

Friends of Yellowstone Public Radio

Board Meeting

KEMC Studios, Billings, MT 59101/Conference Call

January 26, 2021

Board Members in attendance:

JoAnn Eder
Susan Foster
Malcolm Goodrich
Tami Haaland
Doxey Hatch

Jill Hirschi

Terri Kaercher

Scott Mitchell

Anita Pagliaro

Amber Parish
Barb Shafer
Curt Starr
Ashley Warren

Ex-Officio Members in attendance:

Ken Siebert
Chancellor, Dr. Stefani Hicswa

Staff in attendance:

Jen Cleland
Nicky Ouellet

Guest:

Jim Nichols

Absent:

Chuck Hingle
Mary McNally

Horatio Potter

Barbara Sample

The meeting was called to order at 5:00 pm. Mr. Seibert lead the meeting in Ms. Sample's absence.

Secretary's Report

Pending any necessary corrections due to an audio glitch, upon motion and seconded it was unanimously **RESOLVED** that the Board approves the October 27, 2020 meeting minutes.

University Update

Mr. Seibert welcomed the new Chancellor, Dr. Stefani Hicswa. Dr. Hicswa thanked board members for their service and underscored the importance of Yellowstone Public Radio to our geographic region.

The University celebrated the Power of One Week, which is in its 16th year, with a MLK celebration and activities dedicated to suicide prevention. The University will also be working with the Chamber of Commerce to host legislative web conferences to provide the community with updates during the legislative session.

A new COVID-19 testing lab was created during the winter break and is undergoing beta testing this week. Due to NCAA regulations, student athletes must be tested frequently. Enhanced student rooms have been created for those in quarantine with access to a television, microwave, and refrigerator. Using CARES ACT funds, classrooms have been remodeled with technology to allow students to access their classes if they are learning from home. Students have voiced their appreciation for the flexibility.

Given the NCAA standards for testing, the University will use those standards to explore a return to having athletes play games. The games will be broadcast on the MSUB website and YouTube channel.

Station Update

Mr. Seibert thanked YPR staff for their efforts over the past year, noting that they have carried more breaking news and special coverage in the last year than in the last 10 years. He also noted the excellent cooperation between the news team and the operation team.

There are several upcoming events and initiatives:

- There will be "State of the State" coverage on Thursday from Montana PBS to hear Governor Gianforte in his first address and the Democrat response.
- YPR has partnered with Shakespear in the Parks to present a radio dramatization of 'Hamlet' on Saturday from 4pm – 6pm. The major themes of the play will be discussed by a Shakespear scholar in between scenes.
- Beginning February 2 at 8pm, we will be replacing "Human Kind" with "Richest Hill" for approximately eight or nine weeks. "Richest Hill" is a podcast about the past, present and future of Butte, Montana.

- Beginning Tuesday, February 9, YPR will be airing the impeachment trial in its entirety.

Ms. Cleland discussed the success of Giving Tuesday and gave an update on fundraising efforts. The station raised a little over \$6,000. Calendar year end was also relatively successful. The system for tracking donations makes it a little difficult to differentiate between pledges and year end gifts. For example, an average income month is typically \$40K, however, this December brought in \$195K. For comparison, October, a drive month, brought in \$225K, so the donations in December were significant.

Ms. Cleland pulled reports reflecting patterns in the first half of the fiscal year. The number of new members was impressive: 1,024. Currently, there are 5,969 active members in the database. However, even though we have new members, the average donation amount is decreasing. Additionally, we are seeing a downward trend in donation amounts when looking back from 2021 to 2019. We're still doing better financially overall and still outperforming financial goals year over year, but if we weren't acquiring new members, we'd be seeing a decline in revenue. As such, it will be important to continue to encourage new memberships during the Spring Drive. Sustaining membership income has increased by approximately \$3K year over year.

The Spring Drive will begin Saturday, March 27 and run through Friday, April 2.

Ms. Ouellet discussed the legislative session coverage. Coverage is thanks to Kevin Trevellyan, a Report for America Fellow who joined YPR last summer and will be with the station for at least the next year and a half through the program.

