

MCPB/KZYY Board of Directors Annual Meeting Minutes for November 16, 2022

Present: Directors: Dina Polkinghorne, Kate Stornetta, Renee Vinyard, Kathy Rippey, Susan Baird Kanaan and David Hulse-Stephens. Staff: Marty Durlin, Katharine Cole, Victor Palomino, Rich Culbertson, Renee Wilson, and Eddie Haehl. Also attending: members of the public.

Call to order: 5:14 P.M.

Public Expression: Kathy read a letter from Liz Helenchild regarding concerns with the choice of venue (The Brambles) for this annual meeting.

Marty read a letter from Margaret Pickens regarding her concern to keep the “mothership” original studio in Philo as we transfer our offices to Ukiah.

Greg Krouse, who has been instrumental in arranging for a new studio space in Philo, explained the process in making that happen.

Torrey Douglas was introduced as the designer of our new website and described some aspects of the new site.

Scott Bailey expressed frustrations at the station’s coverage of Covid-19 and its lack of reporting on information outside of the mainstream views.

Committee Reports:

Finance Committee:

The Finance Committee met October 20th to review the attached August 2022 financial statements. Following are highlights from the meeting:

- July and August are typically dry months for incoming revenue, as reflected in the August YTD financial statements. Even so, the cash balance at the end of August was healthy at \$455,676, with \$246,399 of that amount in operating funds and the balance in the Building Fund. Sustaining memberships are much appreciated during this time between pledge drives.

- The months of September, October, and November mark an end to the dry cash months, with the arrival of the following:

SEPTEMBER: The Witter Family sends their significant semiannual sustaining contribution. We are grateful.

OCTOBER: Fall Pledge Drive! The final amount raised in this Fall’s pledge drive was not yet available at the October finance meeting. The amount estimated is between \$75,000 and \$80,000. This is significantly less than the amounts raised from our members in the last few years.

NOVEMBER: The annual Corporation for Public Broadcasting grant was announced. We will receive an increase to \$146,701 this year, which is still less than 20% of our operating budget—the other 80% is up to us. The amount KZYX&Z receives from the CPB is based each year in part on the amount we can raise through other fundraising sources, the greatest of which is our members.

- The Statement of Activities as compared to budget was reviewed. Significant variances were determined to be timing differences with the budget entry. However, with the Fall pledge drive now in the rearview mirror, it is clear that we need to focus on our fundraising efforts going into the spring.

- The next Finance Committee meeting is Monday, November 21st at 4PM. A top priority on the agenda will be setting an early budgeting schedule for our next fiscal year, which begins July 1. • There will be no Finance Committee meeting in December. Beginning in January 2023, the Finance Committee will meet on each Thursday before the monthly Board of Directors meetings, which are the last Tuesday of each month. Following is the schedule through June 2023 (all meetings will be on a Thursday at 4:00 P.M.):

January 26, 2023

February 23, 2023

March 23, 2023

April 20, 2023

May 25, 2023

June 22, 2023

Executive Committee: Dina reported that the executive committee meets every two weeks with the Building Project manager Alexis to keep up with the process. The building permit was submitted to the City of Ukiah and approved. We'll begin some interior demolition, and trenching and grading. All to be completed by December 31.

Consent Calendar:

The consent calendar was approved (the minutes for September, 2022, and monthly financial report for August, 2022).

CONDUCT OF BUSINESS

Reports from Staff:

Eddie Haehl:

Past Year

- Launch of our new KZYX app
 - Launched in June, for on the Apple App Store and Google Play Store

- The app was developed by Sky Blue Technologies d.b.a. Public Media Apps, who work with over 190 other public media stations, NPR and PBS affiliates among them.
 - Features include:
 - Website integration
 - DVR-like controls
 - Access to our podcasts, Archive/Jukebox, and previous episodes of many of the syndicated programs we carry.
- Our previous app was developed by a local developer Maxence Weyrich and John Coate.
 - Apple only, Only able to stream and look at schedule, which was out of date
- Studio Maintenance
 - Fort Bragg Studio
 - August
 - Evaluation
 - Various cosmetic and functional adjustments including:
 - New computer
 - Studio furniture
 - Adjustments to phone system
 - Talmage Studio
 - September
 - New Equipment
 - Additional turntable
 - Willits Studio
 - September
 - New Equipment
 - New computer from Fort Bragg

Upcoming Year

- New Building Project
- Studio Maintenance
 - Willits Studio
 - Overhaul
 - New board
 - Rewiring

Rich Culbertson, Operations Director:

In 2022, I became a servant of two homes. One falling apart and one not yet built. The new building required many meetings of the mind on what will be the most efficient, productive and affordable plan. Many items need to be ordered quickly because of supply chain issues, permits needed and extreme coordination of several

key parties. For example, we need to plan on ordering the tower and need to install it which uses one type of crew, install happens shortly after we pour the large slab for the base which is another crew of skilled folk, Install the antennas, dress the tower, secure the towers and trench for the cabling of the tower and more. This same process lays in wait for the signal and the broadcast equipment and for the setting up of a system wide computer network that needs to be in place sooner than you'd think. Then there's the electrical system, phone system, etc. etc.

