

February 20, 2014

Crowne Plaza St Paul Riverfront

Ron Barnes, Larry Olson, Irv Geary, Terri Savaryn, Josie Boyle, Kent Cunningham, David Mohn, Kent Schwickert, John Maloney, Gary Gardner, Steve Unverzagt

Call to Order 6:30PM

Agenda Accepted

### **Officer Reports**

#### **Secretary Report- Terri Savaryn**

There have been no official correspondence. Minutes from last year's Annual meeting have been accepted

#### **Treasurer Report- Larry Olson**

Larry presented the MGGGA balance sheet. Presented the operating statement for fiscal year 2013. Presented to the Elmer Swenson Scholarship fund. Report accepted as presented.

### **Report of Committees**

#### **Website Committee – David Mohn**

Report on the procurement of YourMembership.com for a 5 year contract to update the MGGGA website. Some functions that this site will provide us are; association management function, support, membership renewal capabilities,

#### **Marketing Committee – Terri Savaryn**

Reported on the 2013 Passport success. A net gain of \$20,000 for Passport sales. This money will be used towards the further development of Marketing of the wine industry in Minnesota

Conference attendance saw a 17% increase with over 340 conference attendees. With our public Winter Wine Fest sales we anticipate over 800 people attending the conference at large.

#### **ICCWC- Gary Gardner**

2013 ICCWC entries from 12 states and Canada. Report of the Gold medal winners and the Governor's cup, Millner Heritage Vineyard and Winery for Little Iza. The 2014 competition is planned for August 19<sup>th</sup> for the competition. Registration should open up in mid-May.

#### **Viticulture Best practices- Irv Geary**

The committee is working on acquiring a specialty crop grant to hire Paul Domoto to write an updated version of the Growing Grapes in Minnesota. Elmer Swenson scholarship will be awarded to Soon Li The, Christy Paulson, Emily Del Bel, Luke Somke.

Prepared by Machkhashvili 3/7/14

**Enology Best Practices- Josie Boyle**

The Committee will be focusing on educational opportunities and resources this year to get out in the field and share knowledge in different winery settings. Barrel construction clinic at Chankaska Creek Ranch and Winery. Chemical analysis of juice and wine at the Horticultural Research Center for a hands on workshop. Also on the agenda this year is to work on the website education links and articles.

**Legislative Committee – John Maloney**

Winter Wine Fest Legislative VIP RSVP is up to 25.

Roadside signage collaboration with Minnesota Grown and Minnesota Farm Wineries. MNDOT is reluctant to establish new legislature for the blue roadside signs. Paul Hugunin from MN Grown will be helping us with a survey sent out to homes.

Proposed clarifications in the Distilled Spirits law.

**Nominating Committee- Dave Mohn**

Motion to approve the renewing board members; Gary Gardner, Irv Geary, John Maloney, David Mohn, Kent Schwickert. Motion Seconded and carried

Nominated New Board Members; Aaron Berdofe and Senator John Howe.

Open for nominations from the floor. No nominations.

Motion to elect both Aaron and John as new board members. Motion seconded and carried.

Slate of Officers/ Board Recommendation to be acted upon at the March Board meeting; Irving Geary, President, David Mohn, Vice Presidents, Teresa Savaryn, Secretary, Larry Olson, Treasures, Ronald Barnes, Past President.

Motion to adjourn. Motion seconded and carried.

