

MCPB General Manager's Report

John Coate, October 2014

Finances

We just completed our fall pledge drive during the Oct. 23 Treehouse. In the last half hour of the show we reached and then passed our \$85K goal by about \$300. Since then, more donations came in via the mail, raising the total for the drive. At the time of this writing we do not have a final number, but I will amend this document with the latest numbers when they become available. All who participated, and seemingly most who listened, agreed that this was a fine drive with good camaraderie all around.

As we often do, we lost money in the first quarter of this fiscal year. We had to borrow from our line of credit to make it to the pledge drive. The good news is that we had not touched the money in the line of credit since last November. Thus, we went from November to the last week of August without touching it. There were years in the past when we only had that line of credit paid off for a single day in an entire year. So we were in better shape coming into this pledge drive than we had been in any of the prior six years.

Here is our fiscal summary ("Vital Signs") for the first quarter of this fiscal year:

As Of Sept. 30, 2014
THIS FISCAL YEAR THROUGH Sept.
30, 2014

Total Income:	\$39,713.60
Income from donations:	\$27,810.50
Expenses:	\$113,518.19
Net Gain/Loss:	(\$73,804.59)
Total Accounts Payable	\$62,991.67
Accounts payable from prior years	\$32,716.52
Accounts payable current year	\$30,275.15
Line of Credit Balance (Payable)	\$0.00
Accounts receivable (pledges & underwriting & grants)	\$43,723.90
Available line of credit	\$75,000.00
Checking account balance	\$3,386.48

This drive is the first in our new annual schedule of three full pledge drives each year, which replaces our old two drives plus emergency drive days. Our next drive will start in mid-February.

We will receive \$132,564 from the Corporation for Public Broadcasting between now and March. This is \$54,458 less than last year and \$56K less than the year before. But the past two years brought us exceptionally high grant payments. Still, it isn't all bad news. If we look at prior years, the \$132,564 is more than 2012 (\$109K), 2011 (\$95K), 2010 (\$94K), and 2009 (\$95K). This is largely because the \$132K is keyed off a very successful fiscal year 2013. By this formula, next year's grants (should Congress deign to make them) will be somewhat less than what we receive this year. This means the better we do locally each year, the better we will do with Federal grant funds.

Our first grant payment should arrive within two weeks. As in other recent years, the first payment of the fiscal year will be the largest: \$76K.

We are about to complete the first quarter of fiscal year 2015. Until we complete the tally for the pledge drive we won't know exactly how the quarter has performed. I will amend this document when we have accurate data, typically in about two weeks after the quarter finishes.

Programming

This year we have built up our local news offering with the addition of Lorraine Dechter who joins Sheri Quinn and Michael Kisslinger. Lorraine is the former News Director of Northstate Public Radio in Redding. We are delighted that she has come with her considerable skill and experience to reside in Mendocino County. Having a larger news team means we can do more actual reporting as well as news specials such as Lorraine has already produced in bringing live reports from the Prop S debate and the public meeting about the Anderson Valley Health Center.

While having one full time News Director has its advantages, three part-time reporters means broader and more varied coverage.

We are very close to unveiling a new service called The "KZYX Jukebox" that allows any user of a PC, laptop, tablet or smart phone to listen to any or all of KZYX on-demand. This is a service from Pacifica where they record our stream and parse it out per program. Some of the programs, such as NPR, must replenish every day. But our locally produced music programs can stay available for two weeks. Our locally produced talk shows will be available for two months. Locally produced talk shows will be available as downloadable podcasts as well as via stream. So if you missed your favorite program, the KZYX Jukebox will have it (if you don't wait too long).

This service does more than give one the opportunity to hear something they missed live. Because our programs can be selected according to category, it makes sense out of our very complicated schedule. This might not matter much to someone who listens all the time. But to a newcomer it can be daunting to understand which programs airs when. And the names of many of our shows

don't really tell you what they are about. Putting the americana, jazz, classical, world, self-help, health, politics, etc into their own categories makes our offering much more coherent to a new listener. Ultimately, I believe this makes us more competitive because so many of our programmers are so good at what they do.

The KZYX Jukebox is still in its testing phase and will be released to the public shortly.

Our open call-in show where the subject matter is mainly determined by the caller, is now The Discussion, hosted by W. Dan and Stuart Campbell, rotating with Angela and Cobb. Reviews are overwhelmingly favorable to this fresh approach.

Linda MacElwee produced a series of programs called "Water Wise" that brought in experts to help us conserve our water in this time of drought. Packed with useful information, they are all archived at kzyx.org.

This summer we had two outstanding interns, Orion Adams and Hope McKenney. Orion is a local high school student with excellent technical skills. He helped us produce numerous programs and he helped train numerous programmers. Hope received a grant from Barnard College, where she is a student, to assist with news production and reporting. Sheri Quinn mentored her and Hope produced some outstanding news features.

Cal Winslow returned with a new interview-based program, The Antinomian Hour.

And in the Thursday morning 10-12 slot we now present Lapin Frito hosted by Eduardo and Joelle. This is a rangy and eclectic groove music show from a couple who really know their music.

R&B, funk and soul fans are all delighted with DJ Selector J who now does two shows: The Sweet Smoke at 10PM on Wednesdays nights and The Redwood Soul Shakedown on Friday afternoons alternating with The French Touch, which continues its once-a-month schedule.

Operations

We purchased a new control console for the Mendocino studio to replace the old one that had too many technical failures.

To overcome potential problems with inappropriate language making its way onto the airwaves, we installed a delay machine in the main studio. We use it primarily for The Discussion and other programs with a lot of call-ins.

As time progresses, radio stations and content suppliers use the Internet more and more as a primary way to supply programming to stations. Over the past

couple of years we have seen this increase from big suppliers, such as This American Life, who no longer use the NPR-owned satellite system, Content Depot. This is inevitable and will only grow, just as we ourselves use wire-based data transmission for our own purposes, such as connecting to our other studios or receiving news reports and even entire programs such as Forthright Radio, which comes live via Skype from Joy LaClair in Montana.

This constant rise in data increasingly renders our Philo studio location inadequate because it is so far from the phone building in Boonville and data transmission is just less reliable the farther it has to travel down long runs of copper wire.

As has been described before, the remedy is to rearrange how we send our signal to the transmitters so we can 1.) no longer have the problem with the growing trees and 2.) have all of our studios located close to a phone building. Our Anderson Valley studio needs to be in Boonville. The signal should originate from Ukiah or Willits. All of our studios should be connected to each other via high-speed broadband. Only then will our network of KZYX transmitters and studios be prepared for the future.

The plans for a studio in Ukiah is still in the works, but it comes with both startup and ongoing expenses and we have to establish that we have the money to pay our bills without faltering before we can take on the added expense.

The 25th Birthday Bash

Finally let's not forget what a blast we had at the KZYX 25th Birthday Bash. It was a great party. Thanks to Jane Fatcher, Meg Courtney, Beth Lang, Loretta Houck, The Fairgrounds, all the performers, the volunteers and everyone who came for making this so memorable. And it made money: more than \$3500.