

Minutes from the April 11, 2013 MBAA BOG WebEx Meeting

A. Roll Call (Cunningham)

Cunningham called the meeting to order at 10:00 a.m. CDT.

BOG Present:

District Europe – Jens Voigt
 District Michigan – John Mallett
 District Mid-Atlantic – Walter Heeb
 District Mid-South – Fred Scheer
 District Milwaukee –Mike Scanzello
 District New England – Jamie Schier
 District New York – Rick Ellis
 Northern California – Ruth Martin
 District Northwest – Jeff Edgerton
 District Ontario – Chris Williams
 District Philadelphia – Tom Kehoe
 District Rocky Mountain – Jonathan Kemp
 District Southeast– Bill Cromie
 District Southern California – John Marraffa
 District St. Louis – Rob Naylor
 District St. Paul/Mpls – Chris German
 District Texas – Tim Schwartz
 District Western New York – Mike Adler

Executive Committee present: Horace Cunningham, Tom Eplett, Ruth Martin, Mary Pellettieri, Karl Ockert, Mike Sutton.

Committee Chairs present:

Beer Steward – Steve Holle
 Brewery Awards Ad Hoc – Dan Burick
 Education – Travis Audet
 Heritage – Rick Seemueller
 Membership – Rebecca Jennings
 Technical Committee – Fred Scheer
 TQ Editorial Board – Paul Milly

Staff: Jody Grider, Amy Hope, Barbara Mock, Linda Schmitt

B. Members in Memoriam (Cunningham)

A moment of silence to acknowledge the following members in memoriam:

Member	Home District	Year Joined
John Bergmann	Philadelphia	1963
John Massey	Ontario	1957
Henry Poehlmann	Ontario	1974
Darwin Davidson	Rocky Mountain	1998
James Stewart	Southern California	1953

C. Reports of Officers and Committees (Cunningham)

Officer and Committee reports were posted on the BOG collaborative site prior to the meeting for all to review. Highlights of their reports were presented.

- Continued annual strategic planning and governance review. The Executive Committee will meet on May 10, 2013, at headquarters for strategic planning.
- Will be seeking BOG sponsorship of a Volunteer Drive this summer via email, technical bulletins, and sign-up boards at annual conference.
- Seeking BOG continued endorsement and sponsorship of the Brewery Awards to be presented at the 2014 annual conference.
- Recommending that in 2014 a milestone acknowledgement fund be formed to support and acknowledge districts with high engagement and volunteerism.

The following Districts were recognized:

District Europe – fastest growing

District Michigan – highest member drive

District Ontario – 100 year anniversary in 2014

District Northwest and District Rocky Mountain – highest meeting attendance.

- Bylaws are being reviewed and in the process of preparing amendments to the same. Eplett will be stepping down as Bylaws chair. A replacement chair is needed.
- 15 of the 17 MBAA Districts in the U.S. are now incorporated in the State of Minnesota as a non-profit 501c(3).
- The Communication Ad Hoc and Corporate Membership Ad Hoc Committees outlined their recommendations in their reports available on the BOG collaborative site.
- Education Committee has two workshop planned before the 2013 MBAA Annual Conference. The Committee is also involved in presenting a fundamental track (Water and its use in the brewery) during the main annual conference program.
- The Food Safety Committee delivered their product for member breweries to use to develop a customized food safety plan for their facilities in January 2013. Going forward, the committee would like to assemble a committee focused on taking the feedback from the current version and improve and expand on what we have.
- Scholarship Ad Hoc Committee proposed the BOG to designate interest from a \$500,000 investment as a scholarship fund. The interest earned from this amount will enable MBAA to create a sustainable award program for the future. Proposed establishing a Foundation board to cover and manage the scholarship funds. Proposed establishing a Scholarship Committee to define its purpose and responsibilities.
- Technical Committee has narrowed list of potential workshops down to four. This year poster presenters from businesses will be allowed to place a small corporate logo on their productions. Technical Committee members will be responsible for summarizing each workshop and will determine the Best Oral Presentation and Best Poster Presentation at Austin. Fred Scheer is the new vice chair.
- Technical Quarterly ended 2012 with a total of 25 papers submitted and 16 papers published. Editorial Board has several openings for 2013. TQ Task Force recommends in addition to online access the TQ should be offered in print. New online format should be tablet friendly.
- Heritage Committee is exploring the process of establishing MBAA Designated Heritage Breweries. Continuing to nurture the interest in developing District Heritage Chairs.
- Membership counts show a solid increase compared to last year. The strong support of the districts in MBAA membership awareness and growth is key to MBAA's successful outreach. New member numbers for MBAA to date for 2013 are at a total record number since 2006. Membership retention has been on a slight decline since high of 88% in 2011. Currently 2013 rate is at ~85%. The enhancement of online renewal initiated with the

