Present: Tom Leonardi, Dan Joseph, Robert Jones, Rob Davidson, Jim McCollough, Guillermo Mash, Bill Nichols

Absent: Carrie Welch,

Staff: Rick Anderson, Ray Laager

Guests: None

1. Meeting Opening:

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

   1.2 Amend/Approve Agenda: The April 17, 2018 agenda entered as written.

   1.3 Amend/Approve Minutes: Motion by Dan to approve the March 13, 2018 minutes as written. Second by Rob. Unanimous.

2. Announcements/Reports:

   2.1 Announcements:

   Ray: Youth for Justice will table at and Plaza Palooza during the Thursday Night Market, April 27, 6-9 PM

   Dan: Berkley Hart will perform at Paradise Community Guild Saturday, April 28.

   2.2 Staff Reports:

   2.3.1 General Manager, Rick:

   Pledge Drive exceeded goal with close to $58,000 in pledges. There was approximately 600 pledges with quite a few new members. $21,000 has been collected so far.

   Past Events: The last four events lost money. Possible causes are lack of ticket sales and competition.

   Upcoming Events: Mary Standish Fundraiser, April 20, CWC; Hello Summer 2 with Mumbo Jumbo and Nina Gerber and Chris Webster, May 11, End of Normal.

   Volunteer training sessions are being conducted. There are a few new programs at night with young programmers.

   Internships are going well.

   Pessimistic about meeting the financial requirement for CPB Grant. Need to come up with ways to make money. Suggest possible KZFR community service awards dinner. Also hosting small dinners per Rob’s suggestion. To be revisited.

   2.3.2 Office Manager Report. Submitted by Grant. Reported by Rick.
Pledge Drive: $21,000 collected so far. T-shirts were a big hit. Remaining Thank You Gifts can be used as prizes for “Sticker Your Stuff”

Events: Shook Twins, Terry Hanck and Athena Tergis and Mick Maloney all lost money.

Technology: New servers up and running. The network is holding up. New archiving system has been implemented. Static on previous system audio has been fixed with TASCAM. Flash Player problems has been addressed and fixed. Logic still needs to work with Radio Paradise to place it's stream unto the new servers.

2.3.3 Underwriting Report, Ray:

This report includes all Underwriting activity for March 2018, involving 30 contracts: 16 renewals of existing accounts and 14 new or returning accounts; totaling $10,246.00. Underwriting activity for March 2017 was $10,070.00. March 2018 saw an increase of 2%. Please note that Trade and House accounts are not included in the monthly totals.

During March I have been soliciting “Thank You Gifts’ for our upcoming Spring Pledge Drive. All donations will be documented at time for revival.

**Trades Accounts**

<table>
<thead>
<tr>
<th>Account</th>
<th>Amount</th>
<th>Account</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cartridge World</td>
<td>$1,200.00</td>
<td>Chico Women’s Club</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Harrison, Daily, Wright</td>
<td>$2,400.00</td>
<td>Chico News &amp; Review</td>
<td>$5,712.00</td>
</tr>
<tr>
<td>I.D. International</td>
<td>$1,200.00</td>
<td>The Printed Image</td>
<td>$5,400.00</td>
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<tr>
<td>Mt. Shasta Spring Water</td>
<td>$1,200.00</td>
<td>BCAC.tv</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Famous Blue Peace House</td>
<td>$2,800.00</td>
<td>Chico Chamber of Commerce</td>
<td>$1,000.00</td>
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<tr>
<td>Chico Guild</td>
<td>$600.00</td>
<td>Paradise Guild</td>
<td>$600.00</td>
</tr>
<tr>
<td>Paradise Audio</td>
<td>$600.00</td>
<td>Center for the Arts / Worldfest</td>
<td>$2,000.00</td>
</tr>
<tr>
<td>Chico Velo</td>
<td>$1,200.00</td>
<td>Has Beans</td>
<td>$300.00</td>
</tr>
<tr>
<td>Total</td>
<td>$27,412.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**House Account** - Sierra Nevada Brewing Co. $4,800.00

**March Underwriters**

- Short Term Contracts – Flamenco Chico $100, Paradise Guild $50, Ag Mart $100, ChiVAA $200, MS Walk $100, Michael Goloff Photographer $50, The Dungeon $100 - Total - $700

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

6 Month Contracts – The Specific Chiropractic $480, C and A Cleaning $480, Gonnsen Tree Care $480, Kovach Media $300, Modern Convergent Therapies $300, Chico Sports LTD $432, Rooney Law Firm $432, Pearson Road Collision Repair $432, Friends of the Arts $300, Sipho’s Restaurant $300, Peterson Tree Care $432, Tres Hombres $432, Madsen Tree Care $300, CoreyLee Pest Control $540, Clear Creek Healing $300, Momona $432, Red Tavern $432 – Total $6,804

Annual Contracts – Airport Storage $864, ARC of Butte County $864, Chico Theater Company $864 – Total $2,592.