Also I've been working on the plan for the new AV spot for the Diane Herring Broadcasting Complex featuring the new Ron Obrien Air Studio and Ross Murray Production Studio.

I've very slowly been finding new homes for some of our defunct and obsolete equipment making room for more stuff to store before the move.

I should confess that this has been a pretty crappy year for me personally so to have the steady work of maintaining KZYX and working with such a great family like staff has been a pleasant escape from those issues that take my time and energy.

I do see a big future in front of KZYX but, I also know there is a long distance between the horizon and the safety of the shore. I anticipate setbacks with the process of getting Ukiah up and the other studios also upgraded to meet the new uniform network standards. I'm sure the historic struggle of funding the ever expanding and demanding operation of KZYX & KZYZ will go on and will now be joined by huge demand for building funds.

During this transition we still won't/can't ignore the other responsibilities we have to our audience, our community, our volunteers and to ourselves to maintain and even continue to expand on what KZYX delivers. This means training will continue next year along with recruitment. We'll continue to fix and upgrade equipment, supply the news team with the tools they need to be the most effective and always be looking for ways to improve the current signal path and give a clean sound that reaches more listeners.

I also know that with time comes change, often unexpected change. This time we already know that this staff will be changing over the next year. We will lose real talented dedicated people and even better friends but we also know that there are people out there who will be inspired to live up the professionalism, dedication and free thinking of this staff and will become the next ones to step on the non-profit sticky paper trap and be trapped for the best years of their lives.

I want to thank the MCPB Board for helping out and butting out. It's great to know that the KZYX "mother ship" is supported and supplied with the tools to be successful but it's equally important that the ship be piloted by the navigators, helm,

the engineers and of course the Captain. This board has been absolutely key to our recent successes both in how they helped from everything from volunteering to contributing their hard earned money. But also in the way the staff has been given the freedom to make it all come together.

Finally, I want to thank everyone how has helped not just me but really all of us at one time or another. A kind word, constructive critique of a show, an acknowledgement of all the challenges and successes we have here goes a long way in making the impossible possible every day. None of this would work without these people, this amount of effort and **this amazing community.**

Renee Wilson, Membership Director:

I am the Membership Director here at KZYX&Z. I have been in this position for about 4 years, and I have been working with most of the current KZYX staff much of that time.

At this time, the KZYX Membership has approximately 2,000 active members who have either renewed their membership, re-instated an expired membership, or are new members. Since January 1, 2022, approximately 165 new membership accounts have been created.

One thing I have noticed in looking at member accounts is that the number of our sustaining memberships have taken a big leap over the last 2 years. (A sustaining member is a donor who opts to donate a specific amount per month on an ongoing basis.) We have sustaining donors at all different amounts, from \$5, \$10, or \$20 per month, up to \$100/month and more.

As of October, 2022, there are approximately 565 sustaining donors per month, Sustaining contributions per month equal about \$10,510 – that's over \$10,000 per month that we can depend on to come in on a regular basis, with the average donation of \$18.60 per month. This is over double the amount of sustaining donor revenue from just couple years ago.

2022:

This year has been different than other years at KZYX, as we launched the Building Fund this March to raise the money needed to pay for our new building in Ukiah and for moving the main operations to Ukiah.

The Spring Pledge Drive was a fundraising appeal solely for the Building Fund, meaning that the Pledge Drive donations were not going towards operating expenses like a regular pledge drive.

The Building Fund Pledge Drive in the spring was successful, and we reached an ambitious goal of \$150,000 in 12 days. Over 900 individual donors contributed

during the drive, which is a high number for KZYY. People who could, gave a larger donation for the Building Fund.

Building Fund donations are reflected on a completely separate budget and are not a part of the donations budget, which is what the Membership Department primarily focuses on.

For the last fiscal year, ending on June 30 2022, the donations budget goal for membership wrapped up with a surplus of over \$30,000.

Added after the meeting: I would like to emphasize that our successful fundraising is a reflection of KZYY radio as a whole, and not just the Membership Department. Six out of eight pledge drives since the spring of 2019, with most of the current staff, have made the budget goal. The perseverance and hard work of all staff members doing their part to make changes for the better are noticed by our community, and listeners have responded gratefully.

2022/2023:

For this year, the 2022/2023 fiscal year, we have our biggest budget goal yet, and we are already part way there with the Fall Pledge Drive.

Upcoming appeals towards this goal include our end-of-year appeal coming in December, the Spring Pledge Drive, and monthly membership renewals.

