

KBOO Treasurer's Report January, 2014

I promised the board quarterly reports and recommendations from the finance committee. This was intended to help us keep abreast of our ongoing finances to prevent another deficit year.

After the first quarter ending December 31, 2013, the news is good. Our income exceeded budget and expense were below, resulting in a net income \$21,938 above budget projections and \$18,158 better than last year's year to date. Details in the notes below and accompanying financial statement.

We can't assume that the good news will continue, because change is inevitable and we're still learning about the station's needs. For example, a power surge that damaged our computer system resulted in some equipment needing to be replaced.

At this point, the committee isn't recommending revisions to the adopted budget. During the next quarter (ending March 31st) we'll be looking at income vs. actual, as well as the need for spending on membership building. We may have recommendations for a revised budget at that time.

In other financial news:

- 1) We're getting ready to change our accounting software to QuickBooks from Peachtree. In preparation for this, a group will be looking at cleaning up our General Ledger categories. People involved will be MacRae, Adin, Gene Bradley and I, with advice from our volunteer accountants and our auditor.
- 2) We've notified our auditor that we want to do a full audit of FY 2012-13, scheduled for March.
- 3) As reflected in the year-to-date notes, KBOO's system of recording membership income is complex, inaccurate in the short run and needs major revision. I was hoping to start this in January, but with Andrew's extended absence, this has to be put off. Note that this doesn't affect our bottom line, just our ability to accurately track income by category.

YEAR TO DATE NOTES:

These notes are to accompany the attached financial reports. I've highlighted what I think are the most important items, and not counting things off under \$1,000 that in accounting terms are "not material."

Revenues:

1. The way KBOO records membership income is byzantine. We're working to understand it and make it better, but for now we need to lump together Renewals and Unsolicited. Combined, they show us doing better than budget.
2. KBOO operates on a cash basis, so pledged EFT's (Electronic Fund Transfers) don't show up until they're paid. Andrew says he expects the Fall pledge drive totals to be about \$6,000 short of budget at the end of the year, rather than the \$23,869 shown on the statement.
3. Underwriting is again slightly outperforming budget and greatly outperforming last year.
4. Revenues are \$12,250 over budget as of 12/31/2013.

Expenses:

- 1) Salaries were dramatically below budget. We're looking at why.
- 2) Professional expenses were higher than budget, probably reflecting FCC license renewal costs.
- 3) Contract services were higher than budget, reflecting work on computers and the website.
- 4) Phone costs were higher than budget, we're looking at why.
- 5) Expenses were \$9,418 under budget as of 12/31/2013.

KBOO Budget vs actual 12/31/13

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Year to Date Variance	Last Year to Date Actual	Change From Last Year
Revenues							
Renewals	\$ 663	\$ 3,500	\$ 1,803	\$ 10,500	(8,697)	11,434	(9,631)
Unsolicited	32,903	1,000	45,187	3,000	42,187	2,799	42,388
Matching Funds	207	417	1,253	1,251	2	492	761
Direct Mail	12,768	15,000	14,177	15,000	(823)	34,480	(20,303)
Winter Pledge Drive	0	0	0	0	0	3,670	(3,670)
Fall Pledge Drive	5,100	2,000	95,131	119,000	(23,869)	87,560	7,571
Fall Sweepstakes	25	0	25	0	25	0	25
Spring Pledge Drive	567	0	1,791	0	1,791	2,522	(731)
EFT Membership	18,180	17,500	55,225	52,500	2,725	51,539	3,686
Contributions	0	1,417	0	4,251	(4,251)	7,000	(7,000)
Development Income	375	0	2,560	0	2,560	3,599	(1,039)
Board Led Fundraising	0	1,000	(383)	1,000	(1,383)	0	(383)
Grant Income	0	0	0	0	0	500	(500)
Web & Program Guide Ads	0	1,000	180	1,000	(820)	336	(156)
Promotional Sales	36	42	156	126	30	161	(5)
Cost of Promotional Sales	0	84	0	252	(252)	0	0
Programming and CD Sales	0	0	50	0	50	0	50
Underwriting	7,128	5,000	16,380	15,000	1,380	10,268	6,112
SCA Contract	400	400	1,600	1,200	400	1,200	400
Translator Rental Income	250	250	750	750	0	750	0
Interest	109	0	325	0	325	327	(2)
Book & Record Sale	0	0	32	0	32	0	32
Cost of Book & Record Sale	0	0	109	0	109	0	109
Events/Co-Sponsorships	480	0	999	0	999	8,740	(7,741)
Cost of Events/Co-Sponsorships	0	0	0	0	0	(4,468)	4,468
Total Revenues	\$ 79,191	\$ 48,610	\$ 237,350	\$ 224,830	\$ 12,520	\$ 222,909	\$ 14,441

