KSUT Board of Directors
Monthly Meeting
October 14, 2020, 5:30 p.m.

"KSUT is a community supported public broadcasting organization serving the communities of the Four Corners, providing diverse and eclectic entertainment, education, news, and information while promoting multicultural awareness and understanding."

ALL VIRTUAL MEETING VIA ZOOM DUE TO POSITIVE COVID CASE AMONG KSUT STAFF

Called to Order @ 5:34 PM

Participants: Robert Ortiz, Rich Hoehlien, Buz Bricca, Robb Brantley, Tami Graham, Rick Gore, Mike May

Not Participating: Bruce LeClaire, Eddie Box Jr., Kree Lopez

Approval of Meeting Agenda

Rick commented that would be easier to look at FY20 yearend budget before approval of 2021. Buz moved to approve the agenda with the changed order, second by Rick. Unanimous approval.

Approval of Prior Meeting Minutes (October 14, 2020)

Add that Bruce was absent. Two spelling corrections on page 2 (changed "ned" to "need", correct spelling of Duchesne).

Buz moved to approve with corrections, second by Rick. Unanimous approval. Revised minutes were sent to Board and Tami on 11-12-20.

Tami welcomed Mike May to the board.

Positive COVID case on staff has made things a bit unsettled.

Staff guest: Robb Brantley, Business Manager

Robb went over FY 20 Year End Budget to Actual spreadsheet. Pretty much within expectations. Have added "sponsorship revenue" due to an increase in that category. This source of funds been treated differently depending on where it came from (underwriting, donation, etc.). This year, there was a lot more business support that

would be “non-underwriting” such as event specific contributions events or support for specific programming such as local news reporting. In past, these contributes had been placed in “miscellaneous”, sponsorship was added to better track these contributions.

Grant revenue: We have been counting on PPP relief grant. We did receive it, but has not yet been forgiven as a loan so still shows as a note payable. We fully expect it will become a grant, as we have met all the requirements for that forgiveness. Guidelines were just released to banks, so the conversion to a grant had not been done by the end of the FY (September 30). This will affect next year’s figures as it will be shown as income for FY 21, it will change from a note payable to grant income. Would have been nice if happened by 9-30, but such it is. Therefore, income picture is confusing, but pretty much dead on expectations.

Pass through income was a favor to tribe, from hemp farmer symposium. The tribe didn’t have a way to accept the funds due to sovereignty law, so KSUT partnered with them. No effect on KSUT, simple pass through so revenue and expense balance out exactly.

Received additional funds from CPB due to income from COVID grants and capital funds for Eddie Box Media Center.

We ended up borrowing less than expected for capital expenses, ended up borrowing $200K rather than $500K.

Note that FY 20 numbers are pre-audit. Audit going on right now, Robb has talked with lead auditor at Fredrick-Zink Accountants (Jamie Matthews). Jamie was advising expensing most of furniture, broadcast equipment, and other materials this year rather than trying to depreciate over year so as not to show “profit”. Rick commented that he understood Jamie’s reasoning, but should follow policies regardless of the result. Shouldn’t be a problem if we show a profit or a loss, result isn’t relevant. There will be further discussion with Rick, Tami, Robb and Jamie of FZA. Tribal accounting has very strict policies, we must abide by those or we need to have good reason to do so.

Robert and Tami brought up the bonus policy, due to grant funds we will have a higher yearend balance than normal. Need to wait until final audit figures before finalizing any bonuses. We need to be sure the bonus policy is flexible, and that staff expectations are reasonable. Rick noted that last year we gave raises, not bonuses. Need to clarify the bonus policy and how it meshes with raises. Rick will work with Tami to discuss bonus policy before December board meeting, Mike will assist with review. Bonuses and salaries should be included in same policy.

Executive Director Report

FY21 Final Budget Draft
FY started on October 1. Tami reviewed summary page.

CPB final amount came in at 30K more than expected (265K vs 220K). Slightly higher that “normal”.

For this budget, we are projecting that festivals will be held as in person events. We also expect there will be further CARES act funds coming in.

