

Narrative for FY25-26 Proposed August Budget Adjustments v2025.07.09

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GENERAL COMMENTS

The budget is a living document; the Board of Directors will review the budget at least quarterly to allow for timely response to industry programming.

OWB supports International and Exports programming via Northwest Wine Coalition with \$175K. This investment will provide ~\$1.4M in grant spending during FY25-26.

OWB is moving to a revised chart of accounts effective July 1, 2025. The goal is to clearly present program dollars working for the industry via OWB's strategic areas of Marketing, Research and Education. The proposed budget revisions and all previous financials are presented in the new chart of accounts for ease of comparison. There are four Expense Categories: Research, Education, Marketing, and General & Administration. Spend from Knowledge & Insights and Leadership & Partnership have been moved to more accurately represent the strategic programming. All employee compensation and staff administration are in G&A; previously these were allocated across all six expense areas.

APPROACH TO PROPOSED AUGUST BUDGET ADJUSTMENTS

- Budget adjustments developed based on projected FY24-25 year-end financials.
- FY24-25 Revenue will finish 20% ahead of budget, ~\$500K, driven by grape assessment.
- FY24-25 Expenses will close 15% under budget, ~ \$550K. The two largest factors are employee compensation, \$270K, due to lower than planned FTEs, and WCLP Grant Expenses, \$142K, rolling to FY25-26.
- FY25-26 Budget will run a deficit of ~\$730K to spend down surplus funds. This deficit spend may increase once the FY24-25 financials are finalized.

REVENUE ASSUMPTIONS

- Grape Assessment is a more conservative approach than the standard 3-year average. Assumption assumes 2025 crush down as much as 20% of last 3-year average.
- Privilege Tax Revenue uses an average of the last 3-years.
- Symposium Revenue offsets Symposium Expenses for \$0 gain.
- Grant Revenue – Wine Country License Plate grants totaling \$50K.
- Wine Cellar Valuation has been added to the P&L effective FY24-25 per SOS audit findings. This is a non-cash item.

EXPENSE ASSUMPTIONS AND MAJOR UPDATES FROM BUDGET PASSED IN MARCH

- FY25-26 expenses exceed revenue ~\$730K to spend down surplus from FY24-25.
- Education budget increased by \$157K (+44%). The main increase is focused on developing educational content and supporting a part time contractor.
- Marketing budget increased \$508K (86%). The Marketing Committee and Co-Chairs have been closely working on the updated strategy and budget. The marketing strategy will evolve to focus on bold, nationally reaching, and always-on campaigns that elevate the visibility and perception of Oregon wine. The budget reflects this shift, prioritizing brand clarity, campaign consistency, and high-impact engagement across multiple channels.
- General & Admin increased \$84K (+26%). Most of the increase goes to CRM start-up/support.

		FY 24-25 estimated	FY25-26 Budget v2025.03	FY25-26 Budget Draft v2025.07	July Draft vs March	July Draft vs March
Revenue						
	Grape Assesment	\$2,660,484	\$2,100,000	\$2,216,400	\$116,400	6%
	Privilege Tax	\$311,358	\$309,700	\$310,000	\$300	
	Symposium	\$276,110	\$330,000	\$330,000	\$0	
	Grant Revenue - WCLP	\$50,000	\$50,000	\$50,000	\$0	
	Interest	\$63	\$55	\$55	\$0	
	Wine Cellar Valuation	\$47,756		\$50,000	\$50,000	
	Total Revenue	\$3,345,771	\$2,789,755	\$2,956,455	\$166,700	6%
Expenses						
	Research	\$574,693	\$535,000	\$552,500	\$17,500	3%
	Education	\$387,412	\$360,500	\$518,000	\$157,500	44%
	Marketing	\$676,573	\$588,700	\$1,097,500	\$508,800	86%
	General & Admin	\$1,449,734	\$1,432,000	\$1,516,000	\$84,000	6%
	Total Expenses	\$3,088,413	\$2,916,200	\$3,684,000	\$934,500	26%
	NET Income	\$257,358	(\$126,445)	(\$727,545)		

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Revenue	
Grape Assesment	2,216,400.00
Privilege Tax	310,000.00
Symposium	330,000.00
Grant Revenue	
Wine Country License Plate	50,000.00
Specialty Crop Block	0.00
Interest	55.00
Wine Cellar Valuation	50,000.00
RevenueTotal	2,956,455.00

Expenses	
Research	
Scientific Research	
Grants for Vit & Enology	352,500.00
Research Support	23,000.00
Insights and Data	49,000.00
Industry Research	125,000.00
Research Contractors	
Committee Administration	3,000.00
Research Total	552,500.00

Education	
Symposium	330,000.00
Industry Resources	20,000.00
Oregon Wine Education	90,000.00
Education Contractors	75,000.00
Committee Administration	3,000.00
Education Total	518,000.00

