

Marfa Public Radio
Board of Directors Meeting * Minutes
Mimm's Ranch, Marfa TX, January 24, 2015

Attending: Jim Byerlotzer, Royce Mitchell, Ginger Reeder (phone), Bill Dingus (phone), Lee Anna Good, Chris Douridas, Eugene Sepulveda, David Chappell (phone)

Absent: Ginger Griffice, Kathy Bork

Staff: Tom Michael, Sara Melancon, Lorne Matalon, Michael Camacho, Travis Bubenik

The meeting was called to order at 11:06 AM.

Minutes of the December 19 meeting were approved unanimously; motion made by Good with second by Sepulveda. The board approved the final price (\$120,000) of the sale of the house; Dingus made motion, Sepulveda seconded, all in favor.

Michael detailed lease terms with KRTS Tower landlord (the Robisons) and KRTS Tower tenant (Fiberlight). The lease extension with landlord emphasized profit sharing and road maintenance.

The GM Report recapped highlights since the last board meeting, with an overview of operations in 2014. Of the four goals from last year, Michael shared achievements in integrating new staff, making programming improvements, and expanding news coverage. The fourth goal - establish strategic multi-year plan - was not completed, but it was realized in part through the work with consultants Public Media Company. Michael ran through Q4 metrics (news curation, original features, social media metrics), and described ongoing initiative, such as the Youth Media project with PBS Newshour. He walked through changes in programming. Byerlotzer remarked on the similarities between KRTS and KXWT schedules.

This spurred a discussion on signal interference, which Camacho explained to the board.

Next, there was a discussion on financials. Sepulveda moved to accept the financials as presented, Good seconded; all were in favor.

Byerlotzer pointed out pages he requested be a part of the board packet regarding board responsibilities. He reminded everyone that fundraising is a board effort.

The meeting topic moved to the CPB Collaboration. Michael outlined the proposal to receive funding from CPB if Marfa Public Radio collaborates with Basin PBS. Initially there was a much larger amount, but CPB said no. MPR will

re-approach with a slimmed down proposal for a shared development director. There was re-confirmation from earlier discussions that the board was not interested in merger. There was a discussion of the different types of development directors, underwriting, membership, etc. followed by talk about brands, logos, and identity.

The board took a lunch break at 12:33 PM, and resumed at 12:42 PM.

The board resumed by next discussing the preliminary development plan for 2015. Michael pointed to the grant calendar matrix in the board packet, hoping board members may know some individuals on these boards. The goal for the KXWT Spring Drive (March 25 - April 1) is \$50,000 and for the KRTS Spring Drive (April 9-16) is \$75,000. Sepulveda inquired about the percentage increases.

Byerlotzer recommended that KRTS personalize letters, and Sepulveda recommended board members send personal thank you's, as well. Michael discussed how sustaining membership is better than one-time donations. Part of the CPB grant would fund a search firm to scout and recruit a development director. Michael presented the yearly events - Viva Big Bend and the El Cosmico Pancake Breakfast - that pull in about \$4,000 each. There were no additional planned events at the moment.

Byerlotzer announced that Good agreed to chair the Development Committee. Chappell, Douridas, and Reeder volunteered to be on the Development Committee, as well.

Discussion turned to talk about future stations and future branding opportunities.

Byerlotzer asked about programming differences between the two stations, Michael responded with 11%. Douridas offered his programming from KCRW as a donation to the station.

Sepulveda indicated his interest in a new marketing plan. Bubenik suggested we keep in mind how the stations maintain dual identity during programs like Morning Edition when we are thinking about branding.

It was agreed that no executive session was necessary.

Sepulveda moved to end the meeting, Byerlotzer seconded. The meeting was adjourned at 2:27 PM. Some members of the board then took a tour of the new station.

Marfa Public Radio
Board of Directors Meeting * Minutes
Shared Spaces, Midland TX, April 18, 2015

Attending: Jim Byerlotzer, Royce Mitchell, Ginger Reeder, Bill Dingus, Lee Anna Good, Ginger Griffice
Attending via Skype: Eugene Sepulveda (Marfa), David Chappell (Fort Davis)
Absent: Kathy Bork, Chris Douridas
Staff: Tom Michael, Sara Melancon, Travis Bubenik (Skype)

The meeting was called to order at 10:06 AM.

Minutes of the January 24 meeting were approved unanimously; motion made by Good with second by Reeder.

Michael presented his GM Report, recapping recent events and announcing the visit by the NPR CEO's daughter and by Generation Listen later in the month. He walked through the Dashboard items line by line. He said the KXWT Drive would achieve its \$50K goal. The KRTS Drive was trailing from its \$75K goal, at a pace similar to last Spring, and so further work was needed in terms of major donor solicitation and second renewal letters, plus full board participation. Sepulveda advised the renewal letter should tell a story.

To date, the donors to the Spring Drives appeared lower than in previous years, though some of this was offset by a rise in monthly sustainers. Reeder noted the slight decline in 2013-14 on the combined KRTS Drives, showing a 9% dip from 886 to 804. Byerlotzer actively solicited Spring Drive donations, sharing reactions of surprise by some that "public radio was back" in the Permian Basin, while Dingus pointed to the need for more advertising. Chappell noted the difficulties of a smaller staff and stressed the need for Development Director, even if it was a temporary hire.