**Minnesota Grape Growers Association**  
**Balance Sheet**  
As of December 31, 2014

	Dec 31, 14
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1010 · Cash in bank - USBank (990 line 45)	2,127
1040 · Petty cash (990 line 45)	100
1070 · Savings & short-term investment (990 line 46)	
1071 · US Bank	69,967
1072 · Savings Interest	97
<b>Total 1070 · Savings &amp; short-term investment (990 line 46)</b>	70,063
<b>Total Checking/Savings</b>	72,290
<b>Other Current Assets</b>	
1410 · Inventories for sale (990 line 52)	
1411 · Growing grapes in Minnesota	2,450
1414 · Logo Clothing	770
<b>Total 1410 · Inventories for sale (990 line 52)</b>	3,220
1450 · Prepaid expenses (990 line 53)	40,319
<b>Total Other Current Assets</b>	43,539
<b>Total Current Assets</b>	115,829
<b>TOTAL ASSETS</b>	115,829
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
24000 · Payroll Liabilities (Unpaid payroll liabilities. Amounts withheld or accrued, but not yet paid)	2,537
2410 · Refundable advances (990 line 62)	58,695
2600 · Elmer Swenson Scholarship Fund	9,912
<b>Total Other Current Liabilities</b>	71,144
<b>Total Current Liabilities</b>	71,144
<b>Total Liabilities</b>	71,144
<b>Equity</b>	
3001 · Opening Bal Equity (QB account)	18,253
3010 · Unrestrict (retained earnings) (990 line 21 & 67)	24,450
Net Income	1,981
<b>Total Equity</b>	44,684
<b>TOTAL LIABILITIES &amp; EQUITY</b>	115,829

# Minnesota Grape Growers Association

## Board of Directors Meeting Minutes

March 29, 2014 6:00PM

Hyatt Regency, Minneapolis, MN

Ron Barnes called the meeting to order at 6:30 PM

**Present:** President Ronald Barnes, Vice President Irv Geary, Larry Olson, Bob Olson, Steve Unverzagt, Josie Boyle, Missy Machkhashvili, David Mohn, Senator John Howe, Gary Garnder, Keith Smiley, Ryan Allshouse

### **Acceptance of the new Officers and Board Members from the Annual Meeting**

Officers and new Board Members nominated during the February 20<sup>th</sup> Annual Membership Meeting were approved.

Motion Seconded and carried.

### **Financial Report- Olson**

Larry gave the financial report for 2014. Income and Expenses. A noted increase in revenue from the CCC was \$18,740.

### **CCC – Unverzagt/ Machkhashvili**

The 2014 CCC exhibitor trade show was sold out January 20<sup>th</sup> with 53 exhibitors. 32 Students took advantage of the FREE student scholarship attendance. New events offered in 2014 included consultative services, exhibitor spotlight stage and the Winter Wine Out – dining in St Paul. Attendance to the conference represented 16 states. \$13,700 in Sponsorship was realized. Elmer Swenson Scholarship raised \$5280.

### **2015 CCC –Unverzagt/Machkhashvili**

Motion to select the Hyatt Regency for the 2015 and 2016 CCC. Ron Seconded, Discussion.

Gary would like amend the motion to: upon successful negotiation of the terms (corkage, space , and board meeting allotment).

Motion tabled until we have a new proposal from the Hyatt.

Senator Howes suggests we reach out to Visit Minneapolis for grant money and funding for parking. Also, include option to add 2017 in the contract loosely.

### **2014 Passport to MN Wines – Machkhashvili**

5 new participating wineries for 2014. Design work will begin next week.

### **Legislative Committee- Senator Howe**

Update on the Commerce meeting passed the omnibus bill at 100,000gal on the house it was reduced to 65,000gal. It will end up in conference committee for final discussion on the gallons. Issue with non-contiguous storage was raised. Need to own the building.

### **Cannon Falls Art and Wine Festival – Smiley**

The Cannon Falls festival is in the planning process with a deadline to procure their own licensure for the festival, but if the MGGGA is not using the festival license in 2014, would the MGGGA be willing to give them the license once again.

Senator Howe motioned in the event the CFAWF cannot procure their own licensure as an established association of 3 years, the MGGGA will grant their festival license.

Motion Seconded and carried.

#### **Website – Mohn**

Dave distributed a website development GANT chart to determine tasks. July 1<sup>st</sup> is our soft LIVE date for the new website.

#### **ICWC – Gardner**

Tuesday, August 19<sup>th</sup> the week of the State Fair. Requests that the old MGGGA website not be shut down until after the competition registration site closes. Hopes to have advertising materials out soon! Eblast out May 16<sup>th</sup>. Gary asked for feedback from wineries on what type of advertising would you respond to: which competition generates the most media benefits. Steve asked if the committee would be interested in expanding their media circle.