Marketing	
Media-Digital Promotion	193,000.00
Trade Programming	60,000.00
Creative	73,000.00
Events and Sponsorships	71,000.00
Website Upgrade & Maintenance	75,000.00
Wine Guide	85,000.00
Public Relations	
Media Analytics + Publications	25,000.00
FAM Tours + Hosted Media	50,000.00
Critical Tastings	25,000.00
Industry Grants	50,000.00
WCLP Matching Funds	142,500.00
International Marketing Program	175,000.00
Marketing Contractors	70,000.00
Committee Administration	3,000.00
Marketing Total	1,097,500.00

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General & Admin	
Technology Equipment & Support	30,000.00
Software Subscriptions	65,000.00
Supplies	25,000.00
Utilities	16,000.00
Legal	30,000.00
Wine Storage	4,000.00
Board Administration	32,000.00
Rent	79,000.00
Staff Administration	
Travel	35,000.00
Employee Development	20,000.00
Employee Compensation	1,100,000.00
PTO Accrual	50,000.00
G&A Contractors	30,000.00
General & Admin Total	1,516,000.00
Expense Totals	3,684,000.00
Net Income	-727,545.00

INCOME		Former GL	FY24-25 Budget v2024.12	FY24-25 Actual estimated	FY25-26 Budget v2025.03	FY25-26 Draft Budget v07.09
40000 REVENUE						
41000 Grape Assessment	4100 Grape Assessment (\$25/ton)		2,106,000	2,660,484	2,100,000	2,216,400
42000 Privilege Tax	4200 Wine Tax (2c/gal)		309,700	311,358	309,700	310,000
43000 Symposium	4310 Symposium Revenue		330,000	276,110	330,000	330,000
44000 Grant Revenue						
	44100 Wine Country License Plate	4632 Wine Country License Plate	50,000	50,000	50,000	50,000
	44200 Specialty Crop Block					0
81000 Interest	4510 Interest Revenue		55	63	55	55
82000 Wine Cellar Valuation	Wine Cellar Income (valuation)			47,756		50,000
Total 40000 REVENUE			2,795,755	3,345,771	2,789,755	2,956,455

EXPENSES

61000 RESEARCH						
61100 Scientific Research						
	61110 Grants for Vit & Enology	R101 Grants.	386,751	386,751	387,000	352,500
	61120 Research Support					23,000
		R104 Grant Management/Administra	16,000	13,368	16,000	
		R804 NWCSFR Contribution	9,000	8,229	9,000	
61400 Insights and Data						49,000
		M302 Nielsen Data	15,000		15,000	
		M304 Wine Market Council	5,000	5,000	5,000	
		M305 Community Benchmark	23,512	23,512	13,000	
61500 Industry Research						125,000
		R201 Ag Census	130,000	127,340	85,000	
		R202 Economic Impact		2,086		
		R204 Salary Survey	5,000	3,907	5,000	
61900 Research Contractors						0
61950 Research Committee Admin						3,000
Total 61000 RESEARCH			590,263	570,193	535,000	552,500

62000 EDUCATION EXPENSES

62100 Symposium	Total E100 Symposium		330,000	298,393	330,000	330,000
62200 Industry Resources						20,000
		G606 Profit Calculator	3,000	1,072	3,000	
62300 Oregon Wine Education						90,000
		E201 Misc Workshops	10,000		5,000	
		E202 DTC/ Workshop	10,000		5,000	
		M201 Resource Studio	7,500	7,948	7,500	
62900 Education Contractors	E700 Education.Consulting Services		80,000	80,000	10,000	75,000
62950 Education Committee Admin						3,000
Total 62000 EDUCATION EXPENSES			440,500	387,412	360,500	518,000

