

KOPN BOARD MEETING MINUTES  
Tuesday, May 21, 2019

**Attendance:** Linda Day, Margot McMillen, John Lofton, Dan Hemmelgarn, Laura Wacker, Gordon Rogers, and Sean Spence.

**Guests:** None

**Call to Order and Approval of Minutes:** The meeting was called to order by Linda and a quorum was verified. The minutes of the April meeting were approved by acclamation.

**Financial Report:** Linda provided copies of QuickBooks statements and clarified with Sean that the monthly membership pledge income between pledge drives is from those members who donate monthly by credit card, and the Non-Profit Underwriting is from the Census Bureau and from We Always Swing Jazz Series. She also clarified some other entries. Linda announced that membership pledge income entries now show the full amount pledged and that processing fees for those pledges has started being expensed separately. Sean said he would check into why Amazon Smile income is shown as being negative last month. Laura pointed out large variations in some month-to-month expenditures. Linda explained that rent was twice the usual in April because we wanted to adjust our rent payments so that we pay each month's rent at the beginning of that month rather than at the end of it, and other variations may be due to when items are posted rather than when the actual expenditures occurred. Laura pointed out that the bottom line being so negative in April was concerning and Sean agreed and said he will address that concern later. Some items, such as entries under Accounts Receivable and Undeposited Funds, are still not explainable despite Sean, our accounting service and the auditor working together to try to sort them out. Accrued Vacation is still not being accurately listed in terms of dollar amounts. However, our cash on hand in the bank continues to grow nicely. There was an extensive discussion of the root causes of the difficulties in getting the financial breakdowns to be accurate, without so many errors and discrepancies. It was agreed that our goal is to be able to start our audits the day after each fiscal year, and to secure an agreement now for the performance of next year's audit.

**General Manager Monthly Operating Report (Sean)**

**Accounting and Paperwork Update:** Sean said there are four points he wants to emphasize: 1) that he needs to work on his own fiscal and bookkeeping skills; 2) we need to consider having a part-time bookkeeper here in the KOPN office; 3) we must continue to refine our systems and determine what to review every month. He said it would help if the Financial Committee reviews the monthly paper files with him for early detection of problems and; 4) commit to beginning the audit as close to the end of the fiscal year as possible.

**Grants Update:** Sean distributed a list of 12 grants he intends to pursue and discussed it. This list is attached at the end of the minutes.

**Diversity Magazine:** Sean said his goal is to have 50 meetings before the end of June with potential underwriters in association with the magazine. He believes we can get \$60,000 from this approach.

**Underwriting:** Linda mentioned that we are doing many fewer underwriting spots than usual according to the log. Sean replied that he has talked with underwriters and that no one is upset over this and that he expects we will be caught up in the next 30-60 days.

### Community Events:

**BASH:** The next BASH will be within 2-3 weeks with a Hispanic group working with the Chamber of Commerce. Sean said his goal is to expand the underserved communities we work with. The location of this event has not been determined yet.

**Global Extravaganza:** Sean reported that the Global Extravaganza will be moved up to September 13, 14 & 15 (a Friday, Saturday, Sunday). He said that although there will be some things going on during Friday and Sunday, the biggest parts will occur on Saturday, which will help meet the goal of the sponsoring Convention and Visitors Bureau of boosting hotel room usage. He envisions there will be an entertainment-oriented happy hour at Rose Music Hall Friday. Saturday will have a large bazaar-type atmosphere in the Rose Music Hall's green space, and Sunday's component will be at the Wabash area farmer's and artisan's market, which can offer plenty of space.

**Community Picnic:** Sean reports this is still in the early stages of planning but will occur probably in July, but would be anywhere from late June to early August.

**Holiday Parade:** Sean reports this is moving well, with the early bird deadline for registration being June 18 and seven participants already registered, including all three high school bands, the Bicentennial Committee and League of Women Voters. The goal is for 87 registered participants. The MU Mule Team will be pulling Santa.

