



Texas Wine and Grape Growers Association  
Annual Member Meeting Minutes  
Thursday, February 22, 2018 at 8:30 a.m.  
Irving Convention Center – Irving, TX  
4<sup>th</sup> Floor Grand Ballroom 1-3

### **Call to Order**

**President**

The meeting was called to order at 8:32 am by President Dusty Timmons.

### **Welcome and Sponsor Recognition**

**President**

President Dusty Timmons welcomed all conference attendees. He recognized 43 conference sponsor and supporter companies.

### **Board of Directors Induction**

**Legislative Committee Chair**

Kyle Frazier introduced the 2018-2019 TWGGA Board of Directors and inducted the new Board.

President Mike McHenry, Wedding Oak Winery  
President-Elect Paul M. Bonarrigo, Messina Hof Winery  
Secretary Roxanne Myers, Lost Oak Winery  
Treasurer Dana Pool, Los Pinos Ranch Vineyards  
Past President Dusty Timmons, Lost Draw Vineyards  
Region One Vineyard Director Brenda Canada, Canada Family Vineyards  
Region One Winery Director Chace Hill, Krick Hill Vineyards  
Region Two Vineyard Director Susan Steger, Tara Vineyards  
Region Two Winery Director Gabe Parker, Homestead Winery  
Region Three Vineyard Director Stan Johnson, Whistling Duck Vineyards & Winery  
Region Three Winery Director Stephen Morgan, Saddlehorn Winery  
Region Four Vineyard Director Mark Tyler, Tyler Farms and Vineyard  
Region Four Winery Director Dusty Evans, Sprayberry Vineyards  
Region Five Vineyard Director Penny Adams, Wedding Oak Winery  
Region Five Winery Director Jesse Barter, Four Point 0 Cellars  
Director-At-Large Jason Englert, Grape Creek Vineyards  
Director-At-Large Bob Landon, Landon Winery  
Director-At-Large Patrick Whitehead, Blue Ostrich Winery and Vineyard

### **Approval of Minutes**

**Secretary**

The February 16, 2017 meeting minutes were distributed by email and as a meeting handout. Dana Pool asked for a motion to approve the minutes as distributed. Stephen Morgan made the motion and Gabe Parker seconded the motion. **Motion Passed.**

### **Treasurer's Report**

**Treasurer**

Dana Pool reported there was \$247,242.33 in the combined TWGGA accounts at Wells Fargo Bank and Frost Bank as of December 31, 2017. Highlights of 2017 income and expenses include:

- Income Focus
  - Membership and Exhibitor revenues exceeded budget by 5.5% and 14.2% respectively.

- Registration numbers were up but revenue was down. More students and educators are taking advantage of deeply discounted registrations for events. TWGGA has not raised event registration fees in over eight years. There are no plans to raise any fees in the near future unless sponsorships decrease. Currently, sponsors remain committed to the Association’s events.
- Expense Focus
  - Expenses exceeded budget in several areas
    - The Association prepaid \$40,000 in future conference costs (2018, 2022, 2014)
    - The Association has taken over funding TX Wine Passport Mobile App reward redemption
    - There were \$14,000 in TCEQ consulting fees that were not budgeted in 2017
- TWGGA has an \$18,000 Specialty Crop Grant for 2018 to fund grape acreage and varietal survey collection
- There will be no Economic Impact expense in 2018 because of the funding of the national economic impact by WineAmerica in 2017.

Cash Flow: Continues to be strong and steady over the entire year.

Bob Landon made a motion to accept the Treasurer’s Report. Mark Hyman seconded the motion.  
**Motion Passed.**

**Past President Report**

**Past President**

Dusty Timmons stated 2017 was an exciting but challenging year for the industry. There were disagreements over issues and, at the same time, extraordinary growth. Dusty encouraged everyone to be open minded and work together for the good of the entire industry. You can disagree and not lose friendships. Dusty stated it was his pleasure to serve the Association as the President.

**President Report**

**President**

Mike McHenry thanked Dusty Timmons. He reflected on the first TWGGA conference held in Austin and the early pioneers of the industry – Doc McPherson, Bobby Cox, and Dr. Bobby Smith. The industry has come a long way in the last 42 years.

Mike attended Grape Camp in 1998 and met Neal Newsom, Jim Johnson and Gary Gilstrap. His wife, Lynn, suggested a vineyard would look nice outside their bedroom window so he planted his first vineyard in 2000.

Mike asked that we all think of what we want to accomplish. We are a big industry and have accomplished amazing growth and successes over the years. He is honored to be part of the industry and Association going forward. The TWGGA Board represents you. They are a talented group of individuals who are ready to work alongside you and communicate with you.

