

# *Allan Hancock College*

## *Viticulture & Enology Foundation*



## AGENDA

Board of Directors

Annual Meeting

September 21, 2016

3:30 PM

Captain's Room  
Building B  
Room B-102

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**Allan Hancock College Viticulture & Enology Foundation**



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**AGENDA**


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 Board of Directors

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 Annual Meeting

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 Wednesday, September 21, 2016 – 3:30 PM  
 Captain's Room B-102, Building B
 

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	<b><u>Page</u></b>	<b><u>Est. Time</u></b>
1. Call to Order		3:30 PM
2. Public Comment		
<p>The section of the agenda is intended for members of the public to address the board on items involving the foundation. Public comment not pertaining to specific agenda items is welcome under public comment. <i>Please note that Board members are prohibited by the Brown Act from responding to comments made regarding topics not on the official agenda.</i> Testimony on specific agenda items will be welcome during consideration of the item by the Board. When public testimony is completed regarding a specific agenda item, discussion is then confined to board members only. This practice is in accordance with laws governing Board of Directors public meetings.</p>		
3. Action Items		3:30 PM
3.A. Approval of July 12, 2016 Meeting Minutes	3	
<p>A recommendation to approve the minutes of the July 12, 2016 meeting.</p>		
3.B. Election of Directors and Officers	6	
<p>A recommendation to approve the election of the proposed slate of directors and officers.</p>		
3.C. Determination of Date, Time and Place of Regular Board Meetings	7	
<p>A recommendation to set a date and time for regular meetings and the annual meeting.</p>		
3.D. Designation of Staff Authorized to Approve the Movement of Wine Out of Inventory	8	
<p>A recommendation to designate up to five employees who can authorize the release of wine from inventory.</p>		

	<b><u>Page</u></b>	<b><u>Est. Time</u></b>
3.E. Facility Security and Access to the Winery Premises	10	
A recommendation to designate employees who will have access to the winery premises.		
4. Information Items		4:00 PM
4.A. Financial Report	11	
A report on year-to-date financial data ending August 31, 2016.		
4.B. Winery Inventory Report	14	
A report on inventory as of August 31, 2016.		
4.C. Donation Report	16	
A report on donations.		
5. New Business/Oral Reports		4:20 PM
6. Adjournment		4:30 PM

The next regular meeting of the Board of Directors will be as determined by action agenda item 3.C.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the President's Office at (805) 922-6966 ext. 3245. Please make requests 48 hours prior to the meeting in order to make reasonable arrangements to ensure accessibility to this meeting.

Alfredo Koch  
Foundation President

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**ALLAN HANCOCK COMMUNITY COLLEGE**  
**Viticulture & Enology Foundation**

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Minutes  
Board of Directors  
Regular Meeting  
Tuesday, July 12, 2016

Alfredo Koch, President  
Larry Lahr, Vice President  
Michael Black, Treasurer  
Richard Mahon, Secretary  
Kevin G. Walthers, Ph.D., Board Member

Allan Hancock College  
Conference Room B 202, Building B  
800 South College Drive, Santa Maria, CA 93454  
and

Alfredo Koch attended via teleconference from the following location:  
900 SE Baker Street, McMinnville, OR 97128

1. Call to Order

Michael Black called the meeting to order at 3:37 p.m. with the following directors present:  
Michael Black, Alfredo Koch (via teleconference), Larry Lahr, Richard Mahon, Kevin Walthers

Absent: None      Also present: Terri Lee Coleman, Andrew Masuda, Linda Reed, Mike Sandoval

2. Public Comment

No public comment was made.

3. Action Items

3.A. Approval of March 16, 2016 Meeting Minutes

On a motion by Kevin Walthers, seconded by Michael Black, the Foundation board voted to approve the minutes of the March 16, 2016 board meeting as submitted.  
(Ayes: Black, Koch, Lahr, Walthers; Noes: None; Abstentions: None)

3.B. Board Member Election

On a motion by Kevin Walthers, seconded by Michael Black, the Foundation board elected Richard Mahon as a member and secretary to the board of directors, effective July 12, 2016.  
(Ayes: Black, Koch, Lahr, Walthers; Noes: None; Abstentions: None)

3.C. Establish a Date for the Annual Meeting

On a motion by Kevin Walthers, seconded by Michael Black, the board scheduled the annual meeting on September 21, 2016 at 3:30 PM in the Captain's Room, Building B.

