

## **MINUTES OF THE KGNU BOARD OF DIRECTORS MEETING**

**Tuesday, April 12, 2011**

**700 Kalamath, Denver, CO**

### **Board Members Present:**

Barry Gilbert

Judy Trompeter

Basit Mustafa

Chris O'Riley

Sam Fuqua

Marge Taniwaki

Ken Fricklas

David Wilson – via phone

Steve Strenge

Lu Contreras

### **Board Members Absent:**

Meredith Carson

### **Guests:**

Shawna Sprowls

Stephen Wright

Dave Ashton

### **6:19pm - Meeting called to order by Barry Gilbert**

Minutes of the March 2011 meeting approved.

### **PUBLIC COMMENT: None**

### **STATION MANAGERS REPORT: Sam Fuqua**

#### **Membership Drive**

Our current total for the 2011 Spring Membership Drive is \$161,000. Our post-drive mailing to non-renewals has gone out, we will be doing reminder calls in early May, and we will have AFT roll-overs. However, it is unlikely that we will get to our \$200,000 goal. We will be adding time to the summer mini-drive and stepping up our on-line membership appeals.

#### **New Playlist/program log Training**

We plan to go live with our new playlist/program log system in early May. The training for volunteers is underway, and participation in training sessions is fairly high.

#### **FM Project**

We are still negotiating for placement of the generator at our FM tower site. We are back in contact with the owner of the Estes Park frequency but have no specific proposals to evaluate right now.

#### **Chomsky**

We have sold about 60% (1250) of the seats at Macky Auditorium for our Friday, April 22, benefit talk by Noam Chomsky. Students at the University of Denver have also organized a Chomsky talk for April 21.

Judy suggested we contact KCFR to see if they could announce the event, and Sam said that he would do that.

### **Strategic Plan**

Basit has volunteered to lead the new planning process for our strategic plan. We expect to begin this summer with the goal of having a three-year updated plan to present to the board in early 2012.

### **Other**

Sam responded to a question from Steve and explained the FCC requirement of having a public file about KGNU, and that the file can be reviewed by anyone who requests it.

### **BUDGET COMMITTEE REPORT: Basit Mustafa**

Budget Committee met last month and they went over formalizing the roles of the members of the committee. Next month Basit will present an org chart, and explain how the budget report is generated each month.

### **Income:**

Memberships are below the yearly plan, but they should rise over the year and come in close to plan.

Underwriting is over plan.

Grants will be about 90% of plan.

Events is a bit below plan, but we hope to get a boost from our Chomsky event.

Total income will be 93-100% of plan.

Our PTFP grant money came through which accounted for an improvement in our cash position, but Congress recently slashed PTFP funding and the future of the program is in jeopardy.

### **Expenses:**

Professional fees are over budget, but this expense is critical to the operation of the station.

We are down .5 FTE from our FY10 staffing level, which places additional workload demands on existing staff. Our expense discipline remains strong.

### **Assets:**

Assets are relatively static year to year. Appreciation of long term durable assets has been offset by increases in liabilities.

### **Mortgage Refinance:**

We may not be switching to Boulder Municipal Employees (BME) credit union for our building refinance due to the flood plain map that BME is using. We would be required to buy additional flood insurance that would negate most of the savings. So we may stay with the Bank of Denver for our mortgage refinance.

### **DEVELOPMENT DISCUSSION: Judy Trompeter**

Sam & Judy recently met to talk about donor development.

The Development Committee is currently not active, but since donor development is still important, the idea is to continue with development projects without a formal committee.

We need to renew the Board's involvement in fundraising. We should begin by having Board members call and thank listener members who have been generous to KGNU. Then have the Board follow up with calls to lapsed members in May.

Another idea is to have each Board member adopt a number of average level donors and to try and get those donors to slightly up their membership level each year.

In the next few months we should resume the "ask" exercises that Annie coordinated with the Board.

We should consider hiring a consultant to help with donor development.

Three consultants are being considered: Richard Male & Associates, Major Giving, and The Development Exchange.

We will review the consultant proposals and decide whether or not we would actually need a consultant or could do the work ourselves.

We will have a summer Mini drive around July 4<sup>th</sup>. We are thinking of an "Independent's Day" theme.