KBOO Budget vs actual 12/31/13

	Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Year to Date Variance	Last Year to Date Actual	Change From Last Year
Expenses							
Salaries	23,324	27,000	67,117	81,000	(13,883)	71,851	(4,734)
Payroll Taxes	2,642	2,640	7,604	8,580	(976)	7,758	(154)
Fringe Benefits	2,332	5,355	16,885	14,875	2,010	15,357	1,528
Workers Compensation	0	0	0	500	(500)	(270)	270
Professional Services	1,317	2,184	8,169	6,552	1,617	9,104	(935)
Contract Services	991	1,200	8,093	3,600	4,493	0	8,093
Transmitter Space Rental	4,191	4,084	12,572	12,252	320	12,166	406
Translator Space Rental	300	542	900	1,626	(726)	900	0
Utilities	2,728	2,667	7,176	8,001	(825)	7,446	(270)
Insurance	972	1,263	14,367	14,637	(270)	22,607	(8,240)
Computer	1,287	417	1,287	1,251	36	457	830
Equipment Purchases	149	335	539	1,005	(466)	0	539
Broadcast Equipment Maint.	706	417	1,564	1,251	313	69	1,495
Building Maintenance	1,174	210	1,836	630	1,206	575	1,261
Office Supplies	85	250	816	750	66	814	2
Telephone - Local	1,249	917	4,058	2,751	1,307	2,702	1,356
Telephone - Long Distance	0	150	0	450	(450)	377	(377)
Internet/DSL	303	235	1,211	705	506	553	658
Programming Supplies	23	85	(48)	255	(303)	159	(207)
Record & CD Purchases	0	85	1,475	255	1,220	0	1,475
Program Purchases	0	375	0	1,125	(1,125)	3,500	(3,500)
Printing & Copying	110	2,085	3,255	6,255	(3,000)	6,723	(3,468)
Postage	3,936	1,835	5,693	5,505	188	3,375	2,318
Recruiting	260	0	291	0	291	50	241
Promotional Advertising	0	417	0	1,251	(1,251)	101	(101)
Promotional Expenses	0	167	634	501	133	0	634
Development Fundraising Exp	0	417	519	1,251	(732)	247	272
Premiums	200	583	1,481	1,749	(268)	5,514	(4,033)
Publications	734	67	807	201	606	0	807
Training	0	125	0	375	(375)	0	0
Travel	110	250	133	250	(117)	17	116
Conferences	100	0	100	0	100	0	100
Board of Directors	0	167	600	501	99	100	500
Volunteer	236	167	388	501	(113)	251	137
Taxes/Licenses/Fees	0	125	74	375	(301)	(210)	284
Bankcard Fees	756	667	3,594	2,001	1,593	3,290	304
Bank Service Charges	344	333	1,069	999	70	1,128	(59)
Dues	190	1,217	3,790	3,651	139	5,055	(1,265)
Interest	0	0	0	50	(50)	0	0
Total Expenses	50,749	59,033	178,049	187,467	(9,418)	181,766	(3,717)
Net Income	\$ 28,442	(\$ 10,423)	\$ 59,301	\$ 37,363	\$ 21,938	\$ 41,143	18,158

KBOO Budget vs actual 12/31/13

Current Month Actual	Current Month Budget	Year to Date Actual	Year to Date Budget	Year to Date Variance	Last Year to Date Actual	Change From Last Year
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(For Management Purposes)

One Cash, Restricted or Deferred

Stock Inv Gain/Loss (Dividend) (\$	4)	\$	0	\$	572	\$	0	572	3	569	
Unrealized Gain on Investments	0		0		5,155		0	5,155	0	5,155	
Realized Gain on Investments	0		0		3,889		0	3,889	0	3,889	
Grant Expense-Restricted	0		0		0		0	0	(17,000)	17,000	
Building Maint - Aux	0		0		(596)		0	(596)	0	(596)	
Depreciation	0		0		0		0	0	(9,026)	9,026	
Net Income	\$	28,438	(\$	10,423)	\$	68,321	\$	37,363	30,958	15,120	53,201