Michael outlined the total minutes and total percentages of off-air time for each market, categorized as internal and external errors, and then circulated the incident logs. Michael listed all underwriting and grants for the year, past and present. He recapped a recent visit by the Still Water Foundation. With the maturation of all the Founder's Circle gifts in 2015, it was suggested that the givers be approached again.

Mitchell led a discussion of the first quarter financials, noting that cash was \$125K less than this time last year, reflecting operating expenses. He kept the focus on the entire enterprise, rather than on the different class categories, or stations. He noted \$33K net income loss against budget for the period, which closely corresponded to the income shortfalls in grants (-\$13K) and membership (-\$21K), which were previously discussed as issues of timing.

Mitchell pointed to the cashflow, showing negative cash balance by August. This differed from January's cashflow, which indicated negative cash by September. He suggested "you don't save your way to prosperity" and "you won't find solutions in expenses," but that the board look at improving revenue or other measures to improve cash. One suggestion was to make appeals to foundations that invest in debt reduction or bricks-and-mortar capital campaigns. It was noted that there was no real capital campaign for the renovations to the rental property in the new studios, which was one of the reasons for revised cash balance figures for the month. At least \$35K was never raised for the renovation of Mallory's building. The board discussed the efficacy of debt consolidation. One of the organizations three separate loans was set to expire at the end of the year. The negative cash balance projected for August remained a concern.

Dingus suggested the editorial team resuscitate the non-profit-of-the-month feature. Chappell suggested Jane Boles help plan an event. Byerlotzer suggested looking at the Arts Council of Midland calendar in order to find a date for an event that would conflict with few events. Reeder suggested David Fanning of Frontline as a guest, who could be enticed by an offer to go hunting.

The Q1 Financials were approved for acceptance by unanimous vote, with Sepulveda as first and Good as second. Michael mentioned the ongoing audit.

Next, there was a discussion on financials. Sepulveda moved to accept the financials as presented, Good seconded; all were in favor. Dingus made a suggestion to pass along about the design of the 'W' in the logo for West Texas Public Radio identity.

Michael detailed the CPB development plan, noting that if accepted, the organization has not budgeted for it.

The group discussed the FCC auction for construction permits in West Texas: for Presidio, Big Spring, Marathon, Sanderson, and Mertzson. There was discussion of mission, of coverage, and of costs. Michael would approach the Presidio School District to see if there was monetary support available, in addition to the letters of support. Michael said the KRTS Advisory Board in recent years was focused on bringing a public radio signal to Presidio. The auction is set for late July, but the initial paperwork would likely be due in mid-June. Marie Hall or people around her would be approached to inquire about the potential of a stronger signal in Big Spring.

Cory Van Dyke of Marfa was nominated to the board, after Byerlotzer's motion and Good's second; all voted in favor. Dingus suggested that

philanthropists, such as Ros Grover, be considered in future additions, since they are equipped to work within donor peer groups.

Chappell inquired about executive session, but none was called. In open session Chappell asked Byerlotzer to comment on his 3.5 months of board leadership, which he did. There was discussion of the allocation of expenses between Marfa and Midland. Mitchell indicated his interest in addressing the financials at an enterprise level, but indicated he would meet with Michael over cost allocations by class.

The meeting was adjourned at 11:51 AM.

Marfa Public Radio
Board of Directors Meeting * Minutes
Marfa Public Radio Corp, Marfa TX, July 25, 2015

Jim Byerlotzer called the meeting to order at 10:02 AM.

Jim Byerlotzer, Ginger Griffice, Eugene Sepulveda, Kathy Bork, Cory Van Dyke, Bill Dingus, Lee Anna Good, and Royce Mitchell (Skype) were in attendance.

The minutes of the April 18 meeting were approved unanimously, with the motion made by Eugene Sepulveda, and seconded by Lee Anna Good.

There was an update on the auction for the Presidio construction permit. At the time of the meeting, Marfa Public Radio was leading the bid at \$2,000. The board discussed the price of a maximum bid, targeting to \$20,000. They discussed ongoing costs of a repeater.

Tom gave the board an update on the second quarter. This included experiencing difficulties with low cash flow and few staff members through the summer. He said he had been working with Kathy Bork on foundation applications, and that the station's new status as NPR members meant KRTS would be receiving some discounts. Additionally, issues with the Alpine transmitter and prospects for engineers were discussed. Lastly, Tom informed the board of a number of upcoming events.

Next on the agenda was financials. There were expectations the organization would be cashflow negative in the second half of 2015, possibly as early as July. Tom noted there were outstanding pledges, but that the station was not pulling in as many donations and underwriting as expected. Royce asked what we could be done to internally save cash and address the debt. Tom posed the idea of selling Stay Marfa. The board discussed the pros and cons of having a house for interns, as well as pros and cons of maintaining a separate building. There was also a discussion about the internship program itself. Bill suggested that interns be paid in the future. Eugene supported the use of the building. Lee Anna said that maybe the assumptions for purchasing the building had changed. Royce said it wasn't part of the core business and that selling the house is a long-term solution to a money drain, but in the short-term, the organization needs to raise more. Eugene said he wanted an executive session.