(Ayes: Black, Koch, Lahr, Mahon, Walthers; Noes: None; Abstentions: None)

#### 4. Information Items

##### 4.A. Financial Report

Michael Black reviewed the balance sheet and the income statement for the Viticulture and Enology Foundation for the period ending May 31, 2016. He noted that the fund balance is high because a \$37,000 wine filter that was purchased by the district will be reimbursed by the Foundation. Income and sales are good, and the biggest expense is maintenance of the vineyard. This Foundation has no employees, and expenses are charged to the Foundation. Any equipment purchased becomes a district asset.

##### 4.B. Annual Audit Report

Michael Black reviewed the independent auditor's report as of June 30, 2015. It is a clean report, and the Foundation structure is explained under notes.

##### 4.C. Donation Report

Michael Black reported that the Viticulture and Enology Foundation received the following donations: 135 cases of glass bottles from Paul Wilkins of Alta Maria Winery in Santa Maria and various chemicals for use in the student vineyard from Crop Production Services of Santa Maria.

##### 4.D. Winery Inventory Report

Michael Black reviewed the inventory report as of June 30, 2016. Bruce Wade will be doing an ongoing inventory with Mike Sandoval's help. Wine is valued at retail.

##### 4.E. Upcoming Events

Terri Lee Coleman reported that the second Rancho Vino fundraiser will be held on September 10 from 6 to 8 PM at Presqu'ile Winery, and she noted the wine tasting schedule for July through October, 2016. This board is invited to a winery tour and tasting after the AHC Foundation Board meeting on July 28, 2016 at 5:30 PM.

##### 4.F. Presentation to the Board of Trustees

Larry Lahr had suggested a presentation on the viticulture and enology program, and Alfredo is happy to prepare one. Kevin suggested the September 13 board meeting (later changed to October 11). As far as content, Larry said that the board has seen the winery and suggested covering the vineyard, winery operations, sales, fundraising, and the three bronze medals.

##### 4.G. *Name That Winery Contest*

Andrew Masuda presented to the board for review and consideration a list of approximately 60 names suggested in the campus-wide contest. Directors discussed the importance of the brand being easily identified with the college and decided on "Allan Hancock College Winery" as the DBA name. All agreed to keep the AHC logo

on the label and to use student artwork with campus departments or programs as themes. Dr. Walthers suggested announcing at All Staff Day that all 26 who entered the contest are winners of a bottle of AHC wine.

5. New Business/Oral Reports

Alfredo Koch hopes to participate in other competitions. The harvest might be earlier this year, in August or September, and they will probably produce one or two excess tons of Pinot Noir grapes. Because the Foundation leases the vineyard property from the district, the grapes do not need to be declared surplus.

Dr. Walthers mentioned that the College of the Canyons is looking for someone to process their grapes and send it back, which might work for a small quantity or a different varietal.

Michael Black discussed security and control over who has access to the winery and suggested an electronic lock to digitally track who goes in and out. He also reported that the winery has outgrown the Square for point of sales. He researched seven or eight other systems on the market, but they are expensive at \$15,000 per year. For now, he recommends a cash register that feeds into a PC and Quickbooks for inventory management plus the Square. Two new card readers have been ordered.

Dr. Walthers suggested that at least one new system might be donated for student use.

6. Adjournment

Michael Black adjourned the meeting at 4:29 p.m.

7. Next Viticulture & Enology Foundation meeting will be the annual meeting on Wednesday, September 21, 2016 at 3:30 PM in the Captain's Room, Building B.

Richard Mahon  
Foundation Secretary



## *AHC Viticulture & Enology Foundation*



To: Board of Directors	<b>ACTION ITEM</b>
From: Alfredo Koch, President	Date: September 21, 2016
Subject: Election of Directors and Officers	Item Number: 3.B.
	Enclosure(s): Page 1 of 1

### BACKGROUND

In accordance with Article III Section 6 of the Bylaws, “The Board shall hold an annual meeting for the purpose of organization, selection of directors and officers, and the transaction of other business.” Additionally, Article II Sections 2 and 4 of the Bylaws specify the following: “There shall be only one class of membership of this corporation and it shall consist of the Board of Directors....Each member shall have one (1) vote for all purposes.”

Article III Section 3 of the Bylaws provides for four ex-officio members of the Board of Directors to serve in their capacity as: Superintendent/President, Vice President of Administrative Services (title was revised to Finance and Administration), Dean of the Life and Physical Sciences Program, and Coordinator of the Agricultural Business Program. The Bylaws further provide for one member of the Board of Directors to be appointed by the Allan Hancock Joint Community College District Board of Trustees.