There were no questions about revenue projections.

Expenses: A number of expenses show substantial increases due to the needs for festivals. For example, waste removal is substantially more to provide porta potties and trash removal for festivals. Almost all large increases in expenses are related to festival expenses, which were not held in FY 20.

Mike asked about projected festival costs, since KSUT hasn’t done them, are they based on FolkWest costs? Tami said yes, based on the past festivals.

Rick asked about item on “Festivals” tab. Revenue of $584K, expenses of $465K, net of 120k profit. If we can’t hold festivals, what are contingencies, i.e., how will we make up the 120K?

If events not held due to COVID or other reasons, will also be substantial decreases in expenses. Tam noted that virtual events were more profitable than expected.

We are planning a July 4 or 5 Lyle Lovett event in Durango. Could move into fall if COVID is still an issue, will have to play by ear.

Robert asked about large change in contract labor category for Tribal radio budget. Costs were moved from contract to outside services. Part of this cost is a tribal media center ½ time position.

Rick feels budget is very complete, easy to follow. Good job by Tami and Robb.

FY 21 Budget Approval: Rick moved to approve, second by Buz. Unanimous approval.

<u>Audit Update</u>

Seems to be going well. Auditors were going to be onsite but changed due to COVID positive staff. Robb says it’s going smoothly so far.

<u>COVID-19 Impacts Update</u>

Positive tested staff member is not showing symptoms.

ED report was out before positive case, so those impacts are not in the report. Some exposure to other staff members, will be getting rapid test tomorrow (Thursday 11-12)

or Friday. Staff has very careful with equipment to ensure it's been cleaned both before and after use.

The solar installation was delayed due to the positive COVID case.

Station managers are coordinating well, abundant caution regarding COVID.

Tribal policy is in place regarding travel distance, Robb agreed that it is being handled well.

Media Center Update

See report.

Grants update

Received $5K from La Plata Cares.

Working on year end drive, including Colorado Gives.

Not planning on additional CARES act funds. Looking at some new grant possibilities.

Staff Evaluations

Tami is working on evaluations.

Four Corners

See written report.

Development Report

Lots of info on differences between years.

Underwriting numbers are a concern, COVID impacts seem to be increasing. We were concerned this past year but turned out OK.

Buz asked about the vacant board position (tribal position). Robert noted we have a very good candidate. Decided to wait until December for them to attend a board meeting due to the heavy agenda for this meeting. Expect to have at least one candidate or possibly two at December meeting.

Tribal Radio

See report.

Committees

Finance (Rick, Tami)

Mike will become part of this Committee, starting with the bonus policy discussion.

Ad-Hoc: New board member orientation

Robert will be sure to do further orientation for Mike. Will get him a copy of the board binder. Need to be more on top of it when tribal member comes on. Buz had met with Mike, good meeting. Need to be sure that documentation is available online.

Robert noted need to update Dropbox documents. A number of documents are on Google Drive, Gary will manage this to get a better handle on where things are.

Robert asked Mike if he was able to find what he needed. Mike had most questions answered by Buz. This meeting helped clarify things for Mike as well, he has had no issues finding things.

Robb noted that Rick has been a big help with the financial issues.

Executive Session / Executive Director annual evaluation planning

Robb and Tami left meeting at 7:15 PM, and Board went in to executive session, Gary became Zoom host.

SEE SEPARATE FILE FOR NOTES FROM EXECUTIVE SESSION, FOR BOARD MEMBERS ONLY

Buz moved to exit executive session. Rick seconded, unanimous approval at 7:51 PM.

Online Board Information

Need to update to board info including photos online. Gary will send out existing info for board bios and photos for everyone to update as needed.

Robert noted that most tribal buildings will not be completely opened, many events being cancelled.

Next Board meeting December 9, 2020 at 5:30 PM. Likely to be virtual.

Buz thanked Robert for all of his hard work.

Buz moved to adjourn, seconded by Gary, unanimous approval.

Adjourned at 7:54 PM