**OTHER BUSINESS:**

-Ken will take notes for the May board meeting as Chris will be out of town.

-We should have a separate meeting in June to discuss the Bylaws rework so that we can be prepared to discuss the final draft at the July board meeting.

-Dave Ashton asked if any Board members can coordinate the outreach for People's Fair and Pride Fest this summer in Denver. Lu is interested in helping with the People's Fair.

-The Board thanked Shawna for her recent work in covering 2 positions over the last few months.

**7:48pm - Meeting adjourned**

**Membership Drive**

Our current total for the 2011 Spring Membership Drive is \$161,000. This includes April AFT rolls. Our post-drive mailing to non-renewals has gone out, we will be doing reminder calls in early May and we will have some May AFT rolls. But it is unlikely that all of those combined will get us to \$200,000. We will be adding time to the summer mini-drive and stepping up our on-line membership appeals.

**New Playlist/program log Training**

We plan to go live with our new playlist/program log system in early May. This program has been in development since 2009 and will be a major step forward both within the station and for our on-line service to listeners. The training for volunteers is underway. It's been over ten years since we had such a large scale training project. Participation in training sessions is fairly high but staff and key volunteers will still need to support some on-air programmers one-on-one when the system goes live. Big thanks to the IT team and especially Barry for making this all happen.

**FM Project**

We are still negotiating for placement of the generator at our FM tower site. We are back in contact with the owner of the Estes Park frequency but have no specific proposals to evaluate right now.

**Chomsky**

We have sold about 60% (1250) of the seats at Macky Auditorium for our Friday, April 22, benefit talk by Noam Chomsky. Upcoming coverage in the Daily Camera should give us a boost but please help spread the word through your own social networks. Students at the University of Denver have also organized a Chomsky talk for April 21 but KGNU must focus our promotion efforts on the Boulder benefit.

**Strategic Plan**

We are overdue for an update to our strategic plan. Basit has volunteered to lead the new planning process. We expect to begin this summer with the goal of having a three-year updated plan to present to the board in early-2012. We usually have our hands full with the day-to-day, month-to-month operation of the station and a long-term planning process helps us step back and figure out where we want to be in the foreseeable future.

Sam Fuqua

## **Bylaws Committee**

April 12 Report to the Board

Good news! I can see the end of the tunnel!

I have made a list of the bylaws sections to show which parts are ready for our final grammatical proofread, which we will do last.

See the items marked in red.

arleigh

cc [bylaws@kgnu.org](mailto:bylaws@kgnu.org)

Preamble: final draft completed and ready

Article I name purposes mission: minor changes, ready

Article II offices: no changes

Article III board of directors: minor changes, ready

Article IV nomination and election of officers: many changes, many drafts, almost ready

Article V Nominations and Elections of Officers: changes, drafts, almost ready

Article VI Duties of Officers: final draft needs review, almost ready

Article VII Meetings, Notices and Voting: currently under review, almost ready

Article VIII Committees: not reviewed yet

Article IX Contracts, Loans, Checks, and Bank Accounts: under review, almost ready

Article X Fiscal Year: no changes

Article XI Annual Audit: minor changes, ready

Article XII Indemnification: minor changes, almost ready

Article XIII CAB: no changes

Article XIV Amendment of Bylaws and Mission Statement: not reviewed yet

Article XV Recall of the Board: not reviewed yet, next on the list

Attachment A : Board Member Letter of Agreement: ready

Attachment B : Grievance Procedure: not reviewed yet, next on the list

Attachment C : Petition of No Confidence: first draft provided, not reviewed yet

Attachment D : Definitions: will be the last section to complete.

