

Allan Hancock College

Viticulture & Enology Foundation



AGENDA

Board of Directors

Annual Meeting

June 17, 2020
3:30 PM

The meeting will be conducted via Zoom

Meeting ID:
<https://cccconfer.zoom.us/j/96318536899>



Allan Hancock College Viticulture & Enology Foundation



AGENDA

Board of Directors

Annual Meeting

Wednesday, June 17, 2020 – 3:30 PM

Zoom Meeting: <https://cccconfer.zoom.us/j/96318536899>

	<u>Page</u>	<u>Est. Time</u>
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 March 26, 2020 Meeting Minutes	3	
<p>A recommendation that the board approve the minutes from the March 26, 2020 meeting.</p>		
3.B. Acceptance of Donations	5	
<p>A recommendation that the board accept the received donations.</p>		
3.C. Permission to Discount Wines and Grapes	6	
<p>A recommendation that the board approve Kelsie Norris and Alfredo Koch permission to negotiate the sale of bottled and bulk wines, and wine grapes with discounts not to exceed 50 percent.</p>		
3.D. Introduction of Lower Discounts for Wine Clubs	7	
<p>A recommendation that the board approve new discounts for wine clubs.</p>		
3.E. Determination of Date, Time, and Place of Board Meetings	8	
<p>A recommendation that the board approve meeting dates for 2020-2021 academic year.</p>		

	<u>Page</u>	<u>Est. Time</u>
4. Information Items		3:45 PM
4.A. Winery Software Update	9	
An update on Vintrace software for the winery operations.		
4.B. Winery Online Sales	10	
An update on the winery online sales.		
4.C. Tasting Room New Requirements	11	
A report on new regulations for the tasting room.		
4.D. Wine Sales and Promotions Plan	12	
An update regarding wine sales and promotional plan.		
4.E. Estimated Wine Production	14	
An update on the short-term wine production plans.		
4.F. New Labels	16	
A report on the new labels for the next bottling.		
4.G. Winery Board Inventory Report	17	
A report on inventory as of April 30, 2020.		
4.H. Financial Report	21	
A report on year-to-date financial data ending April 30, 2020.		
5. New Business/Oral Reports		4:20 PM
6. Adjournment		4:30 PM

The next regular meeting of the board of directors will be held on September 16, 2020.

In compliance with the Americans with Disabilities Act, if you need assistance to participate in this meeting, please contact the associate superintendent/vice president of finance and administration's office at (805) 922-6966 ext. 3939. Please make requests 48 hours prior to the meeting in order to make reasonable arrangements to ensure accessibility to this meeting.

Kevin G. Walthers, Ph.D.
Foundation President

ALLAN HANCOCK COMMUNITY COLLEGE
Viticulture & Enology Foundation



Minutes
Board of Directors
Quarterly Meeting
Wednesday, March 25, 2020
3:30 p.m.

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

Teleconference: <https://cccconfer.zoom.us/j/217092624>

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 3:32 p.m. with the following directors present: Sean Abel, Alfredo Koch, Larry Lahr, and Eric D. Smith.

Absent: None

Guests present: Keli Seyfert

Note taker: Espie Valenzuela

2. Public Comment

No public comments were received.

3. Action Items

3.A. Approval of December 18, 2019 Meeting Minutes

On a motion by Larry Lahr seconded by Sean J. Abel, the board approved the minutes from the December 18, 2019 board meeting.

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

3.B. Acceptance of Donations

The board received donations from Laffort USA Inc., Snap-On Inc., Nutrien Ag Solutions, Inc., and Vineyard Industry Products valued at \$3249.55 in support of the viticulture program.

On a motion by Sean J. Abel seconded by Larry Lahr, the board approved the donations received.

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

3.C. Signature Authority to Remove Wines

The board approved Winery Operations & Lab Specialist, Kelsie Norris, and Dean, Academic Affairs, Sean J. Abel, authorization to make withdrawals from the wine inventory.

On a motion by Eric D. Smith seconded by Alfredo Koch, the board approved signature authority to remove wines to Kelsie Norris and Sean J. Abel.

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

4. Information Items

4.A. Winery Software Update

Alfredo Koch provided an update on all aspects of winemaking operations using the Winemakers Database. All data will be loaded into Vintrace Software. Start date to utilize the new software is April 2020. Kelsie Norris will coordinate the webinar training scheduled April 7.

4.B. Pouring Events Calendar

Alfredo Koch shared a calendar of future events and stated dates and promotions will be accommodated after the Covid-19 pandemic.

4.C. AHC Wine Festival

Table item.

