**Minutes of the KX FM Board of Directors**

**April 30, 2021**

**Via Zoom**

Present: Liz McCusker, Jerry Price, Thomas Carpenter, Jonathan Katz, Nia Evans and Tyler Russell

The meeting was called to order by President Liz McCusker at 4:30 p.m. via Zoom.

The first order of business was to review the management letter from the auditors and their suggestions –

1. Cash vs Accrual. As there are limited staff and a very part time bookkeeper it is not feasible to do accrual accounting and many not for profits also do cash based accounting so no changes by the board are recommended.

2. Financial Statements – year end adjustments from auditor were not made in 2019 and therefore the financial statements might not match audit. The board directed Tyler to make sure that he gets the Adjusted Journal Entries for 2020 from the auditor and to enter them at 12/20.

3. Capitalization. The auditors pointed out items are not being capitalized and instead are just included in various expense accounts. Tyler and Alyssa need to look at what the policy says about Capitalization amounts and then to begin to capitalize items that are that amount or more.

4. Segregation of Duties – With such a small staff this will remain difficult and it is not reasonable for the board to look at monthly check registers, but Alyssa and Jayne can and sign-off each month. Additionally, a new policy regarding check signing/authorization amounts will be implemented including when a payment requires a second signature and/or board approval/signing.

With that, Liz commended Tyler and staff on the “best” management letter with fewer observations since beginning and the audit was unanimously approved as presented.

Next, Liz announced the resignation of long-time board member Thomas and everyone thanked him for his service. His resignation was accepted with regrets. It was also discussed that a goal is to continue to find more representation from Laguna Beach area over the next 6 months. Tyler discussed an advisory board member, John Church, as a possible addition. He will speak with Mr. Church and have him complete an application and sign the board responsibilities and once received will email out for a vote. Tyler and Alyssa will continue to identify 2-3 additional prospects beginning with looking at the current advisory members.

**Management Report**

Tyler discussed the current staff changes that went out in a recent press release and became effective April 26th. He will continue on the payroll for the next several months as a consultant, mentor and as Founder. Alyssa is the new GM, Erica is now Music Director and Jayne is Director of Development. 3. Tyler’s quote un quote departure from the radio station.

He next presented the proposed contract of his new company Snippet and use of the station for recordings at a monthly set fee of $500. Discussion followed with assurance that there will be no assumed on air promotion of Snippet unless they purchase underwriting. On a motion by Jonathan and second of Nia the contract was approved to be signed.

Tyler next shared that there are many station physical improvements that need made including fixing the new flooring and re-vamping the current cubical arrangement. He had received a quote from Julie Laughton for $13,000. The board felt this was an excessive amount for such a small job and required Tyler to obtain at least two other bids for this job and move forward from there.

The next program report involved a request from City Council member Peter Blake to do a volunteer show. Tyler reported that this is legal only if all other Council members are at least invited to have their own show as well. The board decided that having possibly so many Council members was not the mission of the station and that unfortunately will have to tell Peter not at this time but will re-consider after he has finished serving.

Lastly, Tyler discussed a new show, Tune In, an unbiased public affairs format, which will be underwritten by Michael Ray with no naming of donor or influence of donor. The board approved this new format.

**Finances**

Tyler then moved to the financials of KXFM announcing that another CPB grant of $189,000 has come in which is reflected on the distributed Income Statement reflecting positive net income to date of over $140,000 and plans are moving forward for Taste of Laguna in October and Take Over so revenues should remain positive. The financials as presented were unanimously approved.

The board then discussed Tyler’s proposal to raise Alyssa’s pay so that she makes more than the other full time employees, whose rates are so high due to California’s minimum salary thresholds. The board approved, on a motion by Jerry and second of Jonathan, an increase in pay for Alyssa to $60,000.

**Planning Ahead**

Alyssa and Jayne will begin to attend all future board meetings and give their own reports.

A June meeting will be scheduled soon.

Nia and Tyler are scheduling an Advisory Group meeting very soon.

And finally, Jerry reminded that the minutes from the December meeting needed to be approved with the correction of changing a blank line to the date of the meeting of December 17th. The minutes were then approved as presented.

Being no other business, the meeting was adjourned by Liz at 5:30 p.m.