

# KBOO Foundation Finance Committee

February 21, 2019

4:30pm at KBOO

## *Present:*

MacRae Bogdanov (Finance Coordinator), Gene Bradley, Marc Anderson, Dan Shramek

Facilitator: Marc Anderson

Note taker: Dan Shramek

## **Marla Davis bequest**

We discussed the intention of the Marla Davis bequest that we received in 2018, and learned that the Marla Davis will stated that 50% of the bequest was to “fight the religious right.” While previous Station Managers interpreted this wording to allow unrestricted use the funds for general operating support, our current auditor interpreted the wording of the bequest and recommended that we restrict the funds more narrowly. This portion of the bequest had previously been transferred to the Operating Reserve; MacRae calculated the amount that needed to be transferred back from the Operating Reserve to the restricted account for the Marla Davis fund to fight the religious right.

- Motion made by Gene Bradley: Move that the Finance Committee recommends to the board that they authorize the transfer of \$45,646 from the Operating Reserves account at Advantis Credit Union to the Restricted Savings account at Point West Bank to be allocated for the Marla Davis restricted fund to fight the religious right. The motion was seconded and passed without dissent.
- ***Action item: Dan will present the recommendation from the Finance Committee to transfer the funds at the next board meeting***

## **Monthly financial reports**

MacRae reviewed the January financial reports, including the Profit & Loss and End of Year Projections reports:

- We had a small YTD operating surplus of \$3,277 through January, which exceeded the small budgeted operating loss by \$6,893. Overall YTD revenues were near budget, while overall YTD expenses were slightly below budget due to lower personnel expenses, as well as delayed printing, graphic design, advertising and promotional expenses; these savings offset higher than expected legal fees.
- Winter Drive revenue is budgeted for \$16,500 in February. While this was a three-day membership drive in past years, staff has replaced the drive with a three-day raffle and a goal of \$14,000. Some of this revenue would likely be booked in March, in addition to February.
- Based on YTD results and projections, several revenue streams may end the year below budget, including Underwriting, Major Donations, and Electronic Ads. We will continue to monitor the revenues in the months ahead and adjust projections during our mid-year budget review process.
- Dan suggested that we get a more accurate estimate of projected FY2019 Underwriting revenue from the Director of Underwriting (Serena) to use in our mid-year budget review.
  - ***Action item: MacRae will obtain an updated end-of-year Underwriting revenue projection from Serena***
- We discussed our continuing efforts to reduce expenses, and MacRae outlined a number of budgeted expenses that have already been reduced or cut. We discussed the “Cultivate Our Community” spending package that was proposed by ex-Station Manager Delphine Criscenzo and approved by the board for the FY2019 operating budget. We discussed postponing many of the expenses from this spending package until we have completed the mid-year budget review, and until the new Development Director (starting in March) and ultimately the new Station Manager are

given the opportunity to build their own Development plan. While we recommend that we keep the budgeted funds allocated for a grant writer, MacRae estimated that postponing the remaining budgeted expenses from the Cultivate Our Community spending package would save over \$10,000.

- ***Action item: Dan will present the recommendation from the Finance Committee that we postpone much of the budgeted “Cultivate Our Community” spending at the next board meeting***

### **Operating Reserve Policy draft**

We discussed potential language changes to the updated Operating Reserve Policy draft. Dan will update the draft with proposed changes and distribute it for final review before presenting to the board.

### **Check Signing and Limit policy**

The updated KBOO policy would change the minimum expense amount needing Board approval from over \$1,000 to over \$3,000 to align with other KBOO policies. It would also change the number of authorized signers for the Point West checking account from three to four, and specify that the authorized signers include the Station Manager, Board President, Board VP, and one staff member

- ***Action item: Dan will present the recommendation from the Finance Committee to approve the updated Check Signing and Limit policy at the next board meeting***

### **Advantis Credit Union account access**

The Finance Committee recommends the following changes to the account owners of the Advantis Operating Reserve account, and who is authorized to transfer funds from the Operating Reserve to the checking account at Point West:

- Remove current account owners:
  - Kathleen Stephenson, Tracey-Ann (Ani) Haines
- Add the following account owners:
  - Ruban Lawrence (Board President), Danielle Parks (Board Vice President), Erin Yanke
- Add "info only" access for:
  - MacRae Bogdanov (Finance Coordinator), Board Treasurer

MacRae noted that the board approval of the changes needs to be in the board meeting minutes, and that the minutes need to be signed by the Board Secretary.

- ***Action item: Dan will present the recommendation from the Finance Committee to approve changing the access to the Advantis Credit Union Operating Reserve account at the next board meeting***

Meeting adjourned – 6:00pm

The Finance Committee will hold their next monthly meeting at KBOO on **Thursday, March 21<sup>st</sup>** at 4:30pm.