4.D. Estimated Wine Production

Alfredo Koch shared a PowerPoint presentation regarding the production of sales. The information charts displayed current inventory, July bottling, and summer sales.

Dr. Walthers added the board would like to see a clear list of the inventory (to include pricing) and indicated this topic would be an action item for approval in regards to what is going to be bottled and what we will sell. Alfredo replied there is a large selection of Sparkling available. Dr. Walthers suggested Alfredo reach out to Jon Hooten, as Foundation may be interested in purchasing.

4.E. Winery Board Inventory Report

Keli Seyfert reviewed the wine inventory as of December 31, 2019.

4.F. Financial Report

Keli Seyfert discussed the financial statements detailing the year-to-date financial data ending December 31, 2019.

5. New Business/Oral Reports

Alfredo Koch shared information regarding sales during the summer, pictures of new wine labels, plans for classes using Zoom and Canvas, and plans for the vineyard and winery.

6. Adjournment

The next regular meeting of the board of directors will be held on June 17, 2020 at 3:30 p.m.

adjourned 4:02

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



AHC Viticulture & Enology Foundation



To: Board of Directors	ACTION ITEM
From: Eric D. Smith, Treasurer	Date: June 17, 2020
Subject: Acceptance of Donations	Item Number: 3.B.
	Enclosure(s): Page 1 of 1

BACKGROUND

The donations below are in support of the Allan Hancock College Viticulture & Enology Program. All products donated will be used in the winery and agribusiness program.

- On March 30, 2020, MA Silva USA donated 1,000 champagne unbranded corks.
- On April 2, 2020, a generous donation to prepare the ABC 244-Alcoholic Beverage Control Form (change in licensee information) was received from the Law Office of Brian F. Simas.
- On April 26, 2020, Nutrien Ag Solutions, Inc. donated 34 oz. of Torino fungicide.
- On May 8, 2020, Halter Ranch Vineyard donated 18 cases of mold 2786AG 750 ml Antique Green Bordeaux Screwcap (216 bottles), 131 cases 375 ml Flint Bordeaux Cork (1,572 bottles), 225 cases of mold 2786 FL 750 ml Flint Bordeaux Screwcap (2,700 bottles), and 67 cases of mold 8615 Antique Green Burgundy Screwcap (805 bottles).

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that the board accept the donations received.



AHC Viticulture & Enology Foundation



To: Board of Directors	ACTION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Permission to Discount Wine and Grapes	Item Number: 3.C.
	Enclosure(s): Page 1 of 1

BACKGROUND

This proposal is in preparation for the challenges outlined in the Silicon Valley Bank, State of the Wine Industry Report for 2020 entitled: "2020 OUTLOOK - THE U.S. WINE INDUSTRY WILL BE CHALLENGED OVER THE NEXT FIVE YEARS."

To avoid excess in inventory, it is suggested to the board to sell grapes, bulk wine, and bottled wine at discounted prices. This is the appropriate time to offer grapes for sale as wineries are finishing the plans for their harvest. Additionally, bulk wines can be offered to appropriate businesses at discounted prices and bottled wine can be offered to wineries to further reduce AHC Winery inventories, labeled wine can be discounted and offered as promotions to club members. Examples of discounts might include grape sales down to \$1,000 per ton, bulk wine sales to \$6 per gallon from winery inventory, and sparkling wine to \$20-\$25.

FISCAL IMPACT

Potential loss of profit but assurance of cost recuperation.

RECOMMENDATION

A recommendation that the board of directors approves Kelsie Norris and Alfredo Koch permission to negotiate the sale of bottled and bulk wines, and wine grapes with discounts not to exceed 50 percent.



AHC Viticulture & Enology Foundation



To: Board of Directors	ACTION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Introduction of Lower Discounts for Wine Clubs	Item Number: 3.D.
	Enclosure(s): Page 1 of 1

BACKGROUND

Current wine club discount includes 30% for club members. The proposed wine clubs are as follows:

Wine Club	Shipments per Year	Average Price per Shipment (plus shipping charges, if applicable)	Wine Club Benefits
Classic Club	2 per year (3 bottle shipment)	\$50	<ul style="list-style-type: none"> • 15% off wine purchases • Member only events • First access to limited wines
Cellar Club	2 per year (6 bottle shipment)	\$90	<ul style="list-style-type: none"> • 20% off wine purchases • Member only events • First access to limited wines
Captain's Club	2 per year (12 bottle shipment)	\$160	<ul style="list-style-type: none"> • 25% off all wine purchases • Member only events • First access to limited wines

Terms and Conditions:

