

LOUISVILLE PUBLIC MEDIA
Board of Directors Meeting Minutes
May 28, 2019, 3:30 p.m.

Board Members Attending: Brenda Hart, Keith Runyon, Linda Ewald, Todd Lowe, Andrew Simon, Eric Carrig, Tyler Allen, Ann Coffey, Gail Becker, Wendy Sirchio, Abby Shue, Gill Holland, Heather McHold

Board Members Absent: Susan Moss, Muhammad Babar, Jose Donis, John La Barbera, Peter Wayne, Nima Kulkarni, Nichelle Freer

Staff Attending: Stephen George, Ellen Oost, Dennis Stovall

Todd Lowe called the meeting to order at 3:38 p.m.

- I. Todd welcomed everyone and asked the Board for a review of the March meeting minutes. With no questions or requests for revision, a motion was made by Ann Coffey to approve the minutes, seconded by Gail, and all voted in favor of approval.
- II. Todd introduced Stephen to present the proposed FY20 budget.
 - a. FY20 will be a launchpad year. We will work to learn more about our audience, our market, and our headroom for growth. It will also require new investments.