# BOULDER COMMUNITY BROADCAST - KGNU

## Balance Sheet

As of February 28, 2011

	Feb 28, 11	Feb 28, 10	\$ Change
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
Checking - Mutual	44,963.01	60,130.75	(15,167.74)
Checking - BOD Bldr	11,588.26	14,718.64	(3,130.38)
Checking - BOD AFT	5,342.32	22,602.75	(17,260.43)
Savings - BOD	128,025.04	34,053.51	93,971.53
Savings - BOD Loan Acct	6,892.40	8,537.72	(1,645.32)
BME-Capital Campaign A/C	728.89	728.89	0.00
Calvert Money Market	1,610.08	1,640.08	(30.00)
NPC Brokerage Account	14.88	14.88	0.00
Raffle Account	772.80	51.80	721.00
Vanguard Money Market	1,087.61	1,086.99	0.62
<b>Total Checking/Savings</b>	201,025.29	143,566.01	57,459.28
<b>Other Current Assets</b>			
Employee Advance	0.00	150.00	(150.00)
Prepaid Transmitter Rent	4,476.74	3,315.32	1,161.42
Prepaid Federal IT	955.14	955.14	0.00
<b>Total Other Current Assets</b>	5,431.88	4,420.46	1,011.42
<b>Total Current Assets</b>	206,457.17	147,986.47	58,470.70
<b>Fixed Assets</b>			
Land	350,000.00	350,000.00	0.00
Building	1,044,048.32	1,044,048.32	0.00
Building Improvements	35,262.78	35,262.78	0.00
Denver Production Studio	36,111.75	36,111.75	0.00
Equipment Office	78,708.99	78,708.99	0.00
Equip. Studio & Broadcast	503,383.30	501,772.10	1,611.20
FM Upgrades	81,924.66	45,511.24	36,413.42
FM Generator Project	(9,212.82)	0.00	(9,212.82)
Record Library	350,353.36	350,353.36	0.00
Translator	8,859.16	8,859.16	0.00
Transmitter Building	1,495.68	1,495.68	0.00
Leasehold Improvements	11,081.32	11,081.32	0.00
Accumulated Depreciation	(1,106,799.00)	(1,041,002.00)	(65,797.00)
<b>Total Fixed Assets</b>	1,385,217.50	1,422,202.70	(36,985.20)
<b>Other Assets</b>			
AM 1390 Signal	4,100,000.00	4,100,000.00	0.00
Accumulated Amortization	(1,639,998.00)	(1,366,665.00)	(273,333.00)
Payroll Clearing	0.00	54.91	(54.91)
<b>Total Other Assets</b>	2,460,002.00	2,733,389.91	(273,387.91)
<b>TOTAL ASSETS</b>	<b>4,051,676.67</b>	<b>4,303,579.08</b>	<b>(251,902.41)</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
Accounts Payable	6,919.97	17,653.15	(10,733.18)
<b>Total Accounts Payable</b>	6,919.97	17,653.15	(10,733.18)
<b>Other Current Liabilities</b>			
Destination Freedom Project	0.00	439.00	(439.00)
Eat Your Radio	0.00	35,509.10	(35,509.10)
Golden Mouse Fund	3,355.75	3,355.75	0.00
RMCR Capital Coverage Project	971.29	13,362.43	(12,391.14)
Tributaries Project	156.50	126.50	30.00
Escrow - Ft. Collins	4,250.00	4,250.00	0.00
FM Memberships Prepaid	95,048.13	97,012.12	(1,963.99)
AM Memberships Prepaid	17,785.36	20,056.04	(2,270.68)
<b>Payroll Taxes Payable</b>			
FICA & Fed W/H Tax Payable	(2,976.19)	3,146.81	(6,123.00)
State W/H Tax Payable	838.00	962.00	(124.00)
SUI Tax Payable	989.75	432.68	557.07

**BOULDER COMMUNITY BROADCAST - KGNU****Balance Sheet**

As of February 28, 2011

	<u>Feb 28, 11</u>	<u>Feb 28, 10</u>	<u>\$ Change</u>
Comm Shares	10.00	0.00	10.00
Total Payroll Taxes Payable	(1,138.44)	4,541.49	(5,679.93)
Total Other Current Liabilities	120,428.59	178,652.43	(58,223.84)
Total Current Liabilities	127,348.56	196,305.58	(68,957.02)
Long Term Liabilities			
Note Payable - Mortgage	386,676.11	405,580.72	(18,904.61)
Loan Payable-Private 1390 Notes	2,341,000.00	2,353,000.00	(12,000.00)
Total Long Term Liabilities	2,727,676.11	2,758,580.72	(30,904.61)
Total Liabilities	2,855,024.67	2,954,886.30	(99,861.63)
Equity			
Fund Balance	1,118,324.20	1,208,121.35	(89,797.15)
Net Income	78,327.80	140,571.43	(62,243.63)
Total Equity	1,196,652.00	1,348,692.78	(152,040.78)
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,051,676.67</b>	<b>4,303,579.08</b>	<b>(251,902.41)</b>