1. Automatic Deliveries: This is an automatic delivery program where you agree to have the payment for the order automatically.
2. Limited Productions: The winery may substitute a different vintage of a wine (or a different wine of equal or greater value) if the specified vintage designated for that shipment is depleted during the pick-up/shipment time frame.
3. Member Details: Current contact, billing and shipping information must be provided.
4. Pick Up Orders: We ask that you pick-up your current club release within three weeks after the club release. If not picked up, the release will be shipped to your address on file. Shipping and handling charges (applicable taxes) will be applied to your payment card. Must be over 21 years old to be member.
5. Age requirement: By registering for wine club membership you are confirming you are 21 years of age or older.
6. Membership will be ongoing until we receive a request to terminate membership.
7. Leaving the Program: You must notify the winery via email at Kelsie.norris@hancockcollege.edu at least 30 days prior to shipping with any changes or cancellations. This time frame also applies to pick-ups.
8. Minimum Commitment: So you can enjoy being part of our family year-round, we ask that you remain in the club program for 12 months. There is no mandated requirement – only a request.

FISCAL IMPACT

Potential loss of profit but assurance of cost recuperation.

RECOMMENDATION

A recommendation that the board of directors approves the proposed discounts and privileges to wine club members.



AHC Viticulture & Enology Foundation



To: Board of Directors	ACTION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Determination of Date, Time, and Place of Board Meetings	Item Number: 3.E.
	Enclosure(s): Page 1 of 1

BACKGROUND

The Viticulture and Enology Foundation supports the educational and cultural programs in the areas of agribusiness/viticulture and enology, as well as operates certain facilities related to the programs. The board members meet on a quarterly basis to discuss issues related to the college vineyard and winery.

The 2020-21 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. Due to the Covid-19 Outbreak, sections of the Brown Act have been relaxed by Governor Newsom. Board meetings will be held remotely during this time at <https://cccconfer.zoom.us/j/96318536899>. The college must also comply with the Brown Act requirements and post meeting agendas at least 72 hours prior to the meeting.

Board Meeting Date	Agenda Topics due to Espie by Noon	All Items due by Noon
September 16, 2020	Friday, September 4	Wednesday, September 9
December 9, 2020	Friday, November 27	Wednesday, December 2
March 17, 2021	Friday, March 5	Wednesday, March 10
June 16, 2021 (Annual Meeting)	Friday, June 4	Wednesday, June 9

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that the board hold regular meetings at 3:30 p.m. on September 16, 2020, December 9, 2020, and March 17, 2021, and hold the annual meeting on June 16, 2021.



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Winery Software Update	Item Number: 4.A.
	Enclosure(s): Page 1 of 1

BACKGROUND

Vintrace Software is up and running at the winery. All data has been loaded into the new software and we are utilizing it to its fullest. The software provides opportunity for the students to learn about the use of new software, which allows for practice in a sandbox site. It also has practical use in phone apps. This donation contributed to a significant improvement to our winery management.

Facts from company:

- Founded in 2007 with head office based in Melbourne, Australia
- Self-funded, no debt, original Founders remain
- Canadian Enterprise Winemakers began using Vintrace in 2008
- In 2014 established North American Headquarters in Sonoma, California
- 440 global customers, including wineries, cideries and breweries
- 2,000 individual system users accessing Vintrace on a daily basis
- 18 staff working in our Melbourne office; six staff in Sonoma
- Significant and on-going R&D Investment

Areas covered:

- Intake
- Wine Making
- Bottling
- Sales
- Costing
- Inventory Management



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Winery Online Sales	Item Number: 4.B.
	Enclosure(s): Page 1 of 1

BACKGROUND

VinoShipper was contracted for online sales, collections and shipping. Our bond is used in the state of California and in other states VinoShipper's bond is used.

Costs are 4.75% plus 75 cents per unit sold in California. Costs are 8.75% plus 75 cents per unit sold in any other state. Wine club sales costs are 8.75% plus 75 cents per unit.

This system was chosen because it allows for sales disclosures and financial record keeping. It also allows us to have the various levels within our wine club and integrates with our college website.