#### **Viticulture Best Practices – Geary**

Irv has contacted John Thull and Paul Domoto to put together a specialty block grant to produce a Best Practices book. Bob Olson is willing to write the Specialty Block Grant and is hopeful.

Motion that the MGGGA prepare and apply for the Specialty Block Grant with the intent to expand on Growing Grapes in Minnesota book to create a more hands-on friendly tool. Includes a series of videos that members can access from the MGGGA website.

Motion seconded and carried.

#### **Enology Best Practices – Boyle**

Enology Regional Seminars scheduled for 2014. Looking for volunteer to sit on the committee. Sunday 12-4:30

#### **Membership – Mohn**

Membership is trending up! Membership renewals have been tied to all MGGGA events; Research Update, CCC, Regional Seminars.

#### **Education Committee (Regional Seminar) – Geary**

Early discussion of the committee included having a seminar in each of the 4 regions. 2 enology and 2 viticulture sessions have been scheduled for 2014.

Discussion on the need for state funded extension to support the vineyards and wineries in MN. Assign task to the Legislative committee to take up

#### **List Serve Advertisement – Geary**

Use of the MGGGA Google Groups to promote education outside of MGGGA sponsored events.

Divert the advertisements to a calendar function with a disclaimer that the MGGGA does not endorse.

**Strategic Plan and upcoming initiatives**

Missy will email resend the strategic plan.

**Consent Agenda**

Motion to approve the January 18<sup>th</sup> Board Meeting Minutes.

Motion seconded and carried

**Other Business,**

Irv would like to motion to move the board meetings to Tuesday nights.

Motion Seconded and carried.

**Adjourn 9:06PM**

**Motion to Adjourn seconded and carried.**

## **Minnesota Grape Growers Association Board Meeting Tuesday, October 14, 2014 6:00PM**

Ramada Plaza Minneapolis  
1330 Industrial Blvd. NE - Minneapolis, MN 55413

Present: Berdofe, Gardner, Boyle, L. Olson, Ellenbecker, Geary, Maloney, Bortnov, Unverzagt, Mohn, Howe, B. Olson, Machkhashvili

**Meeting called to order: 6:25PM**

### **Financial Report – Olson**

Larry reported the MGGA financials.

### **Marketing and PR – Unverzagt/ Mohn**

Last year, this time 728 Passports Sold. Today, 1278 sold and we have ordered an additional 400. Steve reported on the WCCC electronic marketing program the Passport participated in this past July and August. The program was not as successful as hoped and therefore a third electronic deployment was cancelled. Steve suggested that the MGGA engage a marketing agency to assist in the MGGA annual media plan and appropriate media targets for the 2015 calendar year.

A tentative date was set for a Strategic Planning Retreat the second week of April.

Revisiting the Summer/Fall Wine Fest idea, the strategic planning meeting would be an appropriate setting to set the wine festival in motion.

David Mohn presented a mobile app for discussion. The topic was tabled and folded into the three year marketing plan. The website has been launched.

### **Legislative Committee – Maloney**

### **Membership- Mohn**

### **Website – Mohn**

Dave Mohn gave a brief tour of the website. The board believe we should remove all password protection on pages until we have further developed value in content on the website.

### **Open Board Positions –**

Nominations Committee Chair

Secretary

Marketing Chair

Josie Boyle nominated herself for the Secretary Position, motion seconded and carried.

The website could be updated with list of board committees, open board positions and a link to express interest in becoming a board member.

**The Northern Tier – Unverzagt**

New publisher contracted for an ad-sales commission threshold to offset production costs. Steve identified some overlapping issues of The Notes From The North and The Northern Tier with topics and timing.

**2015 CCC- Unverzagt**

25 Exhibitor booths have been sold. A total of \$19,565 has been processed successfully through the new online registration and website. Early Bird Savings are expiring on December 1<sup>st</sup>. A pricing grid with exhibitor types and associated discounts was presented. Steve gave an update on sponsorships.

