



Board of Directors
Annual Financial Report
December 31, 2020

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TREASURER'S ANNUAL REPORT TO MEMBERS

Texas Wine & Grape Growers Association (TWGGA) is dedicated to promoting and supporting the wineries and vineyards of Texas.

During 2020, TWGGA carried out its mission by holding its most successful Annual Conference and Lone Star International Wine Competition. These educate the public about Texas wines and vineyards, elevate Texas wines, and promote learning experiences for its membership.

On the legislative front, TWGGA provided significant support through its lobbying efforts and vigilant watch for matters that affect Texas wineries and vineyards.

Challenging Year: To say 2020 has been a challenging year would be an understatement. Your Association staff and Board worked tireless hours to influence the reopening of winery tasting rooms after the Governor shut them down several times due to Covid-19. (Special thanks to your TWGGA Presidents - current, past and elect - for their critical efforts).

We reworked the staff retaining two less than full time employees and cut overall operating costs by \$278,000. Our revenues were down by \$206,000 including a 13% reduction in membership dues and a 42% reduction in event revenues.


TWGGA ended the year with a loss of \$31,445, down from \$103,612 loss for 2019. A major achievement in the face of all the challenges the year presented.


Brighter Note: Your Board has stabilized TWGGA financially and crafted a budget for 2021 which provides a path to a forecasted profit of \$19,000. This includes a newly created Virtual Conference. An exciting new concept which will provide a year long learning and promotional experience for both our Members and the Texas Wine Industry.

Financial Statements: This report includes the following:

- Statement of Financial Position – presents the assets & liabilities at December 31, 2020 on the cash basis.
 - Cash in banks was \$59,059.
 - Accrued Expenses were \$1,087. All other bills for TWGGA were paid as of December 31, 2020.
 - We took the \$98,101 Deferred Income into Net Assets in 2020 as it had been earned in previous years.
- Statement of Revenues and Expenses – presents the activities of TWGGA during 2020.
 - Revenues were down by 38%, from reductions in both Member Dues and Events Revenues.
 - Expenses were down by 42%.
 - Net loss was \$31,445 for the year compared to a loss of \$103,613 for 2019
- Statement of Activities by Function – present the activities of TWGGA for the year.
 - Annual Conference earned \$26,446 and the LSIWC earned \$34,821.
 - Operations, Membership and Legislative had a net loss of \$92,712.

This difficult year inspired the Board to reset TWGGA financially and to refocus its mission on supporting and promoting its member wineries and vineyards. TWGGA now has a brighter future. Thank you for all your support.

Texas Wine and Grape Growers Association, Inc.			
Statement of Financial Position (Cash Basis)			
December 31, 2020 and 2019			
	2020	2019	
Assets			
Cash	\$ 54,309	\$ 103,876	
Prepaid Expenses	4,750	-	
Total Assets	\$ 59,059	\$ 103,876	
Liabilities			
Accrued Expenses	\$ 1,087	\$ 13,283	
Due to Foundation	-	1,176	
Deferred Conference Income	-	98,101	
Total Liabilities	\$ 1,087	\$ 112,560	
Net Assets			
Net Assets (Liabilities), Beginning of Year	\$ (8,684)	\$ 94,929	
Take Prior Year Deferred Income into Net Assets	\$ 98,101		
Net Expenses Over Revenues	(31,445)	(103,613)	
Net Assets (Liabilities), End of Year	\$ 57,972	\$ (8,684)	
Total Net Assets and Liabilities	\$ 59,059	\$ 103,876	

Texas Wine and Grape Growers Association, Inc.			
Statement of Revenues and Expenses (Cash Basis)			
For the Years Ended December 31, 2020 and 2019			
	2020	2019	
Revenues			
Membership Dues	\$ 95,840	\$ 109,925	
Event Revenues	254,423	438,961	
Other Revenues	15	7,709	
Total Revenues	350,278	556,595	
Expenses			
Personnel	80,104	176,886	
Legislative	59,000	63,263	
Event	181,676	336,557	
Support	60,943	83,502	
Total Expenses	381,723	660,208	
Net Expenses Over Revenues	\$ (31,445)	\$ (103,613)	