Terms and Conditions for Online Wine Sales

1. 21 Years of Age or Older to Purchase: We do an age verification on all sales.
2. 21 Years of Age or Older & in Person Signature Requirement: Deliveries require an adult signature of 21 years of age or older. After three attempts to delivery, shipments are held at UPS for 5 days and then returned. We hope this does not happen as we provide advance notice and tracking numbers for shipments.
3. Returned Packages: A return packaging fee as well as reshipping fee may be charged to the customer.
4. Re-Shipping: Package(s) which are returned due to failed delivery and re-shipped will incur the re-shipping.
5. Tracking: Shipping tracking numbers are provided so you are aware of when a shipment is due to be delivered and can arrange for an adult of 21 years of age older to be available to sign for the package.
6. Legal Restriction: Unfortunately, regulations restrict us from shipping alcohol to PO Boxes or APO/FPO addresses.
7. Taxes & limitations: Individual state regulations for taxes and limits do apply.
8. Returned shipments: You are responsible for shipping, return and re-shipping costs.
9. Regulations for shipping wine/mead/cider vary by state. We comply with all regulations based on their individual shipping laws and limitations. Due to current state regulations, we regretfully cannot ship wine to all states.
10. Damaged shipments are insured. Please notify the winery if you incur such a shipment.
11. Sold: Once the order is processed the wine is considered purchased even if returned.
12. Heat & Weather Conditions: Because of our sensitivity to the temperature variances that can occur during the summer months, we generally ship Monday through Wednesday. We may, at times, contact customers to consult on overnight shipping or holding the shipment back to ensure the integrity of their wines.
13. Delivery Schedule: Wine is shipped via UPS.
14. Will Call: Orders can be placed via the website or phone and then picked up at the winery. Once your order has been processed, you will be contacted by the winery to confirm your order is ready to pick up. Will call orders must be picked up within 30 days. After 30 days, your order will be shipped to you and shipping costs will be applied.
15. Return Policy: We stand behind every wine we make, and we want you to be completely satisfied with your purchase. If, you are not satisfied with your order, please contact us within 30 days of receipt of your order and we will arrange for replacement (pending availability) or refund.



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Tasting Room New Requirements	Item Number: 4.C.
	Enclosure(s): Page 1 of 1

BACKGROUND

The Wine Institute is providing the protocols to members now so they can begin preparations for future reopenings. The link below provides information regarding the new requirements.

<http://28rbcq2h1bmh1vlw303uo1et-wpengine.netdna-ssl.com/wp-content/uploads/2020/05/WI.Covid19.ReopeningProtocols.06.pdf>



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Wine Sales and Promotion Plan	Item Number: 4.D.
	Enclosure(s): Page 1 of 2

BACKGROUND

The sales plan is comprised of a mixture of discounts, approach to supermarkets, grape sales, bulk wine sales and bottled wine discounts. Our Wine Club will have three tiers to choose from:

Wine Club	Shipments per Year (fall and spring) Choice between pick-up or shipping	Average Price per Shipment (plus shipping charges, if applicable)	Additional Benefits
Classic Club	2 per year (3 bottle shipment)	\$50	<ul style="list-style-type: none"> 15% off wine purchases Member only events First access to limited wines
Cellar Club	2 per year (6 bottle shipment)	\$90	<ul style="list-style-type: none"> 20% off wine purchases Member only events First access to limited wines
Captain's Club	2 per year (12 bottle shipment)	\$160	<ul style="list-style-type: none"> 25% off all wine purchases Member only events First access to limited wines

Proposal:

\$5-\$10 tasting fees for non-club members. Complimentary tastings to members and up to four guests.

Proposed Wine Club Member-Only Events:

- Include Pick up parties for the wine club shipments
- 2 times a year (spring & fall)
- Friday evenings (maybe stay open later) or a Saturday
- Pick up premade & prepaid shipments
- Live music
- Light bites or food paired with wine in shipment
- New releases or barrel tastings
- Special discounts on shipment wine - 30% off that day only
- Can bring guest for - \$10 per guest - free if they join the club and take shipment
- If we had other open events, we can offer club members discounts

(Continued)

Current Discounts:

- Student/Staff: 20% off purchases of 1-5 bottles
- Student/Staff: 30% off purchases of 6 or more bottles
- Wine club discount: 30% off all purchases
- 50% off purchases 6 bottles Pinot Noir First Class
- \$25 case special: 2017 Torrontes

Proposed Discounts and specials:

- Keep the student/Staff discount the same
- Keep the First class discount
- Dr. Walthers Case Special on the 2018 Torrontes: 50% off
- Dr. Walthers Case Special on the 2017 Albariño
- Case Special on the 2014 & 2015 Pinot Noir: \$60/case?
- Summer three pack of pre-selected wines at a discounted price for any customers



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: Estimated Wine Production	Item Number: 4.E.
	Enclosure(s): Page 1 of 2

BACKGROUND

Rob McMillan, EVP and founder of Silicon Valley Bank's Wine Division, writes one of the wine industry's most respected annual reports that assesses current conditions and provides a unique forecast based on micro and macroeconomic and behavioral trends.