**BOULDER COMMUNITY BROADCAST - KGNU**

**Profit & Loss Budget vs. Actual**

October 2010 through February 2011

	Oct '10 - Feb 11	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
BME Affinity Program	264	0	264	100%
Bus & Ind Underwriting	26,460	20,835	5,625	127%
Business & Ind Match	1,600	2,500	(900)	64%
Community Shares	1,280	2,085	(805)	61%
FM Upgrade	33,597	0	33,597	100%
Corp'n For Public Broadcasting	51,677	45,000	6,677	115%
Grant - Colorado Creates	(2,375)	0	(2,375)	100%
Grant - Colorado Health	2,736	0	2,736	100%
Grants - Other	21,684	18,750	2,934	116%
Interest & Dividends	227	0	227	100%
Major Gift Solicitations	14,369	18,750	(4,381)	77%
Memberships	159,701	185,370	(25,669)	86%
Miscellaneous Income	1,046	1,045	1	100%
Raffles	0	625	(625)	0%
Special Events	15,795	27,090	(11,295)	58%
Studio Production Time	2,071	1,460	611	142%
Volunteer Training Fees	750	0	750	100%
Year End Donations	29,739	0	29,739	100%
<b>Total Income</b>	<b>360,621</b>	<b>323,510</b>	<b>37,111</b>	<b>111%</b>
<b>Expense</b>				
Bank Charges	3,547	4,585	(1,038)	77%
Cash Reserves	0	29,703	(29,703)	0%
Dues & Subscriptions	2,990	4,250	(1,260)	70%
Employee Benefits	20,740	28,520	(7,781)	73%
Employee Bonus	0	438	(438)	0%
Employee Search	869	0	869	100%
Fund Drive & Premium	3,013	3,125	(112)	96%
Hospitality	407	500	(93)	81%
Insurance	4,888	8,335	(3,447)	59%
Interest Expense	1,200	0	1,200	100%
Internet	1,461	2,085	(624)	70%
Janitorial	1,550	835	715	186%
Labor	635	625	10	102%
Mileage & Reimbursements	1,000	0	1,000	100%
Mortgage Interest	10,814	11,250	(436)	96%
Office	5,855	6,250	(395)	94%
Outreach/Promotion	2,182	2,500	(318)	87%
Postage	3,558	3,420	138	104%
Production Supplies	1,689	1,045	644	162%
Professional Fees	31,588	26,000	5,588	121%
Program Acquisition	23,537	21,285	2,252	111%
Rent - AM Tower	17,100	12,500	4,600	137%
Rent - FM Tower	6,982	6,732	250	104%
Rent - Denver Studio	1,275	1,275	0	100%
Repairs & Maintenance	1,586	2,500	(914)	63%
FM Salaries	92,436	113,000	(20,564)	82%
AM Salaries	8,691	8,690	1	100%
Satellite Interconnect	7,494	7,500	(6)	100%
Storage	236	300	(64)	79%
Taxes - Other	905	835	70	108%
Taxes - Payroll	8,651	9,480	(829)	91%
Telephone	7,802	8,335	(533)	94%
Travel & Conferences	60	210	(150)	28%
Utilities	7,554	7,295	259	104%
<b>Total Expense</b>	<b>282,293</b>	<b>333,402</b>	<b>(51,109)</b>	<b>85%</b>
<b>Net Ordinary Income</b>	<b>78,328</b>	<b>(9,892)</b>	<b>88,220</b>	<b>(792)%</b>
<b>Other Income/Expense</b>				
<b>Other Income</b>				
Release of Debt	0	0	0	0%
<b>Total Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Net Other Income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0%</b>
<b>Net Income</b>	<b>78,328</b>	<b>(9,892)</b>	<b>88,220</b>	<b>(792)%</b>