

## MCPB General Manager's Report

March 4, 2013

John Coate

### **Membership, Development and Finances**

The three-day mini-drive ended with a total of \$26,181 (as of Feb 28).

We're still in pretty good financial shape at the time of this writing. What we do not know is whether or not the federal "sequestration" event will take away all or part of our authorized \$42K Corporation for Public Broadcasting (CPB) grant that we expect in March. If we lose that a good situation goes bad fast. The current sequestration, if fully carried out, will cause a \$34M reduction in funding to the CPB. But we don't know what that will mean for KZYX.

Our line of credit was renewed, allowing us a funding backup that makes it easier for us to pay most of our larger pending bills such as to our auditor, California Division of Forestry (CDF) and NPR. We will have gone more than four full months without drawing from our line of credit this fiscal year, which we have not been able to do since 2007. If we get the CPB grant and our spring pledge drive goes well, we won't have to draw much from it until summer. This is real progress from previous years where we were only able to keep the line of credit paid off for one day at a time.

Our total debt fluctuates quite a bit at any given time because big bills come in, we often use credit to pay them, or we have just paid out to payroll. But given that fluctuation from zero to about fifteen thousand dollars at a given time, our debt right now is down to \$35,725 old debt to NPR (which we pay down monthly), \$6K for current NPR programming and \$4K to renew our donor database software (due in April but we are looking at a cheaper alternative). That is an amount we could pay off in 2013 if things continue to go well.

We will be mailing out board election ballots in March to members. Our membership for 2012 is officially 2396. That is 69 more than 2011 and 114 more than 2010.

Our full spring pledge drive will be in the second half of April. We have no set plans for a summer fund drive, but there is no question that we will have to do some productive fundraising then.

Katharine Cole very generously donated her 4X4 Ford pickup truck to KZYX, which gives us access to the transmitters in all weather.

The following KZYX "Vital Signs" summary of finances should be self-explanatory, but with these notes:

- Accounts payable from prior years” is entirely old NPR debt that we pay back as a monthly payment. It started at more than \$48K.

- “Net Gain/Loss” does not mean we have a ‘profit’ of \$119K. “Expenses” does not include all bill, but only those that have been “booked.” Many of our expenses accrue throughout the fiscal year and do not get booked until after each month. Thus we used much of that \$119K to pay bills that are real and payable but are not yet booked as expenses. We also used a large amount of the \$119K to pay off the line of credit (which does not show as an expense).

- Total income is at 85% of this year’s budget.

Income from donations is at 81% of budget.

Expenses are at 65% of budget.

There are 4 months to go in this year. So expenses are at budget and income is higher. May we finish the year at this pace!

## 2013 Vital Signs FY13 July 1 - Feb 28

Total Income: \$444,649.62

Income from donations: \$235,247.94

Expenses: \$325,600.10

Net Gain/Loss: \$119,049.52

### **Total Accounts Payable \$ 46,316.67**

Accounts payable from prior years \$ 35,725.00

Accounts payable current year \$ 10,591.67

Line of Credit Balance (Payable) \$ 0.00

Accounts receivable (pledges &  
underwriting) \$ 35,476.65

Available line of credit \$ 75,000.00

Checking account balance \$ 1,347.84

### **Operations**

On February 18 our main control console in Philo broke very suddenly when a part inside it failed. We were able to get it working again that night by raiding parts from the similar control console in the production room (which still works with limited functionality). New parts arrived and were installed, so things are back as they were. But it is only a matter of time before it fails again.

We have secured two grants to replace the console and other equipment. In early March we will hear whether or not our \$5K proposal to the Community Foundation was granted. If it is, our funds for equipment are considerably strengthened. The new studio main console we plan to order will cost about \$12K with all necessary accessories and add-ons.

Similarly, we had to take apart the phones we use for call-in shows to clean the contacts on the call buttons. They can only be fixed now – they aren't made or sold anymore. A new phone system would cost about \$4K.

We recently purchased a back up "exciter" for our transmitters, which will enable us to efficiently do needed maintenance on the two we have in service while providing an ongoing backup for this critical component.

We recently purchased upgraded software for the internet-based units that now connect our satellite studios to the main studio. This software will improve the audio quality of all broadcasts emanating from those other studios, as well as the unit we use for field work.

During the second half of 2013 we will begin the process of renewing our FCC licenses for KZYX and KZYZ. This renewal will formally happen in early 2014. we expect to spend \$4-5K in legal and FCC fees for this process.

### **Programming**

Comings and goings:

- Katharine Cole is moving to Georgia, probably in May. The Sonic Blender will go away then.
- Aline will take maternity leave from Alma Latina in April.
- Megan and Brooks have left the 10PM Saturday zone. Jeff Peters is filling in.
- Larry Sawyer now hosts a tango show every other Wednesday.
- Bill Taylor and Jaye Moscariello now co-host the Farm and Garden
- We expect to start running the excellent TED Radio Hour in April.
- Earth and Sky ends in June. It seems they lost their funding.