Bill moved to get a sales estimate on Stay Marfa and Kathy seconded. Eugene said he wanted to shop it around outside of Marfa. Ultimately, the board voted to investigate the feasibility of a sale. All were in favor.

The discussion then moved again to the money shortfall. Jim said the station needs to address it immediately and begin planning for next year.

Next, Kathy addressed the outdated bylaws. The board moved through the bylaws and discussed each mark that Kathy made. Certain items required further clarification.

Afterward, Cory asked where the station was in the process of hiring a development director. Tom said the station is still in the process of interviewing. It was suggested that the station use a headhunter to find someone. Eugene said the board needed to be approached if this method was to cost over \$5,000, and Lee Anna said the search needed to be more aggressive.

The staff was dismissed and the executive session was called to order.

When staff returned, Jim motioned to authorize up to \$5,000 to be used for a search firm. Kathy seconded. All were in favor.

Finally, there was a discussion about additions and subtractions from the board. Earlier, David Chappell and Ginger Reeder submitted resignations to the board. Eugene moved to accept the resignations, Lee Anna seconded, all were in favor.

Two new board members were discussed. Kathy moved to them, former board member Elizabeth Rogers and Alpine resident, Katie Ray. Bill seconded. All were in favor. There was a discussion about bringing in a more diverse group. Eugene said the station needed to make a matrix for board expansion.

Jim adjourned the meeting at 11:55 AM.

Marfa Public Radio
Board of Directors • Meeting Minutes
Marfa Public Radio Corp, Marfa TX, October 24, 2015

Attending: Jim Byerlotzer, Ginger Griffice, Kathy Bork, Katie Kucera, Lee Anna Good, Cory Van Dyke, Royce Mitchell (phone)

Absent: Chris Douridas, Eugene Sepulveda, Liz Rogers, Bill Dingus

Staff: Tom Michael, Sara Melancon, Wesley Smith, Travis Bubenik

Interns/Guests: Jackson Wisdorf, Diana Nguyen, Sarah Vasquez

The meeting was called to order at 11:03 AM.

Introductions were made to new board members, new staff, and new interns. Minutes of the July 25 board meeting were approved by all directors; Bork made the motion and Van Dyke seconded.

Michael delivered an update on the third quarter. The positives included a good working team, the rebounding of underwriting, a strong news product, and the ability to fundraise without development personnel. The concerns were improving back-office backlog, standardizing underwriting traffic, cultivating and compensating staff, bridging the gap in institutional knowledge, and saving for maintenance costs.

Michael recapped recent events (Rural Philanthropy Days, Texas Gavel Awards, Texas Tribune Festival), including the CPB Board Retreat, a gathering of thought leaders called "The Future of Public Media." He discussed the FCC wait for a construction permit for the Presidio frequency and previewed upcoming events: Texas Tribune Festival, Host Exchange, NPR Regional Meeting, and Beers of the Basin. The board discussed options for a 4-wheel drive vehicle.

Smith discussed engineering improvements, including fixing the KRTS generator, maintaining the transmitter, extending studio backup power, and sweetening the studio sound. Byertlotzer reviewed KXWT downtime and Van Dyke asked about bypassing the KRTS transmitter during times of regional outages.

Mitchell reviewed the audit and the latest financials. He reminded all that, since the budget was first approved at the beginning of the year, we had been predicting negative cash-flow by summer or fall. Byertlotzer tallied recent underwriting and Michael outlined upcoming grants. Mitchell said we were under-budget on the revenue side but also on the expense side, highlighting debt service as a cash drain.

Mitchell suggested an outside consultant for organizational review and Byerlotzer recommended Renee Comstock. Bork made the motion that costs not exceed \$11,000, Good seconded; all approved.

The board discussed fall fundraising and the push for sustaining members. Byerlotzer suggested all buy tickets to Beers of the Basin. The KXWT Development Manager will start in 2016, and the Abell-Hanger Foundation has dedicated funding via Basin PBS for a shared development person for a 3-year period. Good suggested we budget money for development training.

Michael made the board award of the diversity statement, and asked all directors to sign the conflict of interest policy. Byerlotzer discussed having a board matrix and a new dashboard at the next meeting.

Sepulveda had submitted his resignation. Byerlotzer motioned to accept it, Van Dyke seconded; all approved.

Executive session was held from 12:20 to 1:05 PM, with a discussion of new development staff, selling the apartment building, and the intern program.

Back in open session, Byerlotzer moved to sell the apartments, building upon the board's vote in the July meeting. Good seconded and the vote passed unanimously. Next Byerlotzer made a motion to accept the extended payment plan of \$50,000 through May 2016 that Michael had negotiated with Public Radio Capital. Bork seconded and all approved.

The meeting was adjourned at 1:11 PM.