**Viticulture Best Practices Grant – Olson**

No contract has been seen. Expect to see start of income at the first of the year \$48,000.

**ICCWC – Gardner**

Recap of 2014 ICCWC income and expense report. Gordon gave a brief history since 2004. Gary highlighted some issues of sustainability of the competition with loss of faculty, Katie Cook. Gary recommends that Irv follow-up with the university on his letter of support to fill the open enologist position. Marketing and PR has been an issue for the success of the competition. Beneficiaries of the competition include the wineries, MGGA, U of MN and consumers. Gary suggests that Irv organize an MGGA and U of MN meeting to discuss the need for U of MN support in man power and to receive the wines at the HRC in order to continue the ICCWC.

**MN State Fair Booth –**

Table to strategic planning meeting.

**State Wine Marketing Proposal –**

Motion to accept consent agenda, seconded and carried.

Adjourn 9:55PM



## Minnesota Grape Growers Association Board Meeting

**Date: Tuesday, December 02, 2014**

**Time: 6:00PM**

Ramada Plaza Minneapolis  
1330 Industrial Blvd. NE - Minneapolis, MN 55413

Present:

<input type="checkbox"/>	Barnes	<input checked="" type="checkbox"/>	Berdofo	<input type="checkbox"/>	Bortnov	<input checked="" type="checkbox"/>	Boyle
<input checked="" type="checkbox"/>	Ellenbecker	<input type="checkbox"/>	Gardner	<input checked="" type="checkbox"/>	Geary	<input type="checkbox"/>	Howe
<input type="checkbox"/>	Maloney	<input checked="" type="checkbox"/>	Mohn	<input checked="" type="checkbox"/>	B. Olson	<input checked="" type="checkbox"/>	L. Olson
<input checked="" type="checkbox"/>	Schwickert	<input checked="" type="checkbox"/>	Unverzagt	<input checked="" type="checkbox"/>	Machkhashvili	<input type="checkbox"/>	Luby

**Meeting called to order: 6:03PM**

### Financial Report – L. Olson

Larry reported the MGGA financials.

Schwickert asked to clarify the line item for the incoming CCC registration fees as 2014 or 2015. Olson explained that the incoming fees on the balance sheet are for the 2014 conference. 2015 fees are listed under the refundable advances.

Boyle asked about the Membership Events income and expenses. This line item includes regional seminars, annual picnic, U of M research update, and other events.

Barnes and Gardner arrived.

Schwickert moved to approve the financials. Ellenbecker seconded. The motion carried.

Ryan Allshouse arrived.

Barnes noted that the Board should have a policy on how to spend the Passport income. Right now the MGGA has about \$20,000 in Passport income and there's an expectation that the MGGA will spend the money to benefit wineries. Schwickert noted that he does not have that expectation as a winery owner, and perhaps it could be designated as part of a type of "rainy day fund" to build a cash reserve. Discussion around how to spend the Passport income. Unverzagt suggested we put this on the agenda at the Annual Meeting in order to get input from the membership.

Bortnov arrived.

Barnes brought up the issue of membership dues of \$20,000 listed as income. Barnes recommends looking at increasing the membership fees. Schwickert suggested creating a financial committee. Discussion around financials. L. Olson noted that December is usually a

time when more income comes in, so we should see more cash in the bank at the end of the month. July is usually the time of the year when the association is the most cash-strapped.

### **2015 CCC – Unverzagt**

Unverzagt reported that the Northern Tier is in print and is going out in the mail. It is also converted into a digital flipbook version that will be uploaded to the website. This issue was printed by a new printer, which required the MGGA to pay postage and more costs. Unverzagt suggested the Northern Tier perhaps be a 4-issue volume in order to be more enticing to advertisers. Schwickert noted that in order to be profitable, the MGGA needs someone selling advertising space, and 4 issues costs twice as much as the two issues do now.

2/3 of trade show booths sold to date.

