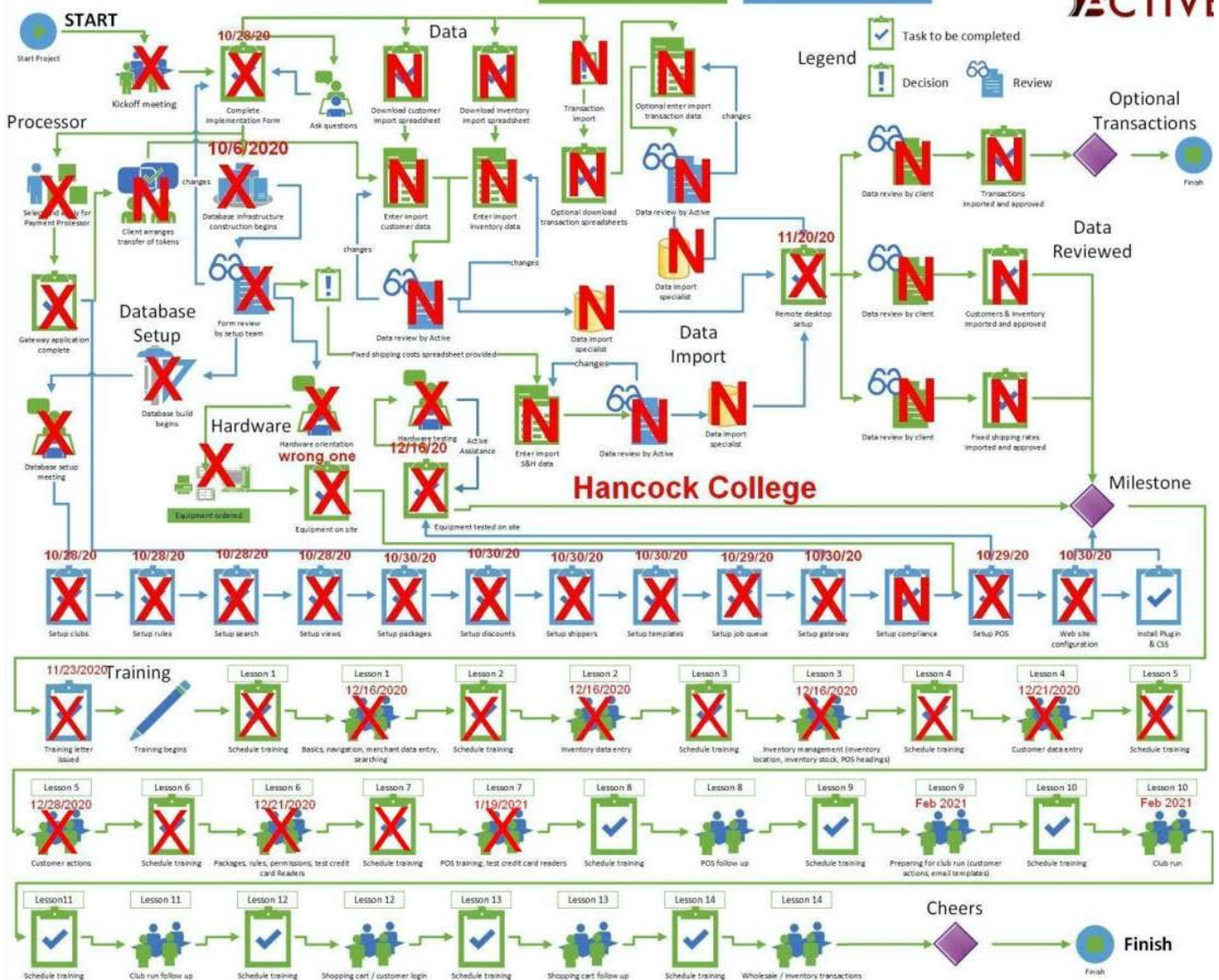
It was requested in previous meeting to look for a software that could unify all inventories. Action 8 commerce can do that, with the advantage of a lower cost. The disadvantage is that it is only for the state of California, although most of our sales are in CA. The costs of installation are being donated but there is a charge of approximately 3 percent of sales. This software includes POS management, club management, ecommerce, marketing, shipping, tracking, inventory and data management.

Active8 combines eCommerce, POS and Wine Club all into one system, making it easier to keep track of sales and inventory.

Active8 is donating the system and monthly fees to the winery. It would usually cost \$1500 set up fee and monthly fees of \$200-\$450 a month. Only fees would be the CC fees which are 2.6 percent plus 10 cents a transaction. We may also need to purchase a new receipt printer for \$300.



