

Board of Director's Minutes
July 24, 2018

DRAFT

Present: Tom Leonardi, Dan Joseph, Robert Jones, Rob Davidson, Jim McCollough, Courtney Farrell, Bobbi Tryon, Mercedes Macias, Jeanne Trizzino, Paul O'Rourke Babb, Steve O'Bryan

Absent: Bill Nichols

Staff: Rick Anderson, Grant Parks, Ray Laager

Guests: Laurel Avalon, Ann Seymour, Chris Nelson, Jan Bielfelt

Introductions: New Board members were introduced and welcomed.

1. Meeting Opening:

1.1 Call to Order/Welcome: The meeting was called to order by Tom at 6:03 PM.

1.2 July 24, 2018 agenda entered as written.

1.3 Amend/Approve Minutes: Motion by Robert to approve the June 12, 2018 minutes as written. Second by Dan. Unanimous.

2. Announcements/Reports:

2.1 Announcements:

Paul: NFCB doing regional conferences this year. Nearest one is September 20-22, Santa Rosa Grass Roots Radio Conference, sponsored by KBOO, October 5-7, Portland.

Ray: Joint fundraiser with NSPR, Meteor Shower Camp Out, August 11, Thermalito Forebay North.

Laurel: Celebration of Life for Nicki Reynolds, former KZFR board member, August 12, Cedar Grove.

2.2 Staff Reports:

2.3.1 General Manager, Rick:

Events: Ladies Night, July 26, Duffys; Molly Amick tribute, July 27, CWC: Rainbow Girls, July 29, CWC.

Transmitter in Magalia is having issues KZFR not broadcasting south of Gridley. It is being worked on.

KZFR sponsoring CSUC Wildcat women's volley ball again this year. Board help would be appreciated.

Lack of training of volunteers acting as bartenders at events is an issue. Need to schedule a training and talk to Rick. Rick will comprise a list of people who have been trained.

2.3.2 Office Manager Report, Grant

Google Drive form of events summary are now on Google Drive. Up to date except for

James McMurtry and Hello Summer. Members please read so that if there are questions they can be discussed before the next meeting.

Chris Mullen completed his 6 week 40 hour externship. He worked on a secondary recording studio, organized CD shelf and recorded the community calendar while he was here.

Alexa on Amazon Echo explained. Just say "Play KZFR on Tune In" and you will automatically go into our stream.

New binder containing Programmer's Handbook, Board Handbook, Policy Manual and Bylaws is being created. It will also contain Strategic Plan, Goals and all pertinent documents which have not had a stamp of approval. Grant would like Board assistance in compiling this file before next meeting so that new Board members and committees can be included.

ACTION ITEM: Correlate all pertinent Board documents into one file before the August 14 meeting.

2.3.3 Underwriting Report, Ray:

This report includes all Underwriting activity for June 2018, involving 18 contracts: 15 renewals of existing accounts and 3 new or returning accounts; totaling \$6,658.00. Underwriting activity for June 2017 was \$7,862.00. June 2018 saw a decrease of 15%. Trade, Sponsorship and House accounts are not included in the monthly totals.

During the month of June, KZFR held the "3rd Annual Forebay Float" at the Forebay Aquatic Center in Oroville. This is a Board of Directors Fundraising event that I helped organize with the Aquatic Center. Only 19 people participated. KZFR made a profit of approximately \$48.00.

