

Finance Committee Meeting Notes 1/19/2023

Time

5:30 - 7:00

Present

Committee members: Emma, Danielle, Joyce, Dan, Jill

Guest: Robert Hamilton

Note taker

Jill

APPROVAL OF MINUTES

- Joyce: motion to approve November and December minutes
- Dan: second
- November and December Finance Committee minutes were approved

FINANCIAL REPORT

- Presented by Danielle
 - Statement of Activity
 - Q1 2023 Contributions
 - Budgeted contribution number \$193,500?
 - Actual \$207,000 in current report
 - Now \$211,000
 - Budgeted Cuba revenues in January are not expected without a Development Director
 - KBOO sold the donated Marsh property
 - No more rent income
 - Q1 Total Revenues
 - Budget \$285,000
 - Actual \$299,999+
 - Q1 Total Expenses
 - Budget \$236,000
 - Actual \$196,000
 - Savings in open positions
 - Station manager
 - Development Director
 - Web/tech
 - Social media/fundraising assistant
 - Some planned projects haven't taken place yet
 - FCC project with Programming

- Balance Sheet
 - \$1,000,000+ in bank accounts
 - Need to update receivables
 - Need to update all signers
 - \$250,000 per EIN is protected
 - Bank deposits have up to \$250,000 in FDIC protection per depositor (or EIN) per bank or credit union
- Operating reserves
 - Increase to \$270,000 approved by the board in December
 - Need to make the bank account transfer
- Endowment
 - OCF updates monthly
 - Question as to how often KBOO's OCF account balance is updated on KBOO's balance sheet
 - No recommendation
 - Distributions made 2 times per year
 - reconcile/update then?
- ADP sent missed opportunity cost re: 401K
 - Danielle should have absolute value by board meeting on Monday, 1/23
- \$86,770 in unbudgeted expenses have been realized or are expected in the coming months
 - For example, UPS and electrical equipment
 - Insurance claim in progress
- \$34,685 in budgeted expenses are not expected to be realized
- \$34,000 in budgeted revenue is not expected to be realized
 - For example, whether we send KatMeow to Cuba
 - Emma, we should send KatMeow regardless
 - Danielle, 4 people need to sign up in order for the trip to happen

STAFFING UPDATE

- Presented by Emma
 - Web/Tech job description ready to go
 - Development Director job description to be posted in the next week
 - Waiting on Social Media/Fundraising Assistant
 - Station Manager
 - 2 board meetings for open hearings
 - Hiring process starts 3/1/2023

STORING KBOO's MONEY

- Presented by Joyce
 - 1 million in cash yielded \$174 in interest last year
 - Options for higher yield accounts
 - Live Oaks Bank
 - No restrictions in savings account
 - 3.5% interest on \$250,000
 - 6 month CD at 4.35% interest, 1 year 4.6% but we don't meet minimum balance
 - First INternet
 - .9% interest
 - 4.39% interest
 - 6 month CCD but need \$5 million
 - Sunflower Savings
 - 3.5%
 - 4% CD for 13 months
 - Pay less for longer terms
 - These are all online banks
 - Dan:
 - Balance the interest rate with the liquidity of the accounts
 - Consider keeping local, brick and mortar presence institution
 - Ensure FDIC protection on KBOO deposits at any bank or credit union that we choose to work with
 - Emma
 - Moving \$1 million may be too much
 - Maybe \$800,000
 - Danielle
 - Operating reserves are a good account for higher yield opportunity
 - Joyce
 - Reminder that these savings accounts are liquid, without restrictions
 - Danielle
 - If we reduce OnPoint to \$250,000 so it is fully insured
 - Need to remember the transmitter costs as we think about keeping liquid and covered for expenses

- Emma
 - Do we need a policy?
- Joyce
 - Insignificant interest is money lost
 - Requires god planning
 - Will call banks
- Joyce and Danielle make a proposal to the Finance Committee

KBOO JOB POSTINGS

- Robert Hamilton “Reggae Bob”
 - What are the job postings?
 - When are they being posted?
- Emma
 - Web/Tech Coordinator
 - Internal 10 days
 - External posting
 - Development Director
 - Internal 10 days
 - Public posting
 - CBA process for hiring starts next week
 - Social Media/Fundraising Assistant
 - Job description is incomplete
 - Waiting on union
 - Station Manager
 - Posted after 3/1

401K

- Danielle
 - ADP meeting to show opportunity lost
 - Danielle will invite Dan
- Dan

- Does this capture employees who weren't enrolled when the distributions were made?
- Danielle
 - If KBOO can't make the contribution for the employees would KBOO pay them directly?
 - There may be other opportunities to make employees whole outside the 401K.
- Emma
 - The 401K contribution could be perceived as a bonus
- Danielle
 - How do make employees whole who weren't enrolled, or were terminated, for their contributions.
- Dan
 - If an employee works for 4 months and then leaves, do they receive a bonus?
 - See language in the retirement plan portion in the CBA
- Emma
 - Will invite Dan to the next Management Bargaining meeting to discuss

FINANCIAL POLICIES

- Ready for Governance and Policy Committee then on to the board
 - Spending authority outside the budget
 - Purchasing policy
 - Check signing limits
- Credit card policy to follow next month

END-OF-YEAR FUNDRAISING CAMPAIGN

- \$18,000 over goal for December
- Still collecting January contributions
- \$1000 purchase for "double the donation" software
 - Searches for company matching gifts
 - Software is on track to pay for itself

NEXT MEETING

- Thursday, 2/16/2023

- 5:30 - 7:30pm
- via Zoom