

**MINUTES OF THE KGNU BOARD OF DIRECTORS MEETING**  
**Monday, February 10, 2014**  
**700 Kalamath, Denver, CO**

**Board Members Present:**

Barry Gilbert, Chair  
Chris O'Riley, Secretary  
Joy Barrett, Treasurer - via phone  
David Wilson, Ex-Officio, non-voting  
Robin Van Norman - via phone  
Jon Walton  
Liz Lane  
Ken Fricklas - via phone

**Board Members Absent:**

Meredith Carson, Vice Chair

**Guests:**

Dave Ashton  
Risë Keller  
John Jackson

**6:12 pm-Meeting called to order by Barry Gilbert**

January 2014 minutes approved.

**PUBLIC COMMENT:**

John Jackson mentioned that the SOLR program could be promoted more by on-air volunteers and that perhaps there could also be a prerecorded SOLR promo

Risë Keller introduced herself and said that she may be applying to the board.

**STATION MANAGERS REPORT: David Wilson**

**Spring Membership Drive**

This year's Spring Membership Drive is from Wednesday, March 12<sup>th</sup> to Sunday, March 23<sup>rd</sup>. We are working on a possible prize drawing to encourage early renewal. We'll have another Arugula/Tangerine dinner that will be utilized as a premium. Volunteers are encouraged to sign up for one or more phone shifts. We're going to try utilizing an electronic phone shift sign up that Evan and Nikki have been working on.

Our goal for the drive is \$200,000. The first renewal letter has gone out and renewals are starting to come in already. We have sent out the challenge letter and we are working to find \$40k for challenges.

**10 for 10 Update**

Our second event celebrating 10 years on the air at 1390 AM happened Friday February 7<sup>th</sup> at the Deer Pile, featuring our comedy and music event, Mic Squeezed Tightly. It was a very small venue, with around 50 people showing up to enjoy the night of comedy and music.

Our next event will feature Marty Durlin's new musical play "Back in the Dreamtime". We are tentatively scheduled for a Boulder performance on Saturday, April 19<sup>th</sup> at the Dairy Center. We are working on finalizing a venue for Denver for either the 18<sup>th</sup> or the 20<sup>th</sup> of April.

Garden of Community Update: We're currently judging ideas for the logo. The logo will be for businesses that want to be seen as supporters of KGNU. The winner will be selected on air.

### **Other Events**

Our annual Mardi Gras event with Colorado Friends of Cajun Zydeco happens on March 1<sup>st</sup> at the Avalon Ballroom. Tickets are available at KGNU's website.

Mountain Sun's annual benefit for KGNU, Funky Good Times, was well attended on February 1st at the Boulder Theater. Kathy Metzger, Dave and Tika Ashton, and other KGNUers represented the radio station at the event.

### **Engineering Update**

We continue to work with our engineer, Jim Mross, to make the improvements at the FM transmitter site, including dealing with additional grounding and sealing the transmitter line. We fixed a noise problem that was happening in the Red Studio that was caused by the wave cart computer. We also continue to work with Jim to improve our signal in general.

### **Executive Committee**

The Board's Executive Committee met on Monday, February 3<sup>rd</sup>, to set the agenda for this board meeting. The Committee went into closed session to consider matters relating to individual employees.

### **BUDGET COMMITTEE REPORT: Joy Barrett**

The KGNU Budget Committee met on January 23, 2014. The main agenda item was discussion of the first quarter budget, i.e. the Profit & Loss Budget vs. Actual for Oct. – Dec., 2013. That document is included as an attachment to this report. The following points elaborate on specific line items, and provide summaries of other discussion topics.

#### **Income:**

Colorado Gives – As of the end of year, we had raised a total income of \$10,340 through Colorado Gives. This number may increase with additional contributions that may be accounted for in January.

CPB support comes as two payments of \$70k, then \$30k. We received slightly more last year.

The major gifts category includes end-of-year donations. There's a separate line item for end-of-year donation, which indicates that we were under budget. However, the major gifts

category is at 345% of budget, so overall in these two categories, we fared well. Major donors often come at the end of the year and we could spread it over the course of the year in a different category.

Memberships are annualized for \$400k per year.

Underwriting has initially dipped in FY14, but there should be some positive changes and we should see an increase in underwriting.