Trades Accounts

Cartridge World	\$1,200.00	Chico Women's Club	\$1,200.00
Harrison, Daily, Wright	\$2,400.00	Chico News & Review	\$5,712.00
I.D. International	\$1,200.00	The Printed Image	\$5,400.00
Mt. Shasta Spring Water	\$1,200.00	BCAC.tv	\$1,200.00
Famous Blue Peace House	\$2,800.00	Chico Chamber of Commerce	\$1,000.00
Chico Guild	\$600.00	Paradise Guild	\$600.00
Paradise Audio	\$600.00	Chico Velo	\$1,200.00
Total	\$25,112.00		

June Underwriters

Short Term Contracts – Paradise Guild / Community \$50 and Lake Oroville Fireworks \$100 – Total \$150

3 Month Contracts – ResQ Tech. Solutions \$150 – Total \$150

6 Month Contracts – Climate & Energy Solutions \$480, Chico Paper Company \$640, Chico Sky Watch \$432, Big Foot Carpet \$432, Knockout Collision \$432, Farm Star Pizza \$432, Michael O. Hays \$432, Satava Art Glass \$432, North Rim Adventure Sports \$432 and Chico Custom Cabinetry \$486
- Total \$4,630

Annual Contracts – CSU, Cont. Ed. \$864 and The Vitamin Fox \$864 – Total \$1,728

New & Returning Underwriters – Paradise Guild / Community \$50 and Lake Oroville Fireworks \$100

Meetings & Events

6/07/18 BNI Meeting

6/12/18 BOD Meeting
6/14/18 BNI and Staff Meeting
6/21/18 BNI Meeting and Leadership Luncheon
6/28/18 BNI Meeting

2.4 Treasurer Report, Jim:

Data through May 31, 2018 is documented in this report.

a. KZFR Balance Sheet Report FY17-18 Total Liabilities and Equity as of:

May 31: \$185,771.61 (Attachment a.) (NOTE: KZFR savings and checking account balances total \$159,503.77.)
April 30: \$186,517.72
March 31: \$108,880.62

b. KZFR P&L Budget vs Actual FY17-18 July 1, 2017 to May 31, 2018 Report: (Attachment b.)

Actual Income: \$317,328.60
Actual Expenses: \$267,747.92
Actual Net Income: \$ 50,327.98 (Includes actual interest income of \$747.30.)

Budget Income: \$297,538.33
Budget Expenses: \$276,735.39
Budget Net Income: \$ 21,215.44 (Includes budgeted interest income of \$412.50.)

Actual Net Income: \$ 50,327.98
Budget Net Income: \$ 21,215.44
Actual Net overage: \$ 29,112.54

(NOTE: Current Fiscal Year Budget was created ignoring requirement to generate income that exceeds \$300,000 without CPB Grant Funding included.)

c. KZFR Open Invoice Report as of date listed:

July 23: \$6,841.00 (Attachment c.)
Jul7 5: \$6,623.00
May 7: \$8,192.64

Issues:

- a. Accounts have discounted price for being paid up front yet the account is past due;
- b. Accounts are past due for up to 355 days. Note that 66 invoices for various underwriters are delinquent over 100 days. Many more are delinquent up to 100 days. All are noted in Attachment c.
- c. The Treasurer Report cannot document whether or not ads are being aired without prior payment made.

In general a business process update/resolution is required to correct the issues associated with selling underwriting using discounted rates and then collecting money owed to KZFR. Terminating all Open Invoice underwriting and generating new contracts at current rates could resolve issue for the new fiscal year. Business decisions are required.

d. KZFR P&L by Class (Fundraisers) Total FY17-18 as of 20180531: Fundraiser Net Income: \$19,666.14 (Attachment d.)
Further discussion of individual Events including Quickbooks view of individual Events, individual Event Summary Sheets and Cash Balance Sheets will be reviewed at the meeting. The Cash Accounting process has improved. Work is still required to ensure that Cash collected at Events is counted and signed for and the data is traceable through Quickbooks for audit purposes. Board Member volunteers are required at each Event to count cash.

e. Two Budgets for Fiscal Year 2018-2019 are provided for review and approval. 20180724 KZFR Budget for FY 18-19 without Grant Funding included is provided in attachment e1. 20180724 KZFR Budget for FY 18-19 with Grant Funding included is provided in attachment e2. The new budgets eliminate discounts for underwriting and implements income increases in Pledge Drive, Underwriting, Event Income, and Donations categories. The expense for an Audit is included in the budget since it is due this year to meet Grant Funding requirements. I recommend using the Budget withOUT Grant Funding. The goal is to meet the income and

expenses listed so that elimination of the Grant Funding is not an issue for KZFR. Again, please NOTE: KZFR current savings and checking account balances total \$159,503.77. Historically, budgets have been built off the preceding year budget. The FY18-19 Budget was built that way. After FY17-18 actuals are reconciled through the end of June 2018, the new FY18019 budget will be revised based on the FY17-18 actual income and expenses are brought to the Board.

