

## Meeting notes

### KBOO Foundation Finance Committee

November 15, 2018  
4:30pm at KBOO

*Present:*

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

Facilitator: Ruban Lawrence

Note taker: Dan Shramek

#### **Monthly financial reports**

MacRae reviewed the October financial reports, including the Profit & Loss, Current Cash Position, and Balance Sheet reports. She noted that while we had an expected net operating loss in October, it was \$4,965 ahead of budget primarily due to higher than expected sustaining, direct mail and spring membership drive revenues. We discussed that while the unrestricted cash available for operations was low to start the month, the expected CPB revenue coming by the end of the month will provide a cash cushion for the months ahead.

Delphine noted that we plan to spend a substantial amount of the restricted Spirit Mountain funds for archiving in the coming month or so.

#### **Union Wage Renegotiation**

We discussed the many issues that KBOO is facing as Ruban plans to meet with the union to discuss wage renegotiations at the end of November. Ruban noted that we must use the context of KBOO's current financial health and negotiate within the constraint of our current budget. He also suggested that we develop a compensation work group to develop ideas and potential courses of action. We agreed that we will move forward with the development of a compensation work group, and reassess next steps after our mid-year budget review in March/April when we have a better idea of KBOO's financial health and direction.

#### **FY2019 Finance Committee work plan**

Gene distributed a draft of a Finance Committee work plan for the 2019 fiscal year, including the development of a financial executive summary format for the board, a review of financial policies, and longer-term strategic planning. The committee will review the draft for discussion at the next meeting.

***Action: Committee will review the work plan draft for next meeting.***

#### **“Spending Authority Outside Budget” policy**

We discussed the current policy that is in place, and the process KBOO has recently used and should use regarding the funding of unexpected expenses. Gene noted that when KBOO funds unexpected expenses, we need to follow a clear process of documenting the funding and following the guidelines described in the policy. This includes documenting the funding in board and committee minutes/notes. Dan added that it is critical that the committee has timely knowledge of the transfer of funds used to pay for unexpected expenses, as it helps us assess the potential impact on KBOO's finances and affects our decision-making and recommendations to the board.

### **Proposal to transfer \$24,151 from the 50<sup>th</sup> Anniversary Campaign surplus to the Operating Reserves**

As Gene has explained, the intent for the 50<sup>th</sup> Anniversary Campaign surplus was that 50% of the surplus (\$24,151) should be transferred to the Operating Reserves, and the remaining 50% (\$24,151) should be allocated for Capital Reserves. This is the Finance Committee recommendation that he proposed to board members present at the September 17, 2018 board meeting. The board has not yet approved the proposal. The committee agreed that our recommendation continues to be to transfer \$24,151 from the 50<sup>th</sup> Anniversary Campaign to the Operating Reserve, and Ruban will discuss and present the proposal at the November board meeting.

***Action: At the November board meeting, Ruban will present the proposal to move \$24,151 of the 50<sup>th</sup> Anniversary Campaign surplus to the Operating Reserve account.***

### **Capital Budget**

Delphine reviewed several prioritized capital needs that are not currently fully accounted for in the operating budget, including those regarding equipment, information technology, and facilities projects. She noted that she has met with staff and contractors to prioritize the list and develop estimated costs, and will soon present a more detailed report to the committee.

### **Financial impact of new Development Director position**

Ruban and Delphine discussed the potential budgetary impact of the new Development Director position; they noted that there would be minimal impact because while the new position is at a higher hourly salary, it is also fewer hours per week. Also, the current interim Development Director is working 20-25 hours per week while the search continues for the full-time Development Director.

### **Explanation of checks**

Ruban received clarification from MacRae regarding two checks that were recently approved. While one check seemed to be for "terrorism insurance," MacRae believed that this check was actually for KBOO's commercial liability insurance premium. She will confirm that with our insurance agent and report back to the committee.

***Action: MacRae will contact our insurance agent and confirm that the recent insurance check was applied to our commercial liability policy.***

### **Marla Davis bequest**

We discussed inviting our contact at the Oregon Community Foundation to the January finance committee meeting to discuss potential OCF investment options for the Marla Davis bequest funds.

The Finance Committee will hold their next monthly meeting at KBOO on **Wednesday, December 19<sup>th</sup>** at 4:30pm.

Meeting adjourned  
6:10pm