

Meeting notes
KBOO Foundation Finance Committee
May 24, 2018
4:30 in the back room

Present:

MacRae Bogdanov (Finance Coordinator), Delphine Criscenzo (Station Manager), Ruban Lawrence (Board Treasurer), Eugene Bradley, Marc Anderson, Dan Shramek

Facilitator: Marc Anderson

Note taker: Dan Shramek

Monthly financial reports

MacRae reviewed the draft "Profit and Loss Budget vs. Actual" report through April 2018, which was not yet reconciled and missing some small transactions. She clarified that the report included the mid-year budget revisions that were previously approved by the board.

There was a question regarding how the recently received Steven Engel bequest funds should be accounted for in the financial reports. Marc noted that we need to ensure that the Engel bequest funds are not used to pay for staff salary, as specified in the bequest. Gene noted that the board approved in the April meeting that the Engel bequest be moved to a separate account, and suggested that the bequest funds should be listed on the financial reports "below the line," rather than "above the line." Listed below are the actions relating to the recent Engel and Davis bequests that were approved by the board in the April meeting:

- ***Action.*** Move the Steven Engel bequest funds of approximately \$91,694.26 to a separate KBOO account at Point West Credit Union, with the intent of keeping all obligations from restricted grants or contributions in this new account. **Approved.**

- ***Action.*** Move approximately half of the Marla Davis bequest of approximately \$70,000 to the Operating Reserves fund to build the fund up back up to approximately three months of projected operating expenses. Move the remaining half of the Marla Davis bequest, which is restricted to Native American programming, to the separate KBOO account at Point West Credit Union. **Approved.**

Based on the board intention and approval of these motions, the committee agreed that the Engel bequest funds should be moved to the separate account at Point West Credit Union; as previously discussed, this account will be used to pay for restricted grant obligations. MacRae noted that she would move the Engel funds to the new account, and will research how the bequest funds should be appropriately accounted for in the financial reports.

Dan requested that the committee have access to an updated monthly cash flow projection report that runs through the rest of the fiscal year and incorporates the mid-year budget revisions and spring membership drive revenue projections. We discussed that the 2017-18 budget had projected monthly deficits for the months of June, July and August, and that it would be very helpful to understand how the mid-year budget revisions and the spring membership drive have affected the cash flow projections and liquidity for the coming months.

Underwriting update

YTD underwriting revenue through April (seven months) was \$9,746. Del reported that a new Underwriting Director started May 21st, and she hopes that she will help us meet our budgeted underwriting revenue target of \$47,000 for the fiscal year.

Foundation asks updates

Del reviewed the status of current grant opportunities. She explained that the staff is rethinking how to apply for grants in the aftermath of the KBOO web site hack, and that we may seek grants in the near term to help us pay for the added expenses related to the hack.

She noted that we recently received a \$7,500 grant from the Juan Young Trust for Youth Collective programming. We also received an in-kind award from the Regional Arts and Culture Council (RACC) for trainings to support board development. We are working on new grant proposals for the Spirit Mountain Community Fund and the Miller Foundation.

A recent three-year grant proposal to the Oregon Community Foundation for a membership assistant was denied.

50th Anniversary update

The 50th Anniversary committee is planning a series of open houses at KBOO in the coming months that it hopes to leverage for major donor fundraising in the fall. Unfortunately, the May 6th bluegrass-themed breakfast fundraiser at the Oregon Historical Society did not raise any money. Gene will work with MacRae and Del in the coming weeks to reconcile the 50th Anniversary project budgeted vs. actual revenues and expenses.

Budget planning

Gene suggested that we aim to have a draft of budgeted 2018-19 revenues to present to the board in the July meeting, and a draft of budgeted expenses to present in the August meeting.

Ruban noted that there is an upcoming meeting with the labor union in late June to negotiate staff wages for the coming year, and that it would be extremely helpful to have an estimate of our budgeted 2018-19 revenues and expenses for the meeting. While Del will be out for a good part of June, Marc suggested that the rest of the KBOO Revenue team should be able to use historical KBOO salary and benefit expenses as a guide to develop a reasonable estimate for the coming year.

Ruban also suggested that a report showing historical revenues, expenses, and membership numbers over the past 3-5 years would be very helpful in the budget process.

Meeting adjourned
5:45pm

The Finance Committee will hold their next scheduled monthly meeting on Thursday, June 21st at 4:30pm at KBOO.