There are 4 Winter Wine Out participating restaurants so far. Mary Mohn has organized the chefs to taste wines, and there will be another round of chef tastings in January. The Marin restaurant was very accommodating with Mary to hold the chef tasting.

All of the speakers listed in the Northern Tier are committed and the speaker list shouldn't deviate from this list too much.

Winter Wine Fest ad is going to run in the MN Monthly magazine, as well as the Winter Wine Out ad.

Registration is open for attendees. Missy introduced Ryan Allshouse to the group. He has been working on the registration page for the CCC, and will be working at the conference in the registration booth.

Board members receive a complimentary registration for the 3-day conference. Winter Wine Fest and the Gala dinner tickets must be purchased for full price. Hotel accommodations are not included.

Gardner asked if he paid for membership dues now, does it count for 2015? Mohn explained that now, if a member renewed after Sept 1, they would be a member for the rest of the current year and the entire next year. With the new website, there is an ability to renew memberships on the date that a member pays their membership dues, so that the membership lasts 365 days only. However, that is not how the membership renewal works now.

Barnes made a motion about membership. The motion was tabled until the Membership item in the agenda.

Unverzagt reported that the MGGA has partnered with 6 other state organizations to give a discount for the CCC to their members. The other organizations were enthusiastic to provide support in this way, including advertising on their websites and notes in their newsletters.

Students are tracked by the registration page and they register as students. Boyle asked about the minimum age of 21 for conference attendees as listed on the website. This was listed incorrectly. It will be changed to require a minimum age of 21 only for the Winter Wine Fest and tasting sessions.

### **Passports – Machkhashvili**

The initial 2014 printing sold out for 2014. Missy reordered 400 more to get us through the spring until the 2015 edition comes out. Sales are steady. Missy suggested wineries commit to two years for the Passport so that there isn't as much work to renew every year.

Allshouse left.

### **Membership – Mohn**

There are 36 commercial members, 60 professional members, 279 individual members for a total of 499 total paying members to date.

### **Website – Mohn**

Barnes made a motion to modify the practice of membership renewal, effective immediately, to accommodate the affected date of renewal that the website now allows us to use. In this modification, the anniversary of each member will be on an annual basis, on the exact date that they join or renew. Mohn seconded the motion. Gardner suggested instead of effective immediately, that the new practice be instituted to be effective January 1, 2015. Discussion about whether the website will allow us to do this. The motion was approved with the change effective January 1, 2015. Mohn will inquire into this issue with YM and Cheri and find out how to make this change.

### **Legislative Committee – Maloney/Schwickert**

Schwickert reported that the legislative committee met a couple of weeks ago about finding a funding source to move the industry forward. In the meeting, the "checkoff" or other ideas seemed to be too big, too soon, for our industry and organization at the moment. Barnes noted that we just talked about how the MGGGA does not have adequate funds, and suggested that money will be needed to help the industry create better products and become more successful. Gardner suggested that the industry needs dedicated extension help from the University, as all other major agricultural products have their own extension support and organizations. He suggested that approaching legislators to allocate funds to an extension program might be the most effective way to improve the industry. Barnes noted that the meeting they had ended with an agreement that they meet with Deb Durgan of the U of MN. Geary asked whether anyone would object to the legislative committee approaching the U of MN about creating an extension program. There were no objections.

Geary reported that John Marshall approached him and Schwickert with suggestions for two new regulation changes for the legislative committee to pursue. The first regulation change would allow Farm Wineries to pour and sell at farmer's markets. The second law change would allow Farm Wineries to have more than one retail location, i.e. an offsite tasting bar in a more

populous location. Discussion about these issues and whether the Board would like to pursue these changes. There were no objections moving forward on the three legislative initiatives: 1) Approach the U of MN and pursue an extension program; 2) Pursue a law change for farmer's market sales; 3) Pursue a law change for more than one Farm Winery retail location.

#### **Call for Board Members – L. Olson and Mohn**

The MGGA is looking for new Board members. There is currently no chair of the Nomination Committee. Barnes nominated himself to become chair of the Nomination Committee. L. Olson seconded. The motion was approved. An email blast will be sent out to solicit new Board members.