Mr. McMillan is suggesting that we are in the midst of a consumer reset. Mentioning that there is an acute oversupply, which will improve value priced bottles. Grape and bulk wine will stabilize at even lower prices, the oversupply will lead to vineyard removals and reduced returns for growers and premiumization is nearing its apex as a trend.

We believe that the industry is having a difficult time in most winegrowing regions, that the oversupply will prevail for at least a few more years; this will increase competition and impact our ability to sell our wines.

Therefore, we are adjusting our wine production accordingly. Instead of producing 700-1000 cases, we suggest to produce 350 cases as follows:

Allan Hancock College 2020 Crush Plan as of June 15, 2020						
Varietal	Vineyard	2020 Tons	Gross Gallons	Racked Gallons (8% loss)	Est Final L (5% loss)	Final Cases (9L each)
Pinot Noir	AHC	1.00	140	129	463	51
Pinot Noir Rose	AHC	0.50	70	64	232	26
Syrah	AHC	1.00	140	129	463	51
Albariño	AHC	0.50	70	64	232	26
Cabernet Sauvignon	Donated	0.50	70	64	232	26
Cabernet Sauvignon	AHC	0.30	42	39	139	15
Chardonnay	AHC	1.00	140	129	463	51
Torrantes	AHC	0.50	70	64	232	26
Malbec	Donated/Purchased	1.00	140	129	463	51
Totals		6.30	882	811	2919	324

(Continued)

Offer for sale:

Grape Tons to Sell	Tons	Suggested Price
Pinot Noir	4	\$1000/ton
Sparkling (Pinot Noir)	1	\$1000/ton
Torrontes	1	\$500/ton

In case the grapes do not sell, we would produce the wine and try to sell it in bulk. Sparkling wine will not be produced this coming harvest. This is our existing inventory:

- 2016 Sparkling (Pinot Noir) 22 cases (12 bottles) labeled
- 2017 Sparkling (Pinot Noir) 60 cases (12 bottles) to be labeled soon
- 2018 Sparkling (Pinot Noir) 55 cases (12 bottles) 750 ml and 35 cases 1.5L (6 bottles)
All of this vintage could have the new label for the 100 year anniversary as we were planning to give to the AHC Foundation all of this vintage.
- 2019 Sparkling (Pinot Noir) We will try to sell on the bulk market

Wines that we are bottling this year 2020:

2019 Vintage Wine	Inventory	Plan
2019 Sparkling Wine	140 gal/58 cases	<ul style="list-style-type: none"> • Try and sell on the bulk market
2019 Albarino	216 gal/90 cases	<ul style="list-style-type: none"> • Keep about 50 gal/20 cases for the winery • Sell the remaining 166 gal on the bulk market • Bottle our 20 cases in July
2019 Grenache Blanc	50 gal/21 cases	<ul style="list-style-type: none"> • Keep for winery • Needs to be filtered to 0.45 microns • Bottle in July
2019 Torrontes	130 gal/52 cases	<ul style="list-style-type: none"> • Sell by the case for a really good price • Needs to be filtered to 0.45 microns • Bottle in July
2019 Chardonnay	161 gal/68 cases	<ul style="list-style-type: none"> • Keep for winery • Needs to be filtered 0.45 microns • Bottle in July
2019 Pinot Noir	472 gal/198 cases	<ul style="list-style-type: none"> • Keep about 120 gal/50 cases for the winery • Blend the remaining 350 gal and sell on the bulk market • Bottle in July
2019 Malbec	177 gal/74 cases	<ul style="list-style-type: none"> • Discard
2019 Grenache	89 gal/37 cases	<ul style="list-style-type: none"> • Keep all for winery • Blend with 10% Syrah • Bottle in July
2019 Zinfandel	177 gal/75 cases	<ul style="list-style-type: none"> • Keep all for the winery • Add 0.25g Tartaric Acid • Bottle in July
2019 Merlot	118 gal/50 cases	<ul style="list-style-type: none"> • Keep all for winery • Bottle in July
2019 Cabernet Sauvignon		<ul style="list-style-type: none"> • Keep all for winery • Continuing to age
2019 Syrah		<ul style="list-style-type: none"> • Keep all for winery • Continuing to age



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Sean J. Abel, Secretary	Date: June 17, 2020
Subject: New Labels	Item Number: 4.F.
	Enclosure(s): Page 1 of 1

BACKGROUND

New labels will be showcased during the board meeting for Grenache, Merlot, Zinfandel and Grenache Blanc.