Recommendations:

- a. KZFR Staff and Board of Directors approve budget for 2018-2019.
- b. Resolve Open Invoice issues. Create new business process incorporating no discounts and prepayment before ads aired and accounting for number of ads aired by contract.
- c. KZFR Staff and Board of Directors develop more fund-raising opportunities for KZFR. The CPB Grant Funding probation period ends next year. Continued grant funding is dependent on increasing local fund raising such that income exceeds \$300,000 without Grant Funding inclusion. New Budget includes that requirement.

2.4 Staffing/News Director Committee Report: No money in the budget. Tabled.

2.5 Membership/Marketing Committee: Did not meet.

3. Matters for Discussion:

3.1 Events Scheduling and 2nd Tuesday of the Month: Following discussion it is agreed that Board meetings should have priority over events. If there is a possible conflict, the meeting could be held in another room on the building.

3.3 All Hands Station Meeting to Discuss current finances: Discussion on how to get as many people to attend as possible. Looking at a pre-pledge date. Bobbi suggested having a concrete plan.

ACTION ITEM: Ideas for engaging programmers in fundraising at August meeting.

4. Action Items for July meeting.

4.1: Seat New Board Members: Bobbi Tryon, Mercedes Macias, Jeanne Trizzino, Courtney Farrell and Paul O'Rourke-Babb are seated as new Board members.

4.2: Vote LeAnn Cooley to Board: Bobbi nominated LeAnn Cooley. Second by Steve. Unanimous.

4.3 Elect Board Officers:

Chair: Steve nominates Dan. Second by Bobbi. Unanimous

Vice-Chair: Dan nominates Steve. Second by Bobbi. Unanimous.

Secretary: Paul nominates Courtney. Second by Steve. Unanimous.

Treasurer: Steve nominates Jim. Second by Paul. Unanimous.

4.4: Committee Memberships: Discussion of which committees are necessary.

Motion by Dan to temporarily suspend Media Technology, News Director and Terrestrial Expansion. Second by Steve. Amendment by Jeanne to revisit said committees in January 2019. Unanimous.

Fundraising/Listener Building: The goals are to develop concepts, establish 2.5% reserve, take advantage of new technology, increase membership 25% and Arbitron ratings Members: Steve, Courtney, Dan, Robert, Bobbi and Rick. Meeting scheduled for July 31 to discuss.

Pledge Drive first week in October.

Membership/Market Shares: Goals are to support pledge drives to help increase first memberships, and Arbitron ratings. Next pledge drive first week in October. Members: Paul, Rick, Jan, Tom, Rob.

4.5 Nominate Archivist: See Office Manager report. Tom to with this after Sue gets back at the end of August.

4.6 2018-2019 Budget: Jim distributed. Motion by Jim to approve. Second by Dan. Unanimous.

5. Meeting Finalization:

5.1 Review Actions To Be Taken:

Correlate new pertinent documents into one file incorporating Sue's policies and procedures.
Engage programmers to attend and participate in All Station Meeting and come up with ways to do so.
Send final copies of Strategic Plan to committees.
State of the Station Report due at August meeting.
Grant will update contact list and post on website.

5.2 Strategic Plan Committee Reports: Both committees will be included in every agenda for reports.

The meeting adjourned.

Next meeting Tuesday August 14, 6:00 P.M. in the KZFR Conference Room.

Submitted by Olivia duMosch