

**Board of Director's Minutes
February 13, 2018**

APPROVED

Present: Dan Joseph, Carrie Welch, Bill Nichols, Robert Jones, Rob Davidson, Jim McCollough, Guillermo Mash, Lupita Arim-Law

Absent: Tom Leonardi

Staff: Rick Anderson, Ray Laager, Grant Parks

Guests: Paul O'Rourke Babb

1. Meeting Opening:

- 1.1 Call to Order/Welcome: The meeting was called to order by Dan at 6:07 P.M.
- 1.2 Amend/Approve Agenda: The February 13, 2018 agenda entered as written.
- 1.3 Amend/Approve Minutes: Motion by Carrie to approve the January 9, 2019 minutes as written. Second by Rob Unanimous.

2. Announcements/Reports:

- 2.1 Announcements: None
- 2.2 Guest: Paul O'Rourke-Babb. See 3.1
- 2.3 Staff Reports:

2.3.1 General Manager, Rick:

Taxes have been filed. CPB grant completed. Pledge Drive April 4-13.

Past Events: T Sisters were a success.

Upcoming Events: Fragile Thunder, March 19, Studio 416; Athena Tergis and Nick Maloney, March 23, CWC; Shook Twins, April 5, CWC; Terry Hanck with Lazy Lester, April 6, CWC; Hello Summer 2 with Mumbo Jumbo and Nina Gerber and Chris Webster, May 11, End of Normal.

2.3.2 Office Manager Report, Grant:

Event summaries presented for Honey Drops and Tea Sisters.. While more information is needed for Tea Sisters, both shows were a success to sold out crowds.

In Kind Donation form created with Ray. Data has been entered, signed and shared with Dana.

Logs are almost done. Logic came in. Stuff being moved to new access codes. Remote connection being worked on. Back up being completed. Stress test to be done.

2.3.3 Underwriting Report, Ray:

This report includes all Underwriting activity for January 2018, which involved 19 contracts: 10 renewals of existing accounts and 9 new or returning accounts; totaling \$7,195.00. Underwriting activity for January 2017 was \$6,296.00.

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January 2018 saw an increase of 14%. Please note that Trade and House accounts are no longer included in the monthly totals. They are calculated at the full monthly rate and are not discounted. See list below.

Three (3) months in advance, we offer a 10% discount (\$270.00). Six (6) or more months in advance, we offer a 20% discount (\$480.00). Underwriters before 1/1/17 are maintained that their original rate of \$90.00 per month, with the same applying discounts.

In-Kind donations are received in number of ways: some are solicited by me for Pledge Drive, some by other Staff or Programmers and some are just brought into the station. The ones I bring in are reported to our Office Manager and are on file in Google Docs.

Annual Trades

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	\$1,200.00
Chico Guild	\$600.00	Paradise Guild	<u>\$600.00</u>
Paradise Audio	\$600.00	Total	\$24,112.00

House Account

Sierra Nevada Brewing Co. \$4,800.00

January Underwriters

Short Term Contracts – John Burge, CPA \$500.00, Paradise Guild \$50.00, Chico Guild \$50.00, Chico Perf. (5 events @ \$300.00 each) \$1,500.00 – **Total \$2,100.00**

3 Month Contracts - Gale Vineyards \$243.00 – **Total \$243.00**

6 Month Contracts – BKG Plumbing \$480.00, Peach Tree Vision \$480.00, Broadway Heights \$432.00, Digital Path \$432.00, Pete's Restaurant \$432.00, Mt. Mike's Pizza \$432.00, Yang Chiropractic \$432.00, Dr. Ken Logan \$432.00, Andrew Holley Law (Reduced rate) \$300.00 – **Total \$4,284.00**

Annual Contracts – Downtown Chico Business Association \$1,000.00 – **Total \$1,000.00**

New & Returning Underwriters – John Burge and BKG Plumbing

Meetings & Events

1/04/18 Staff Meeting and BNI Meeting
1/11/18 BNI Meeting
1/12/18 Meeting with Grant
1/18/18 BNI Meeting and Chamber Dinner
1/25/18 BNI Meeting

2.4 Treasurer Report, Jim: No report was sent out before this meeting. Jim explained the confusion around conflicting reports.

Data through the end of November is discussed. I am not certain that the month of November is reconciled by the

bookkeeper. I do not believe December data is entered. I have reviewed numerous messages concerning bookkeeping issues. I do not know if all are resolved since I just returned from being out of town. I can state from the short review that work continues to resolve issues. Open Invoices remains a problem and appears to be worse this month compared to last. Total income remains under budget for this fiscal year. More fund raising is required.