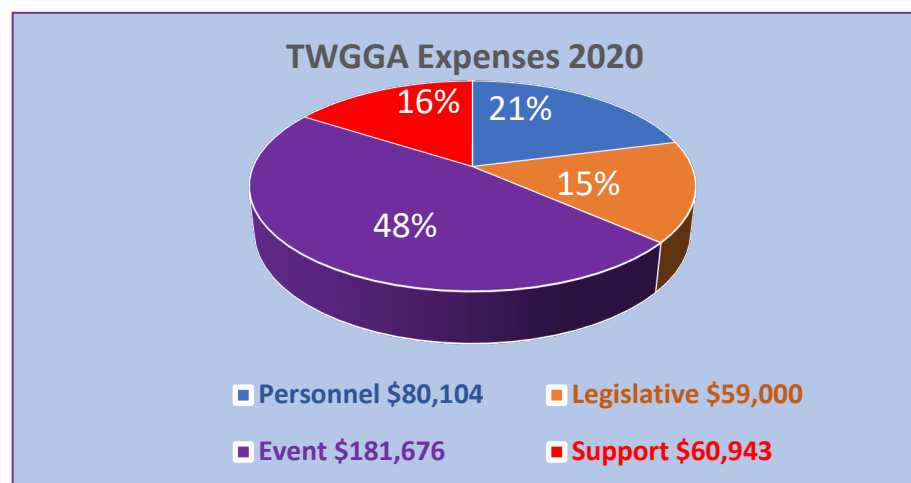
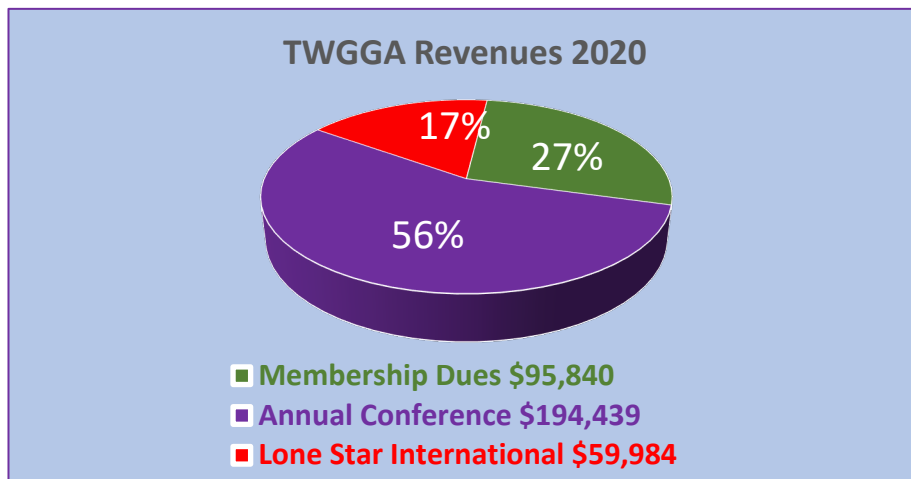
Texas Wine and Grape Growers Association, Inc.