Other goals for the upcoming year in the Membership Department include increasing new membership, increasing monthly sustaining donors, and meeting the Donations budget.

Victor Palomino, KZYY News Director:

KZYY News Department report, November 2022:

The last five months have been a period of learning and adapting to a new community. I also had the privilege to know the foundations of Mendocino guided by KZYY's news reporters and stringers.

During this time, we continue to provide five locally produced news reports a week led by our Staff Reporter Sarah Reith. Our goal is to provide coverage to as many parts of Mendocino County as possible. For this reason we recruited two freelance reporters to contribute stories from the coast and Covelo.

We updated the Local News website with a Spanish language page with links to Spanish news and information alongside the 2022 elections coverage page. At the same time we are working to get the podcast version of our daily stories published before the 6 pm broadcast.

In the summer we had a news intern producing one local report a week, this is something that we hope to continue every year.

An important part of the news department is the development of Spanish language content. We are creating collaborations and reaching out to organizations and individuals in the area already working directly with the Spanish speaking community to create awareness of our efforts and get recognized by the community. As part of this networking we created a collaboration with the Spanish language newspaper "Al Punto," where we are publishing a monthly article with information about KZYX. Our outreach efforts include the Spanish language listener survey, participation in community events and setting up information tables during the weekends in Latino supermarkets in Fort Bragg and Ukiah.

We produce two bilingual reports monthly for our regular local news, and we are producing a weekly Spanish language news hour with local, state and national information.

We are networking with local government officials, immigration services, court self-help services, health department and others to provide monthly information for Spanish language listeners.

One of the most important tasks of the past 5 months is the weekly meeting with our Programming Director Alicia Bales, where we are shaping the foundations for the Community Newsroom, a space where we can create the reports that are going to feed our daily newscast.

Our goal is to start the production of the daily newscast next year and continue expanding our Spanish language coverage. We are also working on the creation of a KZYX news curriculum to train and empower members of the community to tell their stories.

It has been a very exciting and busy five months here at KZYX and I'm looking forward to what is coming for us next year.

Katharine Cole, Underwriting Director:

As of this month, I have been the underwriting director for the station for three years. In that short amount of time, I have been able to reorganize how underwriting is done here at KZYX, modernize the process, open lines of communication between underwriters and the station through bi-monthly email newsletters to underwriters, streams of email conversations, and beginning to create a closer relationship between our underwriters and KZYX.

Some major moves include:

1. Our change to digital/online billing so that underwriters receive automatic invoices and are able to pay via credit card or other methods simply and efficiently. Our “wave” online billing program also automatically provides reports of all kinds, including customer statements and activity and takes this burden off myself and Steve.
2. This year we rounded up the spot fee to better reflect our value – for-profits are now at \$20, up from \$18; non-profits \$15, up from the odd \$13.50 per spot.
3. Logs have been revised and are no longer printed out. All logs since 2019 are available for anyone online now. This online history will certainly make any necessary reporting easier.
4. We have expanded our underwriting hours for the first time in years, now beginning at 5am and running through midnight, in some cases.
5. Response time to underwriters is 24 hours or less. Many of our business relationships depend on quick communications, and sometimes just knowing an answer will come quickly makes being an underwriter easier.
6. We now have a detailed underwriting “how to” brochure for new prospective underwriters.

Results:

Income from the underwriting for the station has increased some 300%. Since January, 2022, we have pulled in \$84,430 from our underwriters to date.

One of the most important improvements has been that programmers and staff have consistently read those top-of-the-hour spots, and underwriters and listeners are hearing those spots consistently, and seeing definite results in sales and income.

Going forward, I hope to continue to improve our systems, including a new log program for 2023, and improve our digital and online—app and social media included—connections for our small businesses and non-profits that are so important to KZYX.

Alicia Bales, Programming Director:

(Report read by Marty Durlin)

Hello to everyone there, I am sorry I couldn't join you at the beautiful Brambles tonight. Thanks to Marty for reading this report.

We've done a lot of amazing work together since I joined the team in 2019, but this year we truly outdid ourselves.

For me, this year saw two major milestones: Working with Renee and the staff on the Building Fund Drive, which raised \$150,000 this spring over 11 days; and recruiting and hiring Victor Palomino to lead the KZYX local News Department as our new news director.

Both of these incredible achievements were made possible by Marty's leadership, the steadfast support and encouragement of the Board, and the tireless efforts of our extraordinary staff who have pushed the boundaries and expanded KZYX's capacity exponentially.

During the Spring Drive, and always, Renee's attention to detail, organized brilliance, and commitment to excellence have created a solid foundation for all of us to build on. The drive total was daunting, but we made quite a team on that big drive, and I'm still completely blown away by the enthusiastic response of our listeners. As she gets ready to say goodbye to her current role at KZYX, I am sad to lose such a beloved collaborator. Renee, I will miss you every single day and will strive to apply all the lessons I've learned from you. Thank you for everything you've given the station. And Shadow!