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Eric D. Smith, Treasurer	Date: June 17, 2020
Subject: Winery Board Inventory Report	Item Number: 4.G.
	Enclosure(s): Page 1 of 4

BACKGROUND

Attached is the winery board inventory report for the AHC Viticulture and Enology Foundation as of April 30, 2020.

Allan Hancock College Viticulture & Enology Foundation
Board Inventory Report
As of April 30, 2020

Bottled Wines												
Vintage/Varietal	FY20 Beginning Inventory (Bottles)	Minus: YTD Sales	Minus: YTD Donations	Minus: YTD Winery Use	Plus/Minus: YTD Adjustments	Plus: YTD Inventory Additions	Less: Removed for Testing	FY20 Ending Inventory (Bottles)	Cost per Bottle	FY20 Ending Inventory Cost Value	Retail Cost per Bottle	FY20 Ending Retail Cost Value
2012 White Wine	6	-4	0	0	-2	0	0	0	\$ 1.53	\$ -	\$ 7.00	\$ -
2014 Pinot Noir AHC (Estate SBC)	362	-143	-1	-29	-25	0	0	164	3.38	554.32	18.00	2,952.00
2014 Syrah SBC	25	-26	-1	-4	6	0	0	0	3.38	0.00	18.00	-
2015 Chardonnay	41	-34	-12	-4	21	0	0	12	1.76	21.08	14.00	168.00
2015 Pinot Noir	1,346	-101	-75	-77	-70	0	0	1,023	1.76	1,801.50	18.00	18,414.00
2015 Pinot Noir Rose	340	-294	-14	-14	-18	0	0	0	2.93	0.00	14.00	-
2015 Syrah	195	-119	0	-29	-47	0	0	0	1.78	0.00	18.00	-
2015 Torrontes	428	-296	-40	-53	-39	0	0	0	2.28	0.00	14.00	-
2016 Chardonnay	180	-116	0	-5	-59	0	0	0	4.44	0.00	14.00	-
2016 Pinot Noir	236	-204	-20	-16	25	0	0	21	4.35	91.26	18.00	378.00
2016 Pinot Noir Rose	502	-476	-3	-13	-10	0	0	0	4.83	0.00	14.00	-
2016 Syrah	70	-54	0	-7	-9	0	0	0	4.62	0.00	18.00	-
2016 Torrontes	88	-127	-1	-5	45	0	0	0	4.19	0.00	14.00	-
2016 Pinot Noir Blanc de Noir (Sparkling)	461	-103	-19	-56	-20	0	0	263	4.46	1,172.52	30.00	7,890.00
2017 Albarino	423	-47	-2	-15	-25	0	0	334	6.05	2,020.97	14.00	4,676.00
2017 Cabernet Sauvignon (Paso Robles)	528	-502	-3	-7	-16	0	0	0	6.34	0.00	15.00	-
2017 Cabernet Sauvignon (Rancho Sisquoc)	348	-348	0	0	0	0	0	0	6.95	0.00	15.00	-
2017 Pinot Noir	768	-215	-18	0	-33	0	0	502	6.61	3,318.66	18.00	9,036.00
2017 Pinot Noir Rose	882	-860	-37	-20	63	0	0	28	6.31	176.67	14.00	392.00
2017 Syrah	420	-249	-9	-24	-18	0	0	120	5.96	715.14	18.00	2,160.00
2017 Torrontes	696	-726	0	-7	56	0	0	19	5.22	99.21	14.00	266.00
2018 Albarino	324	-44	-18	-7	0	0	0	255	5.68	1,447.16	14.00	3,570.00
2018 Bordeaux (Blend)	0	0	0	-2	12	996	0	1,006	7.99	8,039.14	15.00	15,090.00
2018 Cabernet Sauvignon (J. Lohr-PR)	0	0	0	0	0	0	0	0	0.00	0.00	15.00	-
2018 Cabernet Sauvignon (RSQ)	0	-130	-13	-17	-5	720	0	555	9.49	5,268.53	15.00	8,325.00
2018 Chardonnay (Steel)	577	-221	-36	-22	1	0	0	299	6.53	1,953.04	14.00	4,186.00
2018 Chardonnay (Oak)	432	0	0	-1	0	0	0	431	8.39	3,616.55	14.00	6,034.00
2018 Pinot Noir Rose	324	-35	-22	-9	-10	0	0	248	5.21	1,291.98	14.00	3,472.00
2018 Malbec	384	-121	-4	-39	-10	0	0	210	4.89	1,027.72	15.00	3,150.00
2018 Syrah (Estate)	0	0	-2	-5	-11	324	0	306	14.22	4,351.28	18.00	5,508.00
2018 Syrah (Blend)	0	0	0	-2	-10	564	0	552	5.78	3,190.01	18.00	9,996.00
2018 Torrontes (Old)	972	-29	-18	-12	-8	0	0	905	4.42	3,996.55	14.00	12,670.00
2018 White Wine (Field Blend)	696	-648	0	-24	-24	0	0	0	5.92	0.00	14.00	-
Total Number of Bottles	12,054	-6,274	-368	-525	-238	2,604	0	7,253				
Cost Value Totals	\$ 55,762.45	\$ (33,185.82)	\$ (1,622.47)	\$ (2,250.87)	\$ (844.88)	\$ 22,660.66	\$ -	\$ 44,153.85		\$ 44,153.60		\$ 118,273.00