Trades (not included in the monthly total) – Chico Velo $1,200, Has Beans $300 – Total $1,500
New & Returning Underwriters – Flamenco Chico $100, Paradise Guild $50, Ag Mart $100, ChiVAA $200, MS Walk $100, Michael Goloff Photographer $50, The Specific Chiropractic $480, C and A Cleaning $480, Gonnsen Tree Care $480, Kovach Media $300, Modern Convergent Therapies $300

Meetings & Events
3/01/18 BNI Meeting
3/08/18 BNI Meeting
3/15/18 BNI and Leadership Meeting
3/21/18 BNI Leadership Training
3/22/18 BNI Meeting
3/27/18 Spring Pledge Drive Meeting
3/29/18 BNI Meeting

2.4 Treasurer Report, Jim:

Data through the end of February is discussed in this report. In general, total income remains under budget for this fiscal year. It is of note that the KZFR budget process does not allow for resolution of the issue with grant funding and the current probation. I have been in discussions with the bookkeeper and will address the issue, as I see it, in this report.

a. KZFR Balance Sheet FY17-18 Jul to Feb Report: Total Liabilities and Equity is $126,290.29 compared to $153,361.94 for the report last month. Net Income is -$13,648.36 compared to Net Income of $10,112.02 last month. The fluctuation in net income month to month needs to be resolved.

b. KZFR P&L Budget vs Actual FY17-18 Jul to Feb Report. I was unable to pull report. Bookkeeper provided input that Budget Versus Actual for February 28 is -$29,996.03. That means the we are behind on a Budget that is already less than it needs to be. As of today, the grant funding has not been provided to KZFR. According to the bookkeeper, there are several reasons for the delay, but the last time checked, the first payment for $50,274 was being processed and is supposedly on it's way to the station. If that were included, Net Income and Budget vs Actual Income would appear satisfactory. The Budget however is not adequate to overcome the probation issue.

c. The current KZFR Open Invoice Report shows an outstanding balance of $7,408.98 compared to $7,528.32 last month. The total of the invoices overdue is as of April 14, 2018. Issues do not appear to be addressed from month to month. Issues include: a) accounts are being given the discount for being paid up front yet the account is months past due; b) accounts are past due for hundreds of days with no apparent action taken; c) invoices are missing; and d) there is no reconciliation of accounts past due compared to advertising still being provided on air. There are various issues noted by the bookkeeper on the report provided. Action should be taken. It is not my intent to interfere with the operation of KZFR, however, the situation with outstanding invoices does not appear to have any action being taken. Operational resolution of this situation is required. KZFR needs the funding.

d. The KZFR Fiscal Year 2017-2018 Budget (attachment d) is provided along with the Probation letter from CPB (attachment e). Total Income budgeted is $317,976 for the year with a Net Income of $14,971 after budgeted expenses are subtracted. The current budget includes the $72,500 grant funding. That means local fund raising is only planned at $245,476. According to what has been stated by KZFR Staff and what is indicated in the probation letter, local fund raising should be at least $300,000 to qualify for grant money. Currently we are not planning to raise that amount. Action is required. The new budget for next year must include local fund raising for what is required to maintain grant funding.

e. The current P&L by Fundraiser Class Report is provided as attachment f. Work is required to accurately reflect Income and Expenses by Event. Currently cash is not documented in the QuickBooks accounting system by Event. Cash accounting by Event is not being documented by two signatures before and after the Event. Off book payments are being made out of the cash income at Events.

Recommendations:

a. KZFR Staff and Board of Directors improve budget process and plan to fund raise at least $300,000 per year in order to qualify for Grant Funding. The current year budget has a planned shortfall of about $55,000 ($245,476 current plan versus $300,000 required plan). The next year budget process should start as soon as possible.

b. KZFR Staff and Board of Directors develop more fund-raising opportunities for KZFR to meet income shortfall and increase the Net Equity. Probation ending and continued grant funding is dependent on increasing local fund raising.

c. KZFR Staff resolve past due Open Invoices as possible.

d. KZFR Staff resolve Event Income/Expense tracking and include cash accounting in QuickBooks.

e. KZFR Staff report status of hiring or training a Quickbooks data entry person whose sole responsibility is to enter data and resolve issues with the bookkeeper.
f. All KZFR Board of Directors provide individual frequent participation at Fund Raising Events to help Staff with supporting Events.

Concern for revenue was addressed. Discussion on how to begin utilizing Alexa's recommendations regarding cultural change.

2.5 Committee Reports:

2.3.1 Membership/Marketing Committee Report: See Office Manager Report.

3. Matters for Discussion:

3.1 Board Openings: Need to recruit new members. Now is the time to recruit for June election. Members will actively pursue likely candidates.

3.2 Progress on Quick Books Hire: Mandy Sherman hired.

3.3 Donating Birthdays: Completed and available to the public.

3.4 Next Steps on New Fundraising Efforts: Fundraising Committee will meet this month for report at May meeting. For ideas and suggestions see General Manager Report.

3.5 Harassment Training: Tabled.

4. Action Items:

4.1: Matrix and Programming Changes by General Managers: Tom initiated a discussion regarding the General Manager having authority to alter the matrix without Board approval. He expressed concern that the General Manager might come under fire for sole decisions. Motion by Guillermo to revisit the General Manager's authority to change the matrix. Second by Bill. Motion carried by majority vote with a no vote by Jim.

DISCUSSION/ACTION ITEMS FOR MAY MEETING:

Fundraising Committee Report
Fundraising Efforts
Matrix and Programming Changes by General Manager

The meeting adjourned at 7:51 P.M.

Next meeting Tuesday May 8, 2018, 6:00 P.M. in the KZFR Conference Room.

Submitted by Olivia duMosch