- a. KZFR Balance Sheet FY17-18 Jul to Nov Report: Total Liabilities and Equity is \$135,744.77 compared to \$131,677.78 for the report last month. Net income is \$1,696.72.
- b. KZFR P&L Budget vs Actual FY17-18 Jul to Nov Report: Total Income is \$118,677.09. Total Expenses are \$117,384.53. Net Ordinary Income is \$1,292.56. Net income is \$1,696.72. If the November input is actually reconciled, KZFR is over budget by \$24,716.80 as of the end of November. FY Grant Funding is not included in the P&L as of the end of November. I do not know why. I cannot explain the over budget number in the report with just the Open Invoice issue.
- c. The current KZFR Open Invoice Report shows an outstanding balance of \$7,357.66 compared to \$2,336.50 last month. (Recall that the Report last month had a balance of \$13,768.84. The new balance of \$2,336.50 was created by reversing the total of the write offs of \$11,432.34.) The growth of the Open Invoices from \$2,226.50 to \$7,357.66 is not good. The Report does not make sense when compared to last month. On the the current report, the oldest Open Invoice is 318 days for Pita Pit. Solutions for closing Open Invoices are still required.

Recommendations:

- a. KZFR Staff and Board of Directors aid KZFR improve cash flow by helping to identify and document all in-kind donations. Review monthly in-kind donations at the monthly Board of Director meeting.
- b. KZFR Staff resolve the persistent and inconsistent Open Invoice issue.
- c. KZFR Staff provide data sooner for the bookkeeper to reconcile the Expenses and Income. Reconciliation should be accomplished within 30 days of the end of the month.
- d. KZFR Staff consider hiring a Quickbooks data entry person whose sole responsibility is to enter data and resolve issues with the bookkeeper. Report status at BOD meetings until person hired.
- e. KZFR Board of Directors proactively assist the KZFR Staff to develop more fund-raising opportunities for KZFR to meet income shortfall and increase the Net Equity.
- f. KZFR Staff report on process implemented for tracing accountability of cash collected at Events from the time cash is collected to when it is deposited in the bank.
- g. KZFR Board of Directors provide individual frequent participation at Fund Raising Events to help Staff with supporting Events.

Jim has concerns about reconciling the budget. Carrie initiated a discussion regarding underwriters who are late with their payments. Should there be a policy regarding late payments? Ray is opposed to this idea because there might be extenuating circumstances. EMT transfers are being encouraged to underwriters which would help reconcile the monthly budget reports. The Board agrees that Ray can continue assuming responsibility for managing the underwriting accounts.

2.5 Committee Reports:

2.3.1 Staffing/News Director Committee: See 3.1

3. Matters for Discussion:

- 3.1 Update on Visit with Alexis-Benson-Valavanis: Rick and part of the Board met with Alexis of the North Valley Community Foundation to discuss fundraising and what we are dealing with. Alexis is of the opinion that we need to change or stay stagnant. Fundraising has plateaued. Alexis recommended getting CAB going and she volunteered to be on it as well as more young people, social media platforms need to be utilized, find sympathetic donors who believe in our mission. Paul suggested conducting CAB meetings electronically because of the size of the listening area which makes it difficult to hold physical meetings. He also suggested coordinating people from various groups to gather ideas and interests to pass on to CAB. Per Bill, Alexis suggested extensively survey people who are not involved in the station to become involved, develop a marketing strategy either with a professional or boot strap it, use people who are integrated in the social media community who have followers that would network. Her basic message was we have limited demographics, aging listenership, lower money, possible debt, time to rethink.

Discussion moved to programming issues and matrix schedule. Changes to the matrix requires Board approval. This may not be the most effective way to manage programming. Programming needs to be refreshed and changed to attract new and younger listeners. Should Rick have more latitude in making changes? Do we need a Program Director? Grant pointed out that there is a clause in the By-laws that says if there is not a Program Committee, programming changes defaults to the General Manager. Rick said there is also a semi-recent Board memorandum saying matrix changes need Board approval which he will locate for revisit. Motion by Lupe to authorize Rick to evaluate, change and modify both the matrix and programming schedule and to amend the memorandum to the By-laws regarding making changes. Second by Bill. Discussion: Lupe inquired about the mission of the station. Ray read the Mission Statement and members discussed how it pertains to programming decisions. New motion by Carrie to authorize Rick to evaluate, change and modify both the matrix and programming schedule and to amend the memorandum to the By-laws regarding making changes as he sees fit in keeping with the mission and betterment of the station. Second by Bill. Unanimous.

3.2 Birthday Donations: Pending

3.3 Update on Quick Books: Dolly is willing to train someone in house in order to be able to relinquish some of Dana's responsibilities.

3.4 Next Step on Fundraising New Effort: Fundraising net \$7000 .

Comedy Hour at Duffy's: Scheduled for July 26.

John Chiang canceled per Lupe.

Songwriter Showcase at Duffy's not definite.

Paddle Night and Meteor Shower are set.

ACTION/DISCUSSION ITEMS FOR March Meeting:

Update on memorandum to the By-laws regarding matrix and programming changes.

Revisit Dana/Quick Books

Fundraising event update

Membership/Marketing Committee report

The meeting adjourned at 8:03 P.M.

Next meeting Tuesday March 13, 6:00 P.M. in the KZFR Conference Room.

Submitted by Olivia duMosch