new MBAA website has received a very positive response, and we anticipate this interface will help improve the retention rate.

- BOG representatives to communicate and interact with the Executive Committee and their district members more actively to sustain the role of the MBAA in the changing brewing industry.

D. Technical Director (Ockert)

- New Utilities Engineering Short course will have two 1-week back-to-back modules on brewing and utilities, scheduled for September 2014.
- Finishing final chapters of Beer Packaging. Book will be ready to publish in 2014, targeting spring packaging short course.
- Seeking articles for Brewpedia, an online resource compilation that will launch in June 2013 on MBAA website.
- New Beer Steward manager hired.

E. Slate of Officers (Sutton)

The proposed slate of officers are:

1. Past President – Horace Cunningham
2. President – May Pellettieri
3. 1st Vice President – Tom Eplett
4. 2nd Vice President – Jim Kuhr
5. Treasurer – Ruth Martin

ACTION: BOG will approve the slate of officers during the BOG meeting in Austin.

F. Finances (Martin)

1. Investments

Total investments held at TIAA-CREF at February 28, 2013, were \$1,693,391 excluding the District Investments (\$130,001) and excluding cash in the checking account (\$484,818).

The investment allocation is 75% fixed income and 25% equities. Interest income earned for the first two months of the year was \$5,019 with unrealized gains on investments held of \$27,121.

For the year ended December 31, 2012, interest income was \$37,140 with realized gains on investments held of \$61,577 and unrealized gains on investments held of \$40,746. This resulted in a 5.2% return (after fees) from February 2006 (date of transfer to TIAA-CREF) to February 2013. The return is in line with expectation for the asset allocation selected by the Board.

2. 2012 Key Points

- Total revenue was \$1,319,808.
- \$269,200 more than budget but \$121,197 less than the prior year. FY 2012 was a WBC year with revenue and expense recorded at ASBC and half the net surplus to MBAA.
- Total expenses were \$1,018,475.
- \$709 less than budget and \$336,722 less than the prior year due to WBC.
- Management fees were over budget as labor was used for Beer Steward courses – however, Beer Steward expenses were actually under budget resulting in a profit of \$53,130 or \$48,035 over budget.
- Credit card fees were \$27,042 over budget correlating with increase revenue.

3. 2013 Key Points

- The net loss from operations for the two months ended February 28, 2013, was \$26,125 or \$2,328 worse than budget but \$5,706 better than the prior year at this time.
- YTD revenue was \$82,069 or \$8,418 over budget but \$1,455 less than the prior year. The majority of revenue was over budget due to membership (\$5,745).
- YTD expenses were \$108,194 or \$10,746 over budget and \$7,161 more than the prior year specifically related to the timing of membership management fee. Renewals were recently sent.

G. Next BOG Meeting (Cunningham)

The BOG meeting in Austin will be on October 22, 2013, at 2:00 p.m.

Committee reports are due October 7, 2013, and should be sent to MBAA headquarters, attention Linda Schmitt at lschmitt@scisoc.org.

Cunningham adjourned the meeting at 11:15 a.m. CDT.

Addendum to Meeting

The following motions were approved via online ballot and passed.

1. Approved the MBAA BOG Meeting Minutes from July 30, 2012.
2. Approved designating \$500,000 of investments as scholarship funds.
3. Approved to change bylaws to allow Treasurer/Treasurer-Elect and terms and designate a Foundation Board to cover and manage our scholarship funds.