Allan Hancock College Viticulture & Enology Foundation
 Board Inventory Report
 First Class Pinot Noir
 As of April 30, 2020

Bottled Wines											
Vintage/Varietal	FY20 Beginning Inventory (Bottles)	Minus: YTD Sales	Minus: YTD Donations	Minus: YTD Tasting/Damaged	Plus/Minus: YTD Adjustments	Plus: YTD Inventory Additions	FY20 Ending Inventory (Bottles)	Cost per Bottle	FY20 Ending Inventory Cost Value	Retail Cost per Bottle	FY20 Ending Retail Cost Value
First Class Pinot Noir	0	-151	-163	-9	-1	600	276	\$ 16.67	\$ 4,600.92	\$ 30.00	\$ 8,280.00
Total number of Gallons											
Total Number of Bottles	0	-151	-163	-9	-1	600	276				
Cost Value Totals		\$ (2,517.17)	\$ (2,717.21)	\$ (150.03)	\$ (16.67)		\$ 4,598.92		\$ 4,598.92		\$ 8,280.00

Allan Hancock College Viticulture & Enology Foundation
Board Inventory Report
As of April 30, 2020

Vintage/Varietal	Bulk Wines					
	Bulk Lot Codes	Beginning Inventory Bulk Gallons	Ending Inventory Bulk Gallons	FY20 Ending Inventory Cost Value	FY20 Ending Inventory Cost/Gallon	FY20 Ending Inventory Cost Value (Case Equivalent)
2016 Petit Verdot		8	0.0	-	-	-
2016 Bordeaux Mix		158	0.0	-	-	-
2017 Chardonnay		5	0.0	-	-	0.00
2017 Pinot Noir		10	0.0	-	-	0.00
2017 Pinot Noir Blanc de Noir (Sparkling)		206	206.0	5,336.37	25.90	61.65
2018 Blanc de Noir (Sparkling)	B-PNAHC18BDN	225	218.0	5,284.35	24.24	57.69
2018 Bordeaux (Blend)	B-RBDON18RSQBD	59	0.0	-	-	-
2018 Cabernet Sauvignon (J. Lohr-PR)	B-CSDON18JLR	9	0.0	-	-	-
2018 Cabernet Sauvignon (RSQ)	B-CSDONRSQ	119	0.0	-	-	-
2018 Pinot Noir 667	B-PNAHC18667	285	0.0	-	-	-
2018 Pinot Noir 91 Cordon Prune	B-PNAHC1891COR	118	0.0	-	-	-
2018 Pinot Noir Rose CC (Central Coast)	B-RSMIX18CCO	55	0.0	-	-	-
2018 Merlot	B-MEDON18RSQ	50	0.0	-	-	-
2018 Red Wine (Field Blend)	B-RBAHC18SBC	57	0.0	-	-	-
2018 Syrah (RSQ)	B-SYDON18RSQ	59	0.0	-	-	-
2018 Syrah (Donated RSQ)	B-SYAHC18SBC	281	0.0	-	-	-
2018 Torrontes (AHC) (New)	B-TRAHC18NEW	118	0.0	-	-	-
2019 Albarino	B-ABAHC19SBC	-	216.1	4,950.60	22.91	54.52
2019 Chardonnay (Oak)	B-CHAHC19OAK	-	0.0	-	-	0.00
2019 Chardonnay SBC	B-CHAHC19SBC	-	161.4	3,923.50	24.31	57.86
2019 Cabernet Sauvignon SBC	B-CSAHC19SBC	-	0.0	-	-	-
2019 Cabernet Sauvignon (008 - Donated)	B-CSDON19008	-	118.0	2,423.95	20.54	48.89
2019 Cabernet Sauvignon (047 - Donated)	B-CSDON19047	-	59.0	1,211.97	20.54	48.89
2019 Cabernet Sauvignon (412 - Donated)	B-CSDON19412	-	59.0	1,211.97	20.54	48.89
2019 Cabernet Sauvignon (DCV - Donated)	B-CSDON19DCV	-	118.0	2,732.07	23.15	55.10
2019 Grenache blanc (Halter Ranch-Donated)	B-GBDON19HAL	-	50.0	1,355.77	27.12	64.53
2019 Grenache blanc (San Juan Vineyards-Donated)	B-GRDON19SJV	-	89.0	1,828.23	20.54	48.89
2019 Merlot (SBC - Donated)	B-MEDON19SBC	-	118.0	2,423.95	20.54	48.89
2019 Merlot (San Juan - Donated)	B-MEDON19SJV	-	30.0	1,211.97	40.40	96.15
2019 Malbec (Happy Canyon)	B-MLDON19HYC	-	177.0	3,635.92	20.54	48.89
2019 Blanc de Noir (Sparkling)	B-PNAHC19BDN	-	139.3	3,389.42	24.33	57.91
2019 Pinot Noir (SBC)	B-PNAHC19SBC	-	499.0	9,695.78	19.43	46.24
2019 Syrah AHC	B-SYAHC19SBC	-	236.0	3,985.13	16.89	40.19
2019 Torrontes AHC (Dry)	B-TRAHC19SBC	-	81.6	3,964.59	48.59	115.63
2019 Torrontes AHC (Late Harvest)	B-TRAHC19LTH	-	53.4	1,540.64	28.85	68.67
2019 Zinfandel (Donated)	B-ZIDON19PRB	-	177.0	3,635.92	20.54	48.89
Total number of Gallons		1822	2,805.8			
Cost Value Totals			\$ 63,744.20	\$ 22.72	\$ 54.07	