YPR has deepened its partnership with Montana Public Radio and brought on Montana Free Press as another partner. The three newsrooms together will produce a recurring segment "The Session," which will be available as a podcast and on-air. The project will preview bills that the legislature will be reviewing.

Ms. Ouellet was also happy to report that of the six full time reporters none of them had contracted COVID-19. She also noted individual successes of reporters who have had stories picked up by the national outlet.

Ms. Eder praised the news coverage. Mr. Seibert praised Business Manager Jaime Granzella for the work she has prepared for the audit, which will wrap up February 13.

Finance Committee

The committee had a presentation from Pat Angland and Russel Rice from US Bank, who discussed how the financials performed over the last year and projections for the future, as well as any concerns about the market. We exceeded our policy benchmark in the endowment account and in the directed account for equity investments. We are a bit under for fixed assets. Overall, accounts are doing quite well.

End of year 2020 Account Balances

US Bank Endowment Account: \$1,482,792

End of year 2019: \$1,024,682

US Bank Directed account: \$336,009

End of year 2019: \$313,491

(Note: money was moved from both accounts, though the accounts still performed well)

First Interstate Bank Checking Account: \$176,425.27

First Interstate Bank Savings Account: \$120,013.30

After reviewing the numbers, statements, and the presentation from Mr. Angland and Mr. Rice, the committee discussed the idea that they will restart the review of the board policies for both the endowment and the directed account. The goal would be to review the policies and have recommendations or suggestions for the board by the April meeting.

The committee also discussed with the Station Manager that likely, it won't be necessary to withdraw money from the endowment account for the station. Mr. Goodrich noted that, to the extent possible, US Bank will need lead time if taking money out of the endowment or directed accounts.

The committee reviewed a quote for Directors and Officers Liability Insurance, which the committee thinks is critical for the board moving forward. The quote was a little high, and though an amount wasn't agreed upon, committee members discussed a \$2M or \$3M minimum for coverage. It was noted there were three components for the insurance quote, one of which the board wouldn't need, and would make the quote cheaper. Members of the committee urge the board to procure insurance.

Old Business

Mr. Starr secured a second quote for Directors and Officers Liability Insurance through Payne West. Mr. Starr was unsure of whether Ms. Sample had secured an additional quote from Streeter Brothers Insurance.

Upon motion and seconded it was unanimously **RESOLVED** that the Board approves the Friends Executive Committee and the Finance Investment and Audit Committee to explore, research, and procure Directors and Officers Liability Insurance for the Friends of Yellowstone Public Radio.

New Business

Mr. Nichols presented two translator and transmitter opportunities to the board. All radio stations go through an eight-year renewal cycle. The cycle ends April 1, 2021.

Opportunity 1) There is a full power translator near our transmitter on South Pillar Road for sale at \$120,000 but we were approached with a price of \$50,000. Additional signals (translators) in Bozeman have been receiving good feedback so the idea would be to do the same thing in Billings.

The process would entail the purchase, then go silent with the frequency, then move it to our existing site to eliminate rent cost.

Opportunity 2) An additional translator that already has our signal, 98.9, can't be fed with the owner's second signal, which is why they have shared it with us. Now, the owners of the translator are interested in getting rid of it. There may be an opportunity to trade translators outside the city with the one in Billings.

Hypothetically, through the FCC, we could purchase the combination translator/transmitter and put Classical YPR on one of the translators and let the other one go dark for up to three years and take the time to decide whether we need it or not.

If there's an opportunity for us to trade translators from outside the city to one in Billings, it would allow us to leverage our largest population base and (intermittently) our largest financial base and bring a wealth of programming to Billings like what we've done in Bozeman.

Ms. Foster asked if there's any urgency to these potential transactions. Mr. Nichols indicated the price has been negotiated over two years and there haven't been any other interested parties during that time.

Ms. Foster requested that all associated costs be collected for further exploration. Mr. Nichols acknowledged that we do have time to put together additional funding over the next year. Mr. Goodrich said he would be happy to add the opportunity to the Finance Committee agenda, or a hold a special meeting if necessary. Mr. Seibert emphasized that this is an excellent financial opportunity.

Meeting adjourned 5:53pm.