Statement of Activities by Function (Cash Basis)

For the Year Ended December 31, 2020



	Annual Conference	Lone Star International Wine Comp	Operations Membership Legislative	Combined Functions
Revenues				
Membership Dues	\$ -	\$ -	\$ 95,840	\$ 95,840
Event Revenues	194,439	59,984		254,423
Other Revenues	-	-	15	15
Total Revenues	194,439	59,984	95,855	350,278
Expenses				
Personnel	-	-	80,104	80,104
Legislative	-	-	59,000	59,000
Legal & Accounting	-	-	14,504	14,504
Software & Web	-	3,056	14,614	17,670
Other Event Costs	125,381	13,439	3,828	142,648
Travel, Lodging, Meals	26,821	4,227	779	31,827
Other Expenses	15,791	4,441	15,738	35,970
Total Expenses	167,993	25,163	188,567	381,723
Net Revenues (Expenses)	\$ 26,446	\$ 34,821	\$ (92,712)	\$ (31,445)



Texas Wine and Grape Growers Association, Inc.
Statement of Financial Postion
(Cash Basis)

	December 31,		
	2020	2019	Change
ASSETS			
Cash in Banks			
Cash in Bank - WF Operating	\$ 792	\$ 9,608	\$ (8,816)
Cash in Bank - WF Savings	100	26,302	(26,202)
Cash in Bank -Frost Operating	47,886	62,435	(14,549)
Cash in Bank - Frost Reserve MM	5,531	5,530	1
Total Cash in Banks	54,309	103,876	(49,567)
			-
Prepaid Expense	4,750	-	4,750
Fixed Assets			
Computers and equipment	9,593	9,593	-
Furniture & fixtures	3,000	3,000	-
Accumulated depreciation	(12,593)	(12,593)	-
Total Fixed Assets	-	-	-
TOTAL ASSETS	\$ 59,059	\$ 103,876	\$ (49,567)
LIABILITIES			
Current Liabilities			
American Express Card Payable	\$ -	\$ 1,396	\$ (1,396)
Deferred Revenue	-	98,101	(98,101)
Due to the Foundation	-	1,176	(1,176)
Accrued Payroll	-	13,441	(13,441)
Accrued Payroll Taxes	1,087	(1,554)	2,641
Total Current Liabilities	1,087	112,560	-111,473
NET ASSETS (LIABILITIES)			
Net Assets (Liabilities), beginning of year	\$ (8,684)	\$ 94,929	\$ (103,613)
Prior Period Adjustment -			
Take Deferred Revenue to Equity	\$ 98,101		98,101
Net Expenses Over Revenues	(\$31,445)	(\$103,612)	\$72,167
Total Net Assets	\$ 57,972	\$ (8,684)	\$ (31,446)
NET ASSESTS AND LIABILITIES	\$ 59,059	\$ 103,876	\$ (142,919)

Texas Wine and Grape Growers Association, Inc.
Statement of Revenues and Expenses

(Cash Basis)