The current composition of the board of directors and officers is the proposed slate of directors/officers:

President	Alfredo Koch, Coordinator/Instructor, Agribusiness/Viticulture and Enology
Secretary	Richard Mahon, Dean, Life and Physical Sciences
Treasurer	Michael Black, Vice President, Finance and Administration
Vice President	Larry Lahr, Allan Hancock Joint Community College District Trustee
	Kevin Walthers, Superintendent/President

### FISCAL IMPACT

None.

### RECOMMENDATION

A recommendation that the board of directors approve the election of the proposed slate of directors and officers.



## AHC Viticulture & Enology Foundation



To: Board of Directors	<b>ACTION ITEM</b>
From: Alfredo Koch, President	Date: September 21, 2016
Subject: Determination of Date, Time and Place of Regular Board Meetings and the Annual Meeting	Item Number: 3.C.
	Enclosure(s): Page 1 of 1

### BACKGROUND

Section III of the Bylaws addresses annual, regular, and special meetings of the Board of Directors. “Annual meetings of the board shall be held without call or notice on the third Wednesday of June of each year at 5:00 p.m. ...without any notice being required; or at such other time and date in the month of June as shall be determined by the Board or the President, and upon prior notice of at least thirty (30) days of such meeting....” Conflicting schedules of a few directors prevented staff from scheduling the annual meeting in June 2016. Today’s date was set for the annual meeting at the July 12, 2016 regular meeting.

Section III of the Bylaws also states that “Regular meetings...shall be held without call or notice at such times and at such places as the Board of Directors shall from time to time determine.” The college must also comply with Brown Act requirements and post meeting agendas at least 72 hours prior.

The 2016-17 schedule below proposes that regular meetings be held quarterly at 3:30 p.m. on the third Wednesday, with the exception of December, when the second Wednesday is suggested. The preferred location is the Captain’s Room, which is usually available at that time and will be reserved in advance.

December 14, 2016  
 March 15, 2017  
 June 21, 2017  
 September 20, 2017

ANNUAL MEETING (third Wednesday)

### FISCAL IMPACT

None.

### RECOMMENDATION

A recommendation that the board of directors hold regular meetings at 3:30 p.m. on December 14, 2016, March 15, 2017, and September 20, 2017, and hold the annual meeting on June 21, 2017.





## *AHC Viticulture & Enology Foundation*



To: Board of Directors	<b>ACTION ITEM</b>
From: Michael Black, Treasurer	Date: September 21, 2016
Subject: Designation of Staff Authorized to Approve the Movement of Wine Out of Inventory	Item Number: 3.D.
	Enclosure(s): Page 1 of 2

### BACKGROUND

To better control the movement and releases of inventory, staff recommends that the board of directors designate specific employees who can authorize the release of wine from inventory for reasons other than a sale, such as for donation, tasting, confirmed shrinkage, etc. Attached is the form currently in use to which the names of all authorized employees would be added at the bottom. Alfredo Koch is the only one currently approving the transfers and signing the log.

The five employees proposed to be designated are:

Alfredo Koch, Michael Black, Kevin Walthers, Richard Mahon, and George Railey.

### FISCAL IMPACT

Potential fines or loss of bond from regulatory agencies.

### RECOMMENDATION

A recommendation that the board of directors designate up to five employees who can authorize the release of wine from inventory.





## *AHC Viticulture & Enology Foundation*



To: Board of Directors	<b>ACTION ITEM</b>
From: Michael Black, Treasurer	Date: September 21, 2016
Subject: Facility Security and Access to the Winery Premises	Item Number: 3.E.
	Enclosure(s): Page 1 of 1

### BACKGROUND

At the July 12, 2016 meeting of the Board of Directors, Michael Black suggested installing electronic locks to control access to the winery. Plant Services will install electronic locks on exterior doors and re-key the lock on the roll-up warehouse door.

Staff recommends that the following employees be authorized to have access, in addition to Plant Services:

Alfredo Koch, Michael Black, Kevin Walthers, Richard Mahon, George Railey, and lab assistant.

### FISCAL IMPACT

Approximately \$1,300.

### RECOMMENDATION

A recommendation that the board of directors designate employees who will have access to the winery premises.