### Fundraising Events:

**Major Events:** Next week's event is at Cooper's Landing which Sean expects may be rained out and will need to have a rain date. There will be a business event, a civil liberties event with Dan Viets, George Smith (Nobel Prize winner) and his wife Margie will do an event, and there will be an end of (fiscal) year event.

**Targeted Events:** Over the next 2-4 weeks Sean says there will be an Arts event and a Veterans event (or perhaps two), which will be smaller, easier events that will bring in from \$12-20,000.

### Mailing Program:

**Major Mailing:** Sean reports the Dan Viets mailing has brought in about \$2,200 over two weeks which is a good start, with up to \$6,000 hoped for in this type of mailing.

**Targeted Mailing:** Sean says these will include mailings to progressive groups and to veteran's groups, and will have smaller goals, one of which is also for outreach as well as fundraising.

**General Manager Call Time:** Sean reports this is productive time, earning about \$260/hour during calls. He expects to bring in \$60,000 if not more this year.

**June Drive:** Sean says we will need good board participation in this drive, which will be June 10-16. He says Christine Gardener will host a potluck garden party at her house which will include the Stable Boys, an improv troupe.

**Overall review of Fundraising:** Overall, Sean says, we have a good chance of raising \$300,000 this fiscal year, but he acknowledges he hasn't been keeping up with it. He says we have enough time to raise \$200,000 more this year which will achieve our goal for the CPB grant. He expects we will have \$150-200,000 in the bank by the end of the fiscal year.

**Station Relocation Update:** Sean reports that the bank loans options will not allow for any large purchases. We would perhaps be limited to a \$600,000 loan that would give us a monthly payment equivalent to our current rent, not counting taxes and insurance. Such a loan would be calculated at a 30 year rate but would have a five year balloon. After this year he expects we can start a capital campaign for this purpose.

**Tower Easement Update:** Sean said he received an email from UM which he has forwarded for an attorney review, which offered to give us a license instead of an easement for the connection to a

tower, renewable every five years. The license would also replace our current tower easement. This was a matter of concern to all present. Sean said more discussion would occur.

**Station Technology Update:** Sean reports that most things are going well, but our Optimod failed, leading to static-like sounds in the broadcasts. Sean says we will be borrowing one from Mike McGowan which should go online Friday. We will eventually have to buy a new one for about \$3,000.

**Website:** We have at least 15 years of archives that we are going to work on formatting into individual files.

**Volunteers:** We are moving forward to create a training program.

#### **Committee and Working Group Reports:**

**Financial Working Group Report:** Laura reported that most of the information was given earlier in Linda's financial reports. Financial reports were made available to the board. The main concern is getting debts that are owed to us paid and the continuing problem with incorrect or misplaced entries into our QuickBook accounts. Sean reports that invoices have now been sent out for money owed to us. He says he will begin photographing receipts to help ensure we don't lose or misplace any. He reports that we are paying \$200/day in penalties until the audit can be submitted and that he hopes it will be done in the next 3-10 days.

**Programming Committee Report:** Linda reported that the committee met Sunday and that plans are underway for inservice training for programmers (both old and new). A document is being created which is an agreement for programmers to sign, saying they know what the rules are and that they will abide by them. Rules that will be listed include when they arrive for shows, equipment care, how they will transition to the next programmer at the end of their shifts, the relevant FCC rules (station IDs, etc.) they need to observe, no smoking or vaping in the building, that programmers must be KOPN members, and more. All of this has been edited into a two page document. John requested we work on getting Reggie's Kidz Hour show moved to a new time such as Saturday afternoon so the kids will be better able to hear it. Linda said quality issues were discussed and two program proposals were made, for a pre-recorded jazz show and for a one hour talk program about labor issues. Sean said they are working on requiring prospective programmers to submit a pre-recorded show as a sample of what they are planning.

