

## Meeting notes

### KBOO Foundation Finance Committee

August 23, 2018  
4:30 at Cider Riot

*Present:*

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

Facilitator: Delphine Criscenzo

Note taker: Dan Shramek

#### ***July financials and FY18***

MacRae reviewed the July financials, including the Profit & Loss, Cash Projection, and Current Cash Position reports. Based on her end-of-year projections, she estimates that we will have a FY18 operating deficit of \$70,328.

Gene asked about the expected legal expenses for FY18, and MacRae noted that the total would be about \$23,000 plus about \$1,000 for ongoing legal advice. Gene noted that this higher-than-expected expense would be an important part of the narrative for the upcoming board meeting, which we believe will be held on September 17<sup>th</sup>.

MacRae noted that the Point West restricted savings account now has a balance of \$123,404, which equals the current balance of our restricted grant and bequest obligations.

#### ***Cash projections***

Based on the Current Cash Position report, we had operating cash (after restricted obligations) of \$24,525 on 7/31/18. While operating cash is currently low after accounting for current liabilities, Del noted that the Silent Drive fundraising mailer went out earlier in the week, and that they expect contributions to begin coming in as soon as next week. The Fall Membership Drive starts on September 6<sup>th</sup>, and this will help replenish the operating cash.

MacRae estimates that there will be a surplus of approximately \$40,000 from the 50<sup>th</sup> Anniversary fundraising drive after all expenses are paid. As Del has explained, donors were told that surplus contributions for the 50<sup>th</sup> Anniversary celebration might be allocated to Operating and Capital Reserves. Based on the current surplus estimate, Del discussed allocating about \$20,000 to the Operating Reserve and \$20,000 to the Capital Reserve.

MacRae noted several updates to the current Cash Projections report through December 2018, including Sustaining, Underwriting, Winter Drive, and Direct Mail revenues.

#### ***FY2019 Budget***

Del reviewed the balanced budget for FY19 with a narrative by line item. Dan inquired about the increased target for Underwriting revenues, and Del and MacRae noted that they have increased the expected amount to \$55,000 for FY19.

Gene asked about the specific Contracting expenses that had been reduced in the balanced budget. Del detailed several items, including Mic Crenshaw's quarterly workshops and some Beloved Community workshops.

Dan asked if the projected Direct Mail revenue for FY19 would be realistic considering that the balanced budget does not include funding for all of the expected Direct Mail expenses, such as the Silent Drive mailers. MacRae explained that the expected Direct Mail revenues would indeed be significantly less if the funding were not available for the Silent Drive mailers. Del added that they would address this in the balanced budget draft presented to the board.

MacRae noted that our BMI dues are now covered because we receive CPB funding, and the projected Dues expense was reduced accordingly for FY19.

Del also reviewed the "Cultivate Our Community" Budget Package for FY19 that details a funding request for additional investments that they feel are vital to pursuing the KBOO mission in the coming year, including graphic design, printing, postage, promotional advertising and expenses, development fundraising, and volunteer appreciation expenses. Del noted that they would revise the Budget Package to include a request for funding grant writer contract services.

Gene asked about the possibility of reducing expenses by sending the Annual Report to members electronically. Del noted that they are researching this possibility based on what is required by the state and our bylaws.

Gene suggested that Del and MacRae refine the narrative and funding request to prioritize how they would allocate additional funding in the event that they received less than the total they are hoping for. For example, if \$10,000 were available, how would it best be used in FY19? Del agreed that this was a good idea, and that they will revise the narrative accordingly. She will present the balanced budget and funding request for FY19 to the board at the next meeting.

The Finance Committee will hold their next monthly meeting on Thursday, September 20<sup>th</sup> at 4:30pm.

Meeting adjourned  
6:00pm