***AHC Viticulture & Enology Foundation***


To: Board of Directors	<b>INFORMATION ITEM</b>
From: Michael Black, Treasurer	Date: September 21, 2016
Subject: Financial Report for AHC Viticulture and Enology Foundation	Item Number: 4.A.
	Enclosure(s): Page 1 of 3

**BACKGROUND**

Attached are the balance and income sheets for the AHC Viticulture and Enology Foundation as of August 31, 2016.

**AHC Viticulture & Enology Fdtn  
Balance Sheet  
As of August 31, 2016**

**Assets**

Rabobank Checking	54,352
Accounts Receivable	249
<b>Total Assets:</b>	<b>54,602</b>

**Liabilities**

Sales Tax Payable	1,287
<b>Total Liabilities:</b>	<b>1,287</b>

**Fund Balance**

Fund Balance, July 1	54,711
Current Income(Loss)	(1,397)
<b>Total Fund Balance:</b>	<b>53,314</b>
<b>Total Liabilities and Fund Balance:</b>	<b>\$54,602</b>

**AHC Viticulture & Enology Fdtn  
Income Statement  
As of August 31, 2016**

**Revenue**

Non-Cash Contribution	300
Sales & Commissions	1,293
<b>Total Revenues:</b>	<b>1,593</b>

**Expenditures**

Technology Supplies	137
Office/Operational Supplies	19
In-Kind Supply Contribution	300
Printing	449
Service Contracts (Businesses)	1,865
Technology Services	200
Merchant Fees	20
<b>Total Expenditures:</b>	<b>2,990</b>
<b>Net Income(Loss)</b>	<b>-1,397</b>

**Fund Balance**

Fund Balance, July 1	54,711
<b>Current Balance:</b>	<b>\$53,314</b>



***AHC Viticulture & Enology Foundation***



To: Board of Directors	<b>INFORMATION ITEM</b>
From: Alfredo Koch, President	Date: September 21, 2016
Subject: Winery Inventory Report	Item Number: 4.B.
	Enclosure(s): Page 1 of 2

BACKGROUND

Attached is the inventory report as of August 31, 2016.

**AHC Viticulture & Enology Foundation Board  
Inventory Report as of 08/31/2016**

	06/30/16 Physical Count	Retail Price per bottle	equals: 6/30 Inventory Valuation	less: FY17 Sales	less: FY17 Donations	less: FY17 Tasting	less: FY17 Shrinkage	equals: 08/31/16 Physical Count	Retail Price per bottle	equals: Inventory Valuation
Cabernet Sauvignon Paso Robles 2014	5	\$ 18.48	\$ 92.40	3	1	0	1	0	\$ 18.48	\$ -
Chardonnay Barrels 2014 (Oak)	240	16.63	3,991.20	22	25	6	69	118	16.63	1,962.34
Chardonnay Stainless Steel 2014	32	13.86	443.52	0	4	1	26	1	13.86	13.86
Magnum	21	36.95	775.95	0	0	0	4	17	36.95	628.15
Pinot Noir AHC 2014 (Estate SBC)	1905	16.63	31,680.15	33	43	7	-19	1841	16.63	30,615.83
Pinot Noir Rose 2014	224	13.86	3,104.64	36	12	1	15	160	13.86	2,217.60
Pinot Noir Santa Rita Hills 2014	0	18.48	-	0	0	0	0	0	18.48	-
Red Wine Paso Robles 2014 (Bordeaux)	439	14.78	6,488.42	4	12	0	4	419	14.78	6,192.82
Syrah AHC 2014 (Estate Syrah)	0	18.48	-	0	0	0	0	0	18.48	-
Syrah SBC 2014	856	16.63	14,235.28	17	18	2	-4	823	16.63	13,686.49
Torrontes 2014	0	13.86	-	0	0	0	0	0	13.86	-
Torrontes Rose 2014	10	13.86	138.60	2	5	0	1	2	13.86	27.72
Total	3732		\$ 60,950.16	117	120	17	97	3381		\$ 55,344.81





## *AHC Viticulture & Enology Foundation*



To: Board of Directors	<b>INFORMATION ITEM</b>
From: Alfredo Koch, President	Date: September 21, 2016
Subject: Donation Report	Item Number: 4.C.
	Enclosure(s): Page 1 of 1

### BACKGROUND

The foundation has received the following donations since the last board meeting.

- 40 small Chardonnay vines from Vintage Nurseries of Wasco, California, for giveaways at a special winery event on July 28, 2016.
- One Bordeaux export icone American oak wine barrel from Seguin Moreau Napa Cooperage Inc. of Napa, California.