**Expenses:**

A discussion took place regarding salary increases and bonuses, and budget flexibility regarding these. Budget Committee members provided advice to the station manager.

Insurance – we are still pursuing a refund. At the beginning of the fiscal year we had a large increase in premiums. The insurance company may have found a mistake and there is a chance that we will receive a refund in the amount of \$3-4k.

Labor expenses include Sam (for transition assistance) and \$600 for the fund drive.

Professional fees do not include engineering, but do include \$575 for accounting and \$409 for legal. We will see engineering charges on our January expense tally - \$1,200 for our engineer, Jim Mross.

Bank of Denver's bank charges are high. They have been generous with us over the years, and our AFTs are through B of D. (We do not pay service charges for AFTs.) David is investigating options.

The only financial institution in the same town as our accounting firm, Mutual of Omaha, waives fees for non-profits.

1390 am Debt – We were just granted the last \$50k debt forgiveness of a \$250k loan. That loan is now totally forgiven.

Another \$10k loan payment has been deferred for one year. Provision will be added to that particular debt assuring that our debt is forgiven upon the lender's death.

We made a \$30k debt payment in Dec. to another lender.

We have an interest payment of \$1,200 for one of the smaller loans that will be paid in April.

Budget Committee is tentatively scheduled to meet again on March 27.

**STRATEGIC PLAN MAINTENANCE REPORT: Jon Walton**

There was a discussion concerning how we will be maintaining and implementing the new Strategic Plan.

Discussion points included:

- What the board expects the Strategic Planning Committee (SPC) to do moving forward.
- How we manage the plan.
- Creating a mechanism to identify the status of issues.
- Determining the frequency of the SPC reporting to the Board.
- Possibly having the Board Vice-Chair manage the SP reports.
- Determine who has ownership of action items and have volunteers take over some of the action items so that staff is not overburdened.
- The formation of working sub committees under the SPC.

We will continue to talk about this at next month's Board meeting.

The full SPC report is attached in its entirety at the end of the minutes.

**OTHER BUSINESS:** None

**EXECUTIVE SESSION:**

The Board went into executive session for the remainder of the meeting.

**8:26pm - Meeting adjourned**

## KGNU Station Manager Report – February 2014

### Spring Membership Drive

This year's Spring Membership Drive happens from Wednesday, March 12<sup>th</sup> to Sunday, March 23<sup>rd</sup>. We are working on a possible prize drawing to encourage early renewal. We will also have another Arugula/Tangerine dinner from Alec Schuler to utilize as a premium. I encourage you to sign up for one or more phone shifts. We are going to try utilizing an electronic sign up that Evan and Nikki have been working on.

Our goal for the drive is \$200,000. The first renewal letter has gone out and renewals are starting to come in already. We have sent out the challenge letter and we are working to find \$40k for challenges.

### 10 for 10 Update

Our second event celebrating 10 years on the air at 1390 AM happened Friday February 7<sup>th</sup> at the Deer Pile, featuring our comedy and music event, Mic Squeezed Tightly. It was a very small venue, with around 50 people showing up to enjoy the night of comedy and music.

Our next event will feature Marty Durlin's new musical play "Back in the Dreamtime". We are tentatively scheduled for a Boulder performance on Saturday, April 19<sup>th</sup> at the Dairy Center. We are working on finalizing a venue for Denver for either the 18<sup>th</sup> or the 20<sup>th</sup> of April.

### Other Events

The planning for our annual Mardi Gras event with Colorado Friends of Cajun Zydeco continues to go well; it will happen March 1<sup>st</sup> this year at the Avalon Ballroom. Please plan on attending this event; tickets are available at KGNU's website.

Despite the bad weather, Mountain Sun's annual benefit for KGNU, Funky Good Times, was well attended on February 1st at the Boulder Theater. Kathy Metzger, Dave and Tika Ashton, and other KGNUers represented the radio station at the event.

### Engineering Update

We continue to work with our engineer, Jim Mross, to make the improvements at the FM transmitter site, including dealing with additional ground and sealing the transmitter line. We fixed a noise problem that was happening in the Red Studio that was caused by the wave cart computer. We also continue to work with Jim to improve our signal in general.

### Executive Committee

The Board's Executive Committee met on Monday, February 3<sup>rd</sup>, to set the agenda for this board meeting. The Committee went into closed session to consider matters relating to individual employees.