It's been an incredible experience to go from drafting a proposal to hire a News Director--one of my top goals when I applied for the job of Program Director at KZYX--to advertising the position, conducting interviews, being lucky enough to find the PERFECT candidate, and welcoming Victor Palomino to KZYX from Lexington, Kentucky. Since he arrived in June, Victor has taken the seed of a vision, to build a bilingual news department at KZYX, and consistently exceeded every hope I had about what was possible. He has developed mutually supportive relationships with Latino organizations and communities across the county, steadfastly provided crucial information and voices in Spanish, and worked diligently to expand the reach and impact of the KZYX News. It has been a steep learning curve for me to act as a supervisor, an opportunity for which I am endlessly grateful. Thanks to Victor for his patience and unending talent, and also to Dina and Marty for guiding me to find effective ways to support him and the development of the News Department.

The coming year for me is all about working with Rich and Eddie to get production and programming ready for the move to the new studio. This year the Production Team has made huge strides in the consistency of the on-air sound and everyday support of programmers. It's impossible to anticipate the full scope of the tectonic shifts that will happen, and how this transition will shake out in the short and long term, but I am looking forward to the opportunities for programming that will come from being closer to so many more people in Ukiah. Another priority for this year is to bolster communication with our corps of volunteer programmers, including developing a comprehensive programming manual, so that everyone feels valued, included, and in-the-know at KZYX.

Thanks again to every one of you for all your work and vision at KZYX this year.

General Manager's Report:

State of the Station, November 16, 2022

Marty Durlin, General Manager

The Year of the Building, 2022

KZYYX purchased the property at 390 West Clay Street in Ukiah in September 2021 and began Phase 1 of the Building Project — planning and preparation — a year ago. We received our building permit from the City of Ukiah in early November of this year, and are now embarked on the early stages of Phase 2.

Our first task is to complete demolition in the larger building, which will become the production, news and on-air studios, along with offices for production staff. The work will be done by Big Fish Construction, and will involve stripping out all electrical wiring, conduits and panels as we knock down several existing walls in order to enlarge the main on-air studio, and create an ADA-compliant bathroom as well as a larger break room.

The electrical service will be disconnected, and secondary service installed, while we create the infrastructure for the new, permanent electrical service to be brought in from the northeast corner of the property. The new power will all be underground (the current power on the site is not), which requires trenching. We will also be grading the site for drainage and landscaping.

We're still aiming to be in the building by October 2023. All we need to do is secure the funds to do it!

Fundraising

For an organization that has never had a development department, we've done well to get to our building fund total of \$404,000. Thanks to Renee Wilson, who has incorporated the building campaign into her many other tasks. Thanks to the staff, programmers, board and volunteers who participated in our successful on-air building fund drive in May, netting us more than our \$150K goal. Thanks to Kate who has led us through the capital fund that's netted the rest of our total, \$250K, and to all those on the building fund task force. Special kudos to Renee Vinyard, who's our champion fundraiser so far. And thanks, most of all, to all the givers who have come through for KZYYX.

We've contracted with a fundraising consultant, Kay Sprinkel Grace, who will be here on December 8-9 to attend a fundraising luncheon and meet staff and board, will help us create a campaign plan to raise the rest of our \$2 million goal.

The successful Spring drive, which belongs in our last fiscal year, impacted the Fall drive, which fell about \$25K short. So we're looking toward the end-of-year campaign and the on-air Spring drive of 2023 to make up as much as possible before the fiscal year ends in June.

Overcoming Covid

All of us were affected by the ongoing pandemic over the past year. Either we had the illness, or people close to us did. Loved ones died. We all lived in some measure of isolation. We haven't understood the ramifications, or how the disease and the pandemic itself will continue to affect us, our families and communities. Forgiving lapses and lateness, having patience for those who are distracted or fuzzy, working to get beyond miscommunication and disassociation — all of this is necessary in our new normal.

The Staff

The KZYX staff will tell you about their progress over the past year, and what comes next. They have all done an amazing job of creating and maintaining KZYX's daily audio service. But I want to say a good word about our community programmers, who continue to create a vibrant, diverse, relevant program schedule. And about our board, particularly the executive committee, who serve the Mendocino County community by serving KZYX. And our supporters, who have built this station year after year, despite economic, environmental and political difficulties.

As for next year...

KZYX is a resilient and beloved institution. We have challenges, but I believe we can overcome them through perseverance and the continued good will and generosity of this community.

MATTERS FROM BOARD MEMBERS:

Renee Vinyard discussed the upcoming online auction.

Meeting adjourned: 6:47 P.M.

Next Meeting: Tuesday, January 31, 2023 at 5:00 p.m. –via Zoom