INCOME		Former GL	FY24-25 Budget v2024.12	FY24-25 Actual estimated	FY25-26 Budget v2025.03	FY25-26 Draft Budget v07.09
63000 MARKETING EXPENSES						
63100	Media-Digital Promotion					193,000
		B107 Digital Advertising	16,000	5,763	16,000	
		M101.04 OWM - Media Plan & Mngn	50,000	42,973	50,000	
		M101.05 OWM - Digital Promotion	20,000	6,424	20,000	
		M102 Wines Fly Free	5,000	7,296	5,000	
		M108 Bounty & Vine	35,000	8,605	10,000	
63110	Trade Programming					60,000
		M101.01 OWM - Trade Programming	30,000	41,659	30,000	
63120	Creative					73,000
		B100 Agency Fees (brand identity creative)		485		
		M101.02 OWM - Creative and Project	7,500	6,000	7,500	
		M101.03 OWM - POS Printing & Dis	32,500	12,933	32,500	
		M101.06 OWM - Merchandising Supp	20,000	5,274	20,000	
		T102 Content Development (includ. p	75,000	80,553	5,000	
		C802 Comm.Collateral & Materials	2,000	(180)	2,000	
		M802 Marketing.Collateral & Mtls	10,000	6,218	7,500	
63130	Events and Sponsorships					71,000
		M105 Trade Events - Teksom	20,000	13,100	16,000	
		M106 Marketing Events SCBG	10,000	25,000		
63140	Website Upgrade & Maintenance					75,000
		B101 Consumer Website Concept/De	3,000			
		G604 Industry Website Platform Upg	10,000			
63150	Wine Guide	M205 Wine Guide	50,000	39,843	5,000	85,000
63200	Public Relations					
	63210 Media Analytics + Publications					25,000
		C200 Media Analytics	10,200	10,200	10,200	
		C801 Subs & Pubs	4,000	2,764	4,000	
	63220 FAM Tours + Hosted Media					50,000
		C100.01 MR - Cross Border Tour	5,000		2,000	
		C100.02 MR - Shoulder Season Med	20,000		10,000	
		C100.03 MR - Association Opportuni	15,000		10,000	
		C100.06 MR - Media Hosting & Brief	12,000	1,473	5,000	
	63230 Wine Reviewers					25,000
		C100.04 MR - Critical Reviewer Cod	20,000	16,702	20,000	
		C100.05 MR - Wine Sample Shipme	3,000		3,000	
63400	Industry Grants	G201 Misc Industry Contributions	14,000	26,884	20,000	50,000
63500	WCLP Matching Funds					142,500
		M301 Marketing Research	50,000	150	40,000	
		G202 Industry WCLP Grant	45,000	7,500	30,000	
63600	International Marketing					
	63610 Grant + Coalition Administration	I101 Northwest Wine Coalition	75,000	74,200	75,000	90,000
	63620 Program Support	I102 Non-Reimbursable Event Cost	10,000	10,415	5,000	8,000
	63630 Grant Reimbursed Expenses	Total I103 Reimbursed Expenses	0	43,642		0
	63640 International Contractors	I900 Logistics & Admin Consultants	70,000	52,400	75,000	75,000
	63650 IMEC Committee Admin					2,000
63900	Marketing Contractors					70,000
		B106 Social Media Contractor	24,000	23,124	50,000	
		C100.07 MR - Other Programming/C	0	9,380	0	
63950	Marketing Committee Admin	M801 Marketing.Committee Meeting	3,000	250	3,000	3,000
Total 63000 MARKETING EXPENSES			776,200	581,028	588,700	1,097,500

INCOME		Former GL	FY24-25 Budget v2024.12	FY24-25 Actual estimated	FY25-26 Budget v2025.03	FY25-26 Draft Budget v07.09
64000 GENERAL & ADMIN EXPENSES						
64100	Technology Equipment & Support	G502 Equipment/Furniture/Maintenan	55,000	66,948	25,000	30,000
64150	Software Subscriptions	G601 Subscriptions	30,000	36,222	30,000	65,000
64200	Supplies					25,000
		G503 Postage/Supplies/Fees	16,000	17,370	16,000	
		8680 Miscellaneous		(100)		
		QuickBooks Payments Fees		83		
64250	Utilities	G504 Telephone/Internet Fees	16,000	13,239	16,000	16,000
64300	Legal	G805 Legal Fees	20,000	23,198	15,000	30,000
64350	Wine Storage					4,000
64400	Board Administration					
	64410 Board Travel & Meeting Expenses					27,000
		G101 Meetings.Board	16,000	9,039	10,000	
		G102 Travel Expense.Board	10,000	14,942	10,000	
	64420 Director Compensation	G103 Board Director Compensation	10,000	3,464	7,000	5,000
64500	Rent					
	64510 Lease	G501 Rent	75,000	38,990	73,000	73,000
	64520 Tenant Rent Expenses	G501.1 Tenant Rent Expense		1,856	6,000	6,000
64600	Staff Administration					
	64610 Travel					35,000
		R803 Research.Mtg &Travel		625		
		E804 Education.Mtg &Travel Expense	12,000	4,070	3,000	
		C804 Comm.Mtg &Travel	8,000	3,527	4,000	
		M804 Marketing.Mtg &Travel	12,000	7,372	6,000	
		L804 Partnership.Mtg &Travel	5,500		0	
		G803 Mtg &Travel.G&A	50,000	21,494	12,000	
	64620 Employee Development					20,000
		E803 Education.Employee Development		440		
		M803 Marketing.Employee Development		82		
		G802 Employee Development.G&A	8,000	232	2,000	
64650	Employee Compensation					1,100,000
		R900 Research.Employee Compensa	70,000	99,651	122,000	
		E900 Education.Employee Compensa	150,000	108,858	125,000	
		C900 Comm.Employee Compensatio	155,000	134,122	159,000	
		M900 Marketing.Employee Compens	445,000	187,819	145,000	
		zK900 Knowledge & Insights Comper	55,000	84,237	98,000	
		L900 Leadership & Partnership.Empl	65,000	61,958	58,000	
		G900 Employee Compensation.G&A	410,000	408,288	403,000	
64700	PTO Accrual	G999 Accrued PTO Balances	40,000	15,600	40,000	50,000
64900	G&A Contractors					30,000
		G602 Administration/Annual Report	5,000	1,050	5,000	
		G603 Strategic Planning	60,000	62,164		
		G804 Temp & Contract Support	30,000	28,684	42,000	
Total 64000 GENERAL & ADMIN EXPENSES			1,828,500	1,455,522	1,432,000	1,516,000
Total Expenses			3,635,463	2,994,155	2,916,200	3,684,000
Net Operating Income			(839,708)	351,616	(126,445)	(727,545)