**Engineering/IT Working Group Report:** Reggie was not present, no report.

**Library Working Group Report:** Laird was not present; no report.

**Guiding Documents Working Groups:** Gordon reported that the group made changes in the order of the five sections originally numbered 3.03.1 through 3.03.5 to put them in a more logical order. No wording was changed in doing this. Likewise, Article Four has been cleaned up in structure but with no wording changes made at all. Article Two was modified to change names of sub-paragraphs from "Section" to "Article" to match all the other articles in the bylaws.

Gordon then introduced a proposal from the working group for a new article titled "Article Twelve: Dissolution." It read:

Upon the dissolution of the corporation, assets shall be distributed to one or more non-profit entities within the meaning of section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or shall be distributed to the federal government or to a state or local government for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction.

Linda moved, with Margot seconding, that the phrase "within the meaning of" should be changed to "as defined by." This motion carried and the article thus modified was adopted by the board.

Gordon introduced a second proposal from the working group to add two sub-articles to Article Eight, as follows:

**8.02. Non-Profit Status.** The New Wave Corporation and KOPN are organized exclusively for educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code.

**8.03. Private Profit.** In the conduct of the corporation's business no part of its earnings shall inure to the benefit of, or be distributable to, its members, directors, officers, or private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for products and services rendered.

Linda moved and Gordon seconded that the title of 8.03 be changed from "Private Profit" to "No Private Benefit" to match IRS language. This motion carried. Dan moved, and Linda seconded, that the phrase "and KOPN" be stricken from the wording (and with the following word "are" therefore being replaced by "is"), which they felt would simplify the meaning and avoid confusion. This motion carried and the article was so modified and approved by a subsequent vote.

Finally, the working group recommended that the newly numbered article 3.03.1 (which was recently 3.03.4) titled "Notice of Meetings" be modified as shown here:

**3.03.1 Notice of meetings.** Notice of meetings of the Board shall be ~~given or written in electronic form and delivered, sent or mailed to each Director~~ provided on the KOPN website at least seven days before the time of the meeting. All meetings shall be announced on the air for a reasonable time prior to the meeting ~~time~~.

This working group proposal, seconded by Margot, was passed without change. The new wording is:

**3.03.1 Notice of meetings.** Notice of meetings of the Board shall be provided on the KOPN website at least seven days before the time of the meeting. All meetings shall be announced on the air for a reasonable time prior to the meeting.

All these proposed changes will be posted as now worded for comments and will be voted on for adoption at the next board meeting.

**New Business:**

**Transmitter Shed Maintenance:** Dan reports that now that the roof has been fixed, the rest of the shed needs maintenance, including painting or staining. Sean said he would arrange for such work to be done professionally.

The meeting adjourned to go into a closed session for purposes of discussing staff remuneration. This session concluded with the adoption of a +2% salary adjustment for all KOPN staff, effective October 1, 2019 and with the awarding of a bonus to one staff member for a significant accomplishment in FY 2017-18.

Respectfully submitted,

Gordon Rogers, Secretary

Attachment (below): Sean's list of potential grants

<b>Amount (at least)</b>	<b>Purpose</b>	<b>Submission Date</b>	<b>Target to Finish</b>
\$5,000.00	Global Extravaganza	any time	5/31/2019
\$10,000.00		any time	6/7/2019
\$5,000.00		any time	6/7/2019
\$10,000.00	Veterans programming	any time	6/14/2019
\$2,500.00	Equipment	6/30/2019	6/21/2019
\$25,000.00	Wheelchair lift	7/1/2019	6/28/2019
\$2,500.00	Programming related	any time	7/5/2019
\$25,000.00	Children's mental health programming	8/1/2019	7/19/2019
\$1,500.00		8/31/2019	7/31/2019
\$10,000.00	Equipment	9/1/2019	8/1/2019
	Programming related		
	Children's mental health programming		