AHC Viticulture & Enology Foundation



To: Board of Directors	INFORMATION ITEM
From: Eric D. Smith, Treasurer	Date: June 17, 2020
Subject: Financial Report	Item Number: 4.H.
	Enclosure(s): Page 1 of 3

BACKGROUND

Attached are the income statement and balance sheet for the AHC Viticulture and Enology Foundation as of April 30, 2020.

AHC Viticulture & Enology Foundation
Statement of Financial Position
For The Period Ending 04/30/2020

Assets

Claim on Cash	80,671
Cash on Hand	100
Accounts Receivable	1,260
OS Accounts Receivable	142
Inventory-Bulk Wine	63,744
Inventory-Bottled Wine	48,753
Deferred Crop Costs	2,129
Total Assets:	<u>196,799</u>

Liabilities

Sales Tax Payable	1
Total Liabilities:	<u>1</u>

Fund Balance

Fund Balance, July 1	188,547
Current Income (Loss)	8,252
Total Fund Balance:	<u>196,799</u>
Total Liabilities and Fund Balance:	<u>196,799</u>

AHC Viticulture & Enology Foundation
Statement of Operations
For The Period Ending 04/30/2020

Revenue

Contributions, Gifts, Grants & Endowments	53,990
Non Cash Contribution	22,689
Other Local Revenues	200
Intrafund Transfer-In	26,576
Net Revenue	103,455

Wine Operations

Sales and Commission	92,489
Sales Discounts	(51,019)
Sales Returns & Allow	(168)
Net Sales	41,302
Cost of Goods Sold	(37,902)
Gross Profit	3,400
Total Revenues	106,855

Expenditures

Professional Expert/Non Instr	5,115
Office/Operational Supplies	25,137
In Kind Supply Expense	17,722
Inventory Allocation Expense	(63,329)
Non Instr Printing	3,425
Graduation Supplies	87
Food - Business Meetings/Events	4,102
Entertainment/Special Events	4,418
Indep Contractor (Individuals)	1,500
Service Contracts (Businesses)	24,200
Travel - All Travel Costs	1,627
Non-Tech Licenses, Permits, Fees	1,317
Insurance	230
In Kind Facility Rental	5,000
Facility Leases	100
Land Lease	400
Repairs (Labor-Diagnostic)	250
Technology Hosting Services	40
Equipment Rental	111
Legal Fees	394
In Kind-Legal Fees	102
Sales Tax Expense	466
District/College Support	1,500
Postage/Express Services	207
Advertising	151
In-Kind Advertising	364
Merchant Fees	856
Gain/Loss-Disposal of Assets	11,726
Cash Over and Short	6
Equipment	23,603
Intrafund Transfers-Out	26,576
Scholarships	1,200
Total Expenditures	98,604
Net Income (Loss)	8,252

Fund Balance

Fund Balance, July 1	188,547
Current Balance	<u>\$196,799</u>