Active Database Implementation Roadmap





AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: March 10, 2021
Subject: Winery Production	Item Number: 4.B.
	Enclosure(s): Page 1 of 2

BACKGROUND

Winery Production:

We decided that the 2020 Vintage production be lowered to about 300-350 cases of wines.

By lowering 2020 production, we hope to get caught up on inventory without having to do as many drastic sales. This should help with winery profits on both bottled and bulk wine.

We also expect to reach usual grape prices next season in our grape sales.

2020 BULK WINE INVENTORY		
WINE	GALS	CASES
Chardonnay	182	77
Albarino	57	24
Torrontes	0	0
Pinot Noir	276	116
Cabernet Sauvignon	155	65
Malbec	15	6
Syrah	148	62
Blanc de Noir	0	0
TOTALS	833	350

The projected production for 2021 will probably be around 400-500 cases.

Bottlings:

March 2021

VINTAGE	WINE	GLASS	CLOSURE	COLOR	GALLONS	CASES	GLASS	SCREWCAP
2020	Albarino	BDX-Flint	Screwcap	White	60	25	26	309
2020	Chard	BGY-AG	Screwcap	Black	180	76	77	927
2020	Rose	BDX-Flint	Screwcap	Red	85	36	36	438
2019	Cab Sauv	BDX-AG	Cork	n/a	340	143	146	0
2019	Syrah	BGY-AG	Cork	n/a	210	88	90	0
					875	368		

July 2021

VINTAGE	WINE	GLASS	CLOSURE	COLOR	GALLONS	CASES	GLASS	SCREWCAP
2020	Pinot Noir	BGY-AG	Screwcap	Red	236	99	101	1215
						0	0	0
						0	0	0
					236	99		



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Eric D. Smith, Treasurer	Date: March 10, 2021
Subject: Winery Board Inventory Report	Item Number: 4.C.
	Enclosure(s): Page 1 of 3

BACKGROUND

Attached is the winery board inventory report for the AHC Viticulture and Enology Foundation as of December 31, 2020.

Allan Hancock College Viticulture & Enology Foundation
Board Inventory Report
As of December 31, 2020

Vintage/Varietal	Bottled Wines										
	FY21 Beginning Inventory (Bottles)	Minus: YTD Sales	Minus: YTD Donations	Minus: YTD Winery Use	Plus/Minus: YTD Adjustments	Plus: YTD Inventory Additions	FY21 Ending Inventory (Bottles)	Cost per Bottle	FY21 Ending Inventory Cost Value	Retail Cost per Bottle	FY21 Ending Retail Cost Value
2014 Pinot Noir AHC (Estate SBC)	121	-109	0	-12	0	0	0	3.38	0.00	18.00	-
2015 Pinot Noir	986	-959	0	-27	0	0	0	1.76	0.00	18.00	-
2016 Pinot Noir Blanc de Noir (Sparkling)	254	-218	0	-13	1	0	24	4.46	107.00	30.00	720.00
2017 Albarino	290	-280	0	-9	-1	0	0	6.05	0.00	14.00	-
2017 Pinot Noir	437	-160	-23	-19	0	0	235	6.61	1,553.52	18.00	4,230.00
2017 Pinot Noir Rose	7	-8	0	0	1	0	0	6.31	0.00	14.00	-
2017 Syrah	71	-70	0	-1	0	0	0	5.96	0.00	18.00	-
2017 Torrontes	16	-13	0	-4	1	0	0	5.22	0.00	14.00	-
2017 Sparkling Wine	0	-36	0	0	0	36	0	9.49	0.00	30.00	-
2018 Albarino	248	-71	-7	-12	-1	0	157	5.68	890.99	14.00	2,198.00
2018 Bordeaux (Blend)	1,006	0	0	-6	0	0	1,000	8.04	8,036.13	15.00	15,000.00
2018 Cabernet Sauvignon (RSQ)	491	-152	-6	-16	0	0	317	9.54	3,024.32	15.00	4,755.00
2018 Chardonnay (Steel)	247	-224	-15	-6	-2	0	0	6.53	0.00	14.00	-
2018 Chardonnay (Oak)	431	-69	-6	-3	2	0	355	8.39	2,978.77	14.00	4,970.00
2018 Malbec	204	-127	-4	-16	0	0	57	4.89	278.95	15.00	855.00
2018 Pinot Noir Rose	210	-192	-2	-14	-2	0	0	5.21	0.00	14.00	-
2018 Syrah (Estate)	304	-56	-8	-15	0	0	225	14.26	3,209.55	18.00	4,050.00
2018 Syrah (Blend)	516	-151	-3	-32	-12	0	318	5.82	1,852.03	18.00	5,724.00
2018 Torrontes (Old)	865	-376	0	-16	0	0	473	4.42	2,088.83	14.00	6,622.00
2018 Centennial Sparkling 750 ml	0	-46	0	-10	0	552	496	10.62	5,265.67	30.00	14,880.00
2018 Centennial Sparkling 1.50 L	0	0	0	0	0	156	156	20.33	3,170.85	45.00	7,020.00
2019 Albarino	0	0	0	0	0	192	192	10.34	1,986.09	14.00	2,688.00
2019 Chardonnay	0	0	0	-1	0	720	719	10.27	7,387.08	14.00	10,066.00
2019 Grenache	0	-13	0	-5	0	396	378	9.91	3,747.05	18.00	6,804.00
2019 Grenache blanc	0	-34	0	-8	-2	216	172	11.18	1,922.32	15.00	2,580.00
2019 Merlot	0	-24	0	-10	0	588	554	9.19	5,091.60	18.00	9,972.00
2019 Pinot Noir	0	0	0	-4	0	528	524	9.44	4,945.91	18.00	9,432.00
2019 Torrontes	0	0	0	-1	0	347	346	14.05	4,860.45	14.00	4,844.00
2019 Zinfandel	0	0	0	-7	0	852	845	9.28	7,837.97	15.00	12,675.00
Total Number of Bottles	6,704	-3,388	-74	-267	-15	4,583	7,543				
Cost Value Totals	\$ 41,132.22	\$ (16,731.73)	\$ (558.92)	\$ (1,772.58)	\$ (94.68)	\$ 48,260.81	\$ 70,235.09		\$ 70,235.09		\$ 130,085.00