	2020		2019		\$ Change
Revenues					
Membership Dues	\$ 95,840	27.4%	\$ 109,925	19.7%	\$ (14,085)
Event Revenues	254,423	72.6%	438,961	78.9%	(184,538)
Other Revenues	15	0.0%	7,709	1.4%	(7,694)
Total Revenues	350,278	100.0%	556,595	100.0%	(206,317)
Expenses					
Salaries & Wages	74,029	21.1%	153,698	27.6%	(79,669)
Contract Labor	-	0.0%	9,275	1.7%	(9,275)
Payroll Tax Expense	5,766	1.6%	12,835	2.3%	(7,069)
Employee Benefits Expense	309	0.1%	1,077	0.2%	(768)
Legal Fees	13,639	3.9%	8,987	1.6%	4,652
Accounting Fees	865	0.2%	1,120	0.2%	(255)
Lobbying Fees	59,000	16.8%	63,263	11.4%	(4,263)
Insurance - P C & L	2,921	0.8%	2,340	0.4%	581
Property Tax	192	0.1%	115	0.0%	77
Utilities	-	0.0%	176	0.0%	(176)
Telephone	2,289	0.7%	2,883	0.5%	(594)
Internet Service	-	0.0%	1,316	0.2%	(1,316)
Printing and Reproduction	8,318	2.4%	11,203	2.0%	(2,885)
Bank & CC Fees	13,233	3.8%	16,837	3.0%	(3,604)
Postage and Delivery	1,587	0.5%	991	0.2%	596
Dues and Subscriptions	2,420	0.7%	2,888	0.5%	(468)
Office Supplies	852	0.2%	1,530	0.3%	(678)
Equipment Rentals & Repairs	19,259	5.5%	31,070	5.6%	(11,811)
Software & Email Usage Fees	16,635	4.7%	10,512	1.9%	6,123
Web Site Development	1,035	0.3%	12,259	2.2%	(11,224)
Travel - Air & Train	880	0.3%	9,641	1.7%	(8,761)
Auto Mileage & Allowance	2,440	0.7%	2,930	0.5%	(490)
Auto Rentals, Parking, Gas, Taxis	3,342	1.0%	2,473	0.4%	869
Accommodations & Lodging	20,166	5.8%	35,163	6.3%	(14,997)
Entertainment - Music	3,000	0.9%	3,325	0.6%	(325)
Entertainment - Meals	1,998	0.6%	3,760	0.7%	(1,762)
Event Supplies	10,729	3.1%	17,128	3.1%	(6,399)
Speaker Fees	1,300	0.4%	4,000	0.7%	(2,700)
Facilities Rent & Storage	6,208	1.8%	29,126	5.2%	(22,918)
Awards/Plaques	4,633	1.3%	4,336	0.8%	297
Food and Beverage	93,369	26.7%	171,776	30.9%	(78,407)
Wine	6,034	1.7%	10,626	1.9%	(4,592)
Miscellaneous	1,116	0.3%	2,120	0.4%	(1,004)
Market research	-	0.0%	7,735	1.4%	(7,735)
Licenses and Permits	231	0.1%	256	0.0%	(25)
Professional Development	-	0.0%	602	0.1%	(602)
Sponsorships	-	0.0%	5,000	0.9%	(5,000)
Promotions	-	0.0%	2,129	0.4%	(2,129)
Advertising/Marketing	3,928	1.1%	2,929	0.5%	999
Reimbursements	-	0.0%	776	0.1%	(776)
Total Expenses	381,723	109.0%	660,207	118.6%	(278,484)
Net Expenses Over Revenues	\$ (31,445)	-9.0%	\$ (103,612)	-18.6%	\$ 72,167

Texas Wine and Grape Growers Association, Inc.

Statement of Activities by Function

For the Year Ended December 31, 2020

(Cash Basis)

	Annual Conference	Lone Star International Wine Comp	Operations Membership Legislative	Combined Functions
Revenues				
Membership Dues	\$ -	\$ -	\$ 95,840	\$ 95,840
Event Revenues				-
Sponsorship	17,625	-	-	17,625
Exhibitor	24,921	-	-	24,921
Registration and Entries	84,535	59,984	-	144,519
Food and Beverage	51,458	-	-	51,458
Auctions	15,900	-	-	15,900
Total Event Revenues	194,439	59,984	-	254,423
Other Revenues	-	-	15	15
Total Revenues	194,439	59,984	95,855	350,278
Expenses				
Salaries & Wages	-	-	74,029	74,029
Payroll Tax Expense	-	-	5,766	5,766
Employee Benefits Expense	-	-	309	309
Legal Fees	-	-	13,639	13,639
Accounting Fees	-	-	865	865
Lobbying Fees	-	-	59,000	59,000
Insurance - P C & L	-	-	2,921	2,921
Utilities, Telephone, Internet	-	-	192	192
Telephone	-	-	2,289	2,289
Printing and Reproduction	7,166	1,152	-	8,318
Bank & CC Fees	4,254	1,800	7,179	13,233
Postage and Delivery	173	1,093	322	1,588
Dues and Subscriptions	-	-	2,420	2,420
Office Supplies	456	396	-	852
Equipment Rentals & Repairs	18,719	540	-	19,259
Software & Email Usage Fees	-	3,056	13,579	16,635
Web Site Development	-	-	1,035	1,035
Travel - Air & Train	880	-	-	880
Auto Mileage, Rental, Gas	4,785	673	325	5,783
Accommodations & Lodging	17,606	2,106	454	20,166
Entertainment-Music & Meals	3,550	1,448	-	4,998
Event Supplies	8,988	1,741	-	10,729
Speaker Fees	1,300	-	-	1,300
Facilities Rent & Storage	-	3,580	2,628	6,208
Awards/Plaques	9	4,624	-	4,633
Food and Beverage	90,490	2,796	83	93,369
Wine	5,875	158	-	6,033
Miscellaneous	-	-	1,117	1,117
Licenses and Permits	231	-	-	231
Advertising/Marketing	3,511	-	415	3,926
Total Expenses	167,993	25,163	188,567	381,723
Net Expenses Over Revenues	\$ 26,446	\$ 34,821	\$ (92,712)	\$ (31,445)