#### **U of MN Update -- Machkhashvili**

The date has been set for Sunday, January 18, 2015. 12:00pm start time. Lasagna will be served for lunch. Research updates include reports by Hemstad, Luby, Lee, and Thull. 4:00pm start time for the annual wine tasting event. Free to attend the talks, \$25 fee for lunch. Geary suggested that the Board meet before the update on this day.

Gardner reported that he attended the last MNFWA meeting to discuss the ICCWC. One of the members, Paul Schuster, objected to the ICCWC not holding fruit wines in as high regard as grape wines. Gardner noted that without an enologist at the U of MN, the sustainability of the ICCWC is in jeopardy. Gardner would like to hold a meeting for the purpose of discussing the future of the ICCWC with the Board Members.

The January meeting time for the Board was set for 10am at the Arboretum before the research update on January 18, 2015. A meeting about sustainability and future of the ICCWC will be held from 11:30-12:30pm on that day.

#### **General Membership Meeting –**

The meeting will be held on Thursday, February 5, 2015, from 6:30-7:30pm. It will be held at the Minneapolis Hyatt during the CCC.

#### **Elmer Swenson Scholarship –**

Schwickert and B. Olson volunteered to vet the applicants. Machkhashvili reported the requirements for the scholarship applicants. The call for applicants will go out to the U of MN and to Vesta. The deadline to send in applications is January 30, 2015.

#### **Replacement of Administrative Director – Geary**

Missy Machkhashvili's last day will be December 31 of this year. The Board needs to find a new administrative director. Notices were sent out through several channels. There are 6 applicants currently, and 1 pending.

Geary made a motion to allow the Executive Committee to screen applicants, perform interviews, and choose the new employee as soon as possible so Missy can work with the person before she leaves. Schwickert suggested that the Board approach one or more association-management companies to get a proposal for their services, instead of hiring an

employee. Barnes noted that the Board tried this approach in the past, and it didn't work out well. Perhaps at that point the Board wasn't as organized or specific in their needs. Nevertheless, it would be worthwhile to look into a service like this now. Discussion about pursuing this track.

Schwickert made a motion to give the Executive Committee the authority to choose the new employee or firm. Barnes seconded the motion. The motion carried.

### **Summer Wine Fest – Berdofe**

Berdofe reported his idea for a summer wine fest. He noted that Mohn suggested the MGGA organize a wine festival in cooperation with Cannon Falls Wine & Art Fest because they have experience in organizing wine fests, and it would be helpful to see how a wine fest like this is run. The risk is a lot less to co-host as opposed to going out on our own, plus a lot of the legwork is already done. The proposed agreement stands that the MGGA's wine festival permit will be used for this festival, the MGGA would contribute approximately \$10,350 in costs for running the festival, and all ticket sales going to the MGGA. Then, in 2016 the MGGA would organize a wine fest on its own. Discussion about this idea. Gardner suggested that the \$10,350 requested contribution from the MGGA that Cannon Falls proposed, is more than we should pay, since the MGGA has allowed them to have the festival permit for free in the past. Gardner suggested that we don't pay these contributions up front, but would propose to split the ticket sale revenue instead. Unverzagt suggested partnering with MN Monthly for the 2016 wine fest.

Barnes made a motion to partner with the Cannon Falls Wine & Art Fest to organize a wine fest with them, as proposed. Schwickert seconded the motion. Discussion. B. Olson amended the motion to return to the Cannon Falls organizers with a counter proposal that states that the MGGA pays \$8,000 for costs to run the festival, in exchange for the use of the festival permit, 100% of wine ticket sales, as well as the requirement that Berdofe be involved in all aspects of organizing and running the festival. Schwickert seconded. Gardner abstained. The motion carried.

Geary asked for regional seminar topics and dates as well as other calendar items for the January 18 meeting.

Motion to accept consent agenda, seconded and carried.

Adjourn 9:37PM