Allan Hancock College Viticulture & Enology Foundation
Board Inventory Report
First Class Pinot Noir
As of December 31, 2020

Bottled Wines											
Vintage/Varietal	FY21 Beginning Inventory (Bottles)	Minus: YTD Sales	Minus: YTD Donations	Minus: YTD Winery Use	Plus/Minus: YTD Adjustments	Plus: YTD Inventory Additions	FY21 Ending Inventory (Bottles)	Cost per Bottle	FY21 Ending Inventory Cost Value	Retail Cost per Bottle	FY21 Ending Retail Cost Value
First Class Pinot Noir	276	-264	0	-12	12	0	12	\$ 16.50	\$ 198.04	\$ 30.00	\$ 360.00
Total Number of Bottles	276	-264	0	-12	12	0	12				
Cost Value Totals	\$ 4,554.00	\$ (4,356.00)	\$ -	\$ (198.04)	\$ 198.04		\$ 198.04		\$ 198.04		\$ 360.00



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Eric D. Smith, Treasurer	Date: March 10, 2021
Subject: Financial Report	Item Number: 4.D.
	Enclosure(s): Page 1 of 3

BACKGROUND

Attached are the income statement and balance sheet for the AHC Viticulture and Enology Foundation as of December 31, 2020.

**AHC Viticulture & Enology Foundation
Statement of Financial Position
For The Period Ending 12/31/2020**

Assets

Claim on Cash	60,564
Cash on Hand	100
Accounts Receivable	1,083
Charge Sale Clearing Account	468
Due From Other Funds	615
Inventory-Bulk Wine	58,249
Inventory-Bottled Wine	70,433
Total Assets:	<u>191,513</u>

Liabilities

Sales Tax Payable	573
Total Liabilities:	<u>573</u>

Fund Balance

Fund Balance, July 1	193,426
Current Income (Loss)	(2,486)
Total Fund Balance:	<u>190,940</u>
Total Liabilities and Fund Balance:	<u>191,513</u>

**AHC Viticulture & Enology Foundation
Statement of Operations
For The Period Ending 12/31/2020**

Revenue

Contributions, Gifts, Grants & Endowments	1,500
Non Cash Contribution	14,554
Other Local Revenues	0
Net Revenue	16,054

Wine Operations

Sales and Commission	70,457
Sales Discounts	(32,885)
Net Sales	37,572
Cost of Goods Sold	(33,528)
Gross Profit	4,044
Gross Profit Margin	10.8%

Total Revenues 20,098

Expenditures

Office/Operational Supplies	12,129
In Kind Supply Expense	8,679
Inventory Allocation Expense	(52,014)
Non Instr Printing	5,759
Food - Business Meetings/Events	440
Service Contracts (Businesses)	22,903
Travel - All Travel Costs	1,200
In Kind-Software/Technlgy Licenses	6,975
Sales Tax Expense	181
Postage/Express Services	168
Merchant Fees	3,075
Gain/Loss-Disposal of Assets	4,096
Cash Over and Short	(6)
Equipment	5,218
Equipment-In Kind Donations	3,780
Total Expenditures	22,584
Net Income (Loss)	(2,486)

Fund Balance

Fund Balance, July 1	193,426
Current Balance	<u>\$190,940</u>