Condensed Six Year Statement of Revenues and Expenses
 (Cash Basis)

	For the Years Ended December 31,					
	2020	2019	2018	2017	2016	2015
Revenues						
Membership Dues	\$ 95,840	\$ 109,775	\$ 83,870	\$ 102,050	\$ 102,940	\$ 89,545
Event Revenues	254,423	438,961	370,260	363,356	386,516	348,293
Other Revenues	15	7,709	1,101	9,396	23,636	33,084
Total Revenues	350,278	556,445	455,231	474,802	513,092	470,922
Expenses						
Personnel	80,104	176,886	145,501	98,789	95,437	81,263
Legislative	59,000	63,263	73,145	75,069	59,000	65,070
Event	191,028	350,906	245,136	270,980	216,848	199,277
Support	51,591	69,003	66,113	70,522	65,440	76,818
Total Expenses	381,723	660,058	529,895	515,360	436,725	422,428
Net Expenses Over Revenues	\$ (31,445)	\$ (103,613)	\$ (74,664)	\$ (40,558)	\$ 76,367	\$ 48,493

Five Year Comparative Statement of Annual Conference Income

	TWGGA Annual Conference				
	2020	2019	2018	2017	2016
	5/1/2019	4/28/2018	5/1/2018	4/28/2016	4/27/2017
	thru 4/30/20	thru 4/30/19	thru 4/27/2018	thru 4/30/2017	thru 4/27/2016
Conference Income					
Sponsorship	\$ 41,420	\$ 48,109	\$ 54,616	\$ 54,221	\$ 43,016
Exhibitor	104,911	83,455	84,950	67,830	68,360
Registration and Entries	93,120	91,730	66,716	65,595	62,385
Food and Beverage	61,403	51,783	72,795	63,670	57,180
Auctions	15,900	14,120	4,660	21,505	29,315
Grants					31,494
Total Income	316,754	289,197	283,737	272,821	291,750
Conference Expenses					
Food & Beverage	120,776	104,856	115,675	100,389	100,663
Wine	5,875	10,026	11,887	8,900	8,500
Accommodations	18,710	13,247	7,714	10,813	9,539
Travel	6,593	2,493	4,025	347	50
Event Equipment	19,166	30,203	35,445	24,183	28,163
Event Supplies	10,475	10,293	6,875	8,229	7,895
Speaker Fees	1,300	2,000	5,047	8,030	5,766
Entertainment	3,550	3,325	2,500	3,750	1,300
Printing and Reproduction	7,166	6,150	9,204	7,089	7,058
Bank & Credit Card Processing	4,254	2,780	6,145	6,165	6,013
Contract Labor	-	5,113	-	-	-
Web Site	-		2,950	4,400	1,792
Advertising/Marketing	3,957	392	473	551	546
Other	746	567	486	312	659
Total Expenses	202,568	191,445	208,428	183,155	177,944
Conference Income	\$ 114,186	\$ 97,752	\$ 75,309	\$ 89,666	\$ 113,806

Note: Does not include any staff wages which are included elsewhere in Operating.