**Executive Director Report****Executive Director**

Membership comparison 2017 vs 2018

Classification	2017	2016
Friend	\$10,800	\$10,650
Professional	\$23,550	\$22,650
Small Commercial Vineyard	\$26,700	\$24,250
Small Commercial Winery	\$20,000	\$18,250
Medium Commercial Vineyard	\$4,200	\$4,900
Medium Commercial Winery	\$10,500	\$9,800
Large Commercial Vineyard	\$2,250	\$2,700
Large Commercial Winery	\$4,050	\$7,650
Actual	\$102,050	\$100,850
Budgeted Plan	\$96,720	\$84,105

- Highlights of 2017
  - Solid financials for the Association
  - Strong Membership base
  - Respect from Texas legislators and US Congress members
  - Support of TWGGA events – Annual Conference, Grape Camp, Lone Star International Wine Competition
  - Broad education partnership with Texas A&M AgriLife Extension
  - Support of local business for services – website, social media, printing, media
  - Coordination between TWGGA, THCW and HPWG
- Focus in 2018
  - Association Staff Changes
  - TWGGA representation on WineAmerica Board
  - Prepare 2019 Legislative Agenda
  - Frequent communication from regional directors to members in their region
  - Coordination between TWGGA, THCW and HPWG
  - Website refresh; out of state vineyard and winery members
  - Explore partnership with The Grape Link or other options for selling Texas fruit
  - USDA-NASS Survey and TDA Specialty Crop Block Grant for \$18,000 to gather acreage and varietal information
  - Applied for a SCBG \$15,000 to study and create a formal high school viticulture program and expand it beyond Mason High School and Grayson County. The grant would run from December 2018 to September 2020. It includes hosting a field day for students.

**Texas Wine Foundation Report****Foundation Director**

Patrick Whitehead, Texas Wine Foundation Director for Region 2, reported on the 2017 Foundation activities and 2018 plan.

As of December 31, 2017, the Texas Wine Foundation Frost Bank accounts have a combined total of \$12,534.14. The income and expense overview for 2017 is:

- Income
  - \$17,719.00 from conference auctions and scholarship fundraising efforts at the TWGGA Conference, Grape Camp and Newsom Grape Day.
  - \$1,000 from a wine dinner held by Landon Winery
- Expenses
  - \$2,970 for Trademark legal work. The Foundation name was changed from the Texas Wine and Grape Growers Foundation to Texas Wine Foundation and a new logo was trademarked.
  - \$943.00 Directors Liability Insurance
  - \$1,658.39 Other Expenses (Printing, Board Meetings, Conference Call Phone Line, Staff Travel, Credit Card Processing Fees, Event Supplies)
  - \$15,000 Texas Tech University and Grayson College students \$1,500 scholarships
- 2018 Fundraising Plan
  - TWGGA Annual Conference
    - Wine Pull at the Foundation dinner Friday night; Heads and Tails at the Gala Dinner Saturday night; President’s Dance at the Gala Dinner Saturday night; portion of the Friday dinner ticket sales; donations
    - Newsom Grape Day Supplier tables and donations
    - Grape Camp soda donations
  - The Wine Society of Texas is hosting a dinner on April 28, 2018 and will donate a portion of the proceeds
  - Other events as determined by the Texas Wine Foundation Board of Directors
- Texas Wine Foundation Board of Directors
  - All Foundation Directors must be re-appointed by the TWGGA Board each year
  - The 2018 Texas Wine Foundation Board is:
    - President – Dusty Timmons
    - Vice President – Paul M. Bonarrigo
    - Secretary/Treasurer – Dana Pool
    - Region 1 Director – Monty Dixon
    - Region 2 Director – Patrick Whitehead
    - Region 3 Director – Karen Bonarrigo
    - Region 4 Director – Jim Evans
    - Region 5 Director – Jennifer Beckmann

### **Legislative Committee**

### **Legislative Committee Chair**

Kyle Frazier reported that the 2017 Texas Legislative Session was stressful and divisive. He commended Dusty Timmons for his great leadership during the session and hearings. As the Texas wine and grape industry grows, it is not always good to be on people’s radar, especially those who do not support the growth.

The Texas Alcoholic Beverage Commission (TABC) Sunset process has begun. This is a full management review of the agency. In the 2019 Texas Legislative Session, a bill must be passed for TABC to continue as a state agency. This is TABC's 3<sup>rd</sup> Sunset Process.

TWGGA has established a Sunset Committee who is working on behalf of the industry to suggest improvement and protect the rights we enjoy. There is a General Session today at 5:15 pm to go into more detail. Kyle encouraged all to attend.

Pat Hale made a motion to accept the three reports. Tricia Conover seconded the motion. **Motion Passed.**

### **The Texas Alcoholic Beverage Commission**

### **TWGGA General Counsel**

Kimberly Frost brought greetings from Lou and Helen Bright who are enjoying retirement in New Mexico. She reviewed the changes with TABC leadership and stated the new leadership has been very responsive and willing to work with the industry. The "new" TABC is working hard to correct any past inconsistencies. TABC welcomes the industry to come to them and understand the reasons behind their decisions. TABC focuses on the law and the statute. Attending the TWGGA Conference today is Matt Chaplin (Chief of Staff), Thomas Graham (Marketing) and Jared Staples (Communications).

### **USDA/NASS**

### **Bill Hundl**

National Agricultural Statistics Service (NASS) is to agriculture what a GPS is to maps. Bill Hundl, from the Southern Plains Region, shared that NASS does not set policy or regulate. They provide unbiased statistics on agriculture. NASS is governed by privacy laws and federal guidelines which prohibits them from sharing personal information on any entity who completes the surveys. NASS will gather and provide information and statistics that you can trust.

TWGGA is working with NASS on a Wine Variety/Acreage study that is hoped to become an annual project.

### **New Business**

### **President**

There was no new business.

### **Miscellaneous/Announcements**

### **President**

Mike McHenry recognized his wife, Lynn. He also recognized Debbie Reynolds, TWGGA Executive Director, and thanked her for all she had accomplished for the industry and Association.

Bob Landon made a motion to adjourn. Stephen Morgan seconded the motion. **Motion Passed.**

Meeting adjourned at 9:20 am.

Respectfully submitted by Roxanne Myers, Secretary.