David Wilson

## KGNU Strategic Planning Committee Meeting

February 5, 2014

- Discussed role of Strategic Planning Committee now that the plan is being actively managed. Desired direction is to:
  - Serve as a liaison between Goal Owners and the Board
  - Monitor status and report to Board
  - Relieve some of the reporting and tracking responsibilities from owners
  - Support Goal Owners in identifying roadblocks and resources that might be available to assist
  - Committee members are not the doers of the work identified in the plan (unless they choose to do so in their role as a Volunteer)
- Discussed frequency of reporting back to the Board and Community
  - Monthly committee meeting notes will be submitted to the Vice-Chair
  - Decided to formally report status on a quarterly basis. Format and content to be developed over the next few months. (see info below on quarterly and annual questions to address)
- Desire a mechanism to monitor and identify issues
  - Traffic light (Red, Yellow, Green) type status reporting mechanism to be used
- Suggestion to create ad-hoc sub-committees to be “responsible” for certain Goals that don’t fall under a clear Standing Committee. E.G., Marketing workgroup, Outreach workgroup, etc.
  - Keep the groups at the Goal level. Not intended to support overall station needs.
- By-Laws to ask Vice-Chair to wrangle committees going forward. All status reporting to be managed by the Vice-Chair.
- There is a concern over the availability of staff to address these additional planning and reporting needs. Solution is to use a small Strat Plan Comm over the next 3-6 months with to prioritize, assess ownership and develop measurements. Then meet with the Owners for verification and further assessment of validity.
  - Focus on the start dates, not the end or due dates
  - Prioritize activities based on current understanding of capacity, capabilities and budget
- Discussed how to populate the Strategic Planning Committee for the future. How many members are needed, how to assign tasks, frequency of committee meetings, etc.
  - We will work with the existing committee members to determine their desire to continue participation. As necessary, we will solicit new members to support 1) the initial 3-6 month prioritization effort and 2) alignment with Goals & Owners for reporting and support.

---

## Quarterly meetings

- Are you on/off track in terms of our implementation timeline?
- If you are off-track, determine why:
  - Did you underestimate the challenges involved in making progress on a particular issue?
  - Did you have the right staff involved in the process?
  - Did those who were responsible have enough capacity to make expected progress?
  - Did this initiative get de-prioritized due to more pressing concerns?
- What, if any, changes have occurred internally or externally that are affecting strategy execution? What speed bumps are being encountered and how should you course correct?
- Was your timeline realistic? Do you need to update the timeline given changing conditions?
- Do your priorities have sufficient resources?

## Annual reviews

- What are the most important strategic issues facing your organization this year?
- What significant changes (internal or external) have occurred since you set the strategy and what are the implications for your priorities going forward?
- Given your longer-term strategy, what must you achieve this year?

## **KGNU Budget Committee Report for February, 2014**

The KGNU Budget Committee met on January 23, 2014. The main agenda item was discussion of the first quarter budget, i.e. the Profit & Loss Budget vs. Actual for Oct. – Dec., 2013. That document is included as an attachment to this report. The following points elaborate on specific line items (some where we were above or below budget), and provide summaries of other discussion topics.

Colorado Gives – As of the end of year, we had raised a total income of \$10,340 through Colorado Gives. This number may increase with additional contributions that may be accounted for in January.

CPB support comes as payments of \$70k, then \$30k. We received slightly more last year.

The major gifts category includes end-of-year donations. There's a separate line item for end-of-year donation, which indicates that we were under budget. However, the major gifts category is at 345% of budget, so overall in these two categories, we fared well.

Memberships are annualized for \$400k per year.

A discussion took place regarding salary increases and bonuses, and budget flexibility regarding these. Budget Committee members provided advice to the station manager.

Insurance – we are still pursuing a refund. At the beginning of the fiscal year we had a large increase in premium. The insurance company may have found a mistake. There is a chance that we will receive a refund in the amount of \$3-4k.

Labor expenses include Sam (for transition assistance) and \$600 for the fund drive.

Professional fees do not include engineering, but do include \$575 for accounting and \$409 for legal. We will see engineering charges on our January expense tally - \$1,200 for our engineer, Jim Mross.

