

KBOO Finance Committee Minutes

Meeting Date: Tuesday, September 15, 2009
Meeting Time: 6 pm
Meeting Location: Old Wives' Tale

Attending: Bob, Rolf, Steve, Mel, Debbie Chris Merrick (interim Station Manager) & Paula

Absent: Arthur, Genevieve

Visiting: Nicole Andrae, Anthony Petchel, Nia Lewis, Judy Fiestal

1. Check-in/intro

- There was a check-in and introduction of all meeting attendees.

2. FY09 Staff Bonus

- Judy presented information regarding the staff bonus line item on the FY '09 budget. Also wanted the FC to consider bonus on FY '10 proposed budget.
- Discussion about staff salaries, COLAs & definition of "bonus".
- Vote taken to recommend full bonus amount budgeted (\$15,000), an adjusted bonus amount or eliminate bonus amount from FY '09 budget.
- Bob asked the FC to examine staff pay structure for FY '10.

Motion passed to recommend an adjusted amount of \$10,000 staff bonus to Board. Finance Committee will begin reviewing staff pay structure at first meeting of FY '10 (October 2009).

3. Investment/Re-investment Presentation

Debbie presented an overview of investment vehicles used in the last year, as a result of market conditions. August 25, 2009 was maturity date of CD and only ten (10) days available to make re-investment decision.

Per Anthony, investment strategies were safety measures and to make sure all funds FDIC-insured. The FDIC limit increased to \$250,000 and insurance extended through 2013.

Discussions among attendees regarding viable re-investment strategies, other than CD. CD closed out to short-term account, until FC discussion and recommendation.

FC agreed to table decision/further discussion until first meeting in October 2009.

4. FY09 Staff Survey

The FC Staff Survey originally facilitated by Genevieve, before being reviewed by Paula for discussion among and presentation to the FC.

Bob asked how staff felt about surveys. Paula explained that staff viewed this survey separately from the Jim Ayala project and was for use by the FC.

Paula explained that the summaries were mostly for informational purposes; a few factors staff considered were no longer applicable, such as balancing the budget and maintaining staffing levels, as of the meeting's date.

Comments and results of survey distributed to all attendees and briefly explained.

5. FY10 Budget Presentation

Debbie presented new Budget Narrative summary, which highlights key areas as requested by several Board members. The FC will continue to review financials by line item. The FC acknowledged Budget Narrative made review easier.

Paid memberships increased in the last month and a half, perhaps due to upcoming election.

New Development role a risky proposition for KBOO, but could yield significant benefits.

Debbie presented revenue items highlighted on Budget Narrative, then asked the FC to review revenue items on operating budget line-by-line.

Anthony recommend a more conservative budget for interest (line #34) to \$10,000, as interest rates lowered in the last year. He suggested 2%. **Debbie to recalculate line item at 2% rate instead.**

Debbie to double-check with Andrew Geller (Membership Director) re: KBOO's GiveGuide status.

Debbie to keep the FC apprised of major giving funds and will most likely treat them similar to grants.

Anthony asked about differences between "Unsolicited", "Contributions" and "Major Giving". Both Anthony and Rolf suggested possible renaming, to better communicate types of funds and purposes of funds.

Debbie is looking to streamline chart of accounts with Linda Barkus.

Debbie asked the FC to consider the effectiveness of promotional spending.

Anthony thought strategic planning consultant should be considered. Debbie asked the FC to recommend Board consider that option.

Chris explained replacing the AP newswire with a French service, especially regarding the current/renewing contract options and costs.

The FC discussed the need for Arbitron. Chris explained that KBOO could use \ estimates based on historical data retrieved from Arbitron and postpone renewing Arbitron for FY10. He also said staff recommended postponing Arbitron for a year.

The FC will review progress with Andrew Geller during traditional mid-year review.

Debbie and Chris said that staff rescinded offer of 1.5% pay cut. However, staff agreed to an increase in prescription co-pay of medical insurance benefit and addition of a vision rider, which resulted in some savings on the budget.

The FC approved recommending the operating budget to Board.

Debbie presented FY10 auxiliary budget to the FC. The FC to review FY10 auxiliary budget in October.

She included some potential legal fees due to continuing status of lawsuit per attorney.

Chris discussed emergency status for server replacement funds, as quotes received within the same range. Explained that previous repairs made with shortcuts, but proposals included solid changes. Also, no backup to temporary server option currently in use at station.

The FC approved recommending the Board approve the funds for the server repair/replacement estimate, as well as potential legal fees.

6. July/Aug Financials (Management Report)

The FC agreed to table review and discussion of June, July, August & September financials until October, in the interest of time.

The Finance Committee welcomed Anthony back as a Committee member.

Summary of Recommendations to the Board for FY10

- Review of staff wage structure
- Payment of FY09 staff bonus at a percentage equal to the deficit percentage, which was under the budgeted deficit. Amount recommended: \$10,000.
- Approval of FY10 Operating Budget
- Consideration of a strategic planning consultant, in conjunction with Auxiliary Budget review (pending amount on aux. budget of \$20,000).

Post-meeting note: Debbie would like the FC to review potential revenue, in coordination with staff salary review.

Next Finance Committee Meeting: Tuesday, October 20th - 6 pm at Old Wives'.