Bank of Denver's bank charges are high. They have been generous with us over the years, and our AFTs are through B of D. (We do not pay service charges for AFTs.) David is investigating options. Mutual of Omaha – the only financial institution in the same town as our accounting firm – waives fees for non-profits.

AM Debt – We were just granted the last \$50k debt forgiveness of a \$250k loan. Another \$10k loan payment has been deferred for one year. Provision will be added to that particular debt assuring that our debt is forgiven upon the lender's death. We made a \$30k debt payment in Dec. We have an interest payment of \$1,200 that will be paid in April.

Budget Committee is tentatively scheduled to meet again on March 27.

Respectfully submitted,

Joy Barrett  
KGNU Board Treasurer & Budget Committee Chair

# BOULDER COMMUNITY BROADCAST - KGNU

## Profit & Loss Budget vs. Actual

October through December 2013

	Oct - Dec 13	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Bus & Ind Underwriting	8,478	15,000	(6,523)	57%
Business & Ind Match	719	1,275	(556)	56%
Car Donations	9,397	2,502	6,895	376%
Colorado Gives	10,340	12,000	(1,660)	86%
Community Shares	1,002	1,251	(249)	80%
Corp'n For Public Broadcasting	71,846	70,000	1,846	103%
Grants - Restricted (Program)	2,700	0	2,700	100%
Grants - Unrestricted	7,084	5,000	2,084	142%
Interest & Dividends	245	0	245	100%
Major Gift Solicitations	12,925	3,750	9,175	345%
Memberships	104,264	102,000	2,264	102%
Miscellaneous Income	278	627	(349)	44%
Raffles	0	0	0	0%
Special Events	791	1,875	(1,085)	42%
Studio Production Time	1,670	1,875	(205)	89%
Volunteer Training Fees	150	0	150	100%
Year End Donations	18,637	26,500	(7,863)	70%
<b>Total Income</b>	<b>250,524</b>	<b>243,655</b>	<b>6,869</b>	<b>103%</b>
<b>Expense</b>				
Grant Expense - Restricted	14,597	0	14,597	100%
Bank Charges	2,751	1,875	876	147%
Cash Reserves	7,500	7,500	0	100%
Commissions	418	3,126	(2,708)	13%
Dues & Subscriptions	4,289	4,400	(111)	97%
Employee Benefits	13,145	13,647	(502)	96%
Employee Bonus	0	4,000	(4,000)	0%
Employee Search	0	0	0	0%
Fund Drive & Premium	1,272	1,125	147	113%
Special Events Expense	0	0	0	0%
Hospitality	216	252	(36)	86%
Information Technology	1,434	2,100	(666)	68%
Insurance	4,074	6,830	(2,756)	60%
Interest Expense	1,200	1,200	0	100%
Janitorial	875	747	128	117%
Labor	2,147	0	2,147	100%
Mortgage Interest	4,185	4,152	33	101%
Office	4,276	3,000	1,276	143%
Outreach/Promotion	1,044	1,251	(207)	83%
Postage	2,409	1,875	534	128%
Production Supplies	177	876	(699)	20%
Professional Fees	2,950	9,813	(6,863)	30%
Program Acquisition	8,432	7,751	681	109%
Program Guide Expense	0	0	0	0%
Rent - AM Tower	8,100	8,112	(12)	100%
Rent - FM Tower	4,646	4,425	221	105%
Rent - Denver Studio	1,862	1,170	692	159%
Repairs & Maintenance	1,569	1,500	69	105%
FM Salaries	63,371	67,105	(3,734)	94%
AM Salaries	5,345	5,346	(1)	100%
Satellite Interconnect	8,380	8,000	380	105%
Storage	195	189	6	103%
Taxes - Other	35	0	35	100%
Taxes - Payroll	6,347	5,341	1,006	119%
Telephone	5,230	5,001	229	105%
Travel & Conferences	242	750	(508)	32%
Utilities	4,639	4,689	(50)	99%
<b>Total Expense</b>	<b>187,351</b>	<b>187,148</b>	<b>203</b>	<b>100%</b>
<b>Net Ordinary Income</b>	<b>63,173</b>	<b>56,507</b>	<b>6,666</b>	<b>112%</b>
<b>Net Income</b>	<b>63,173</b>	<b>56,507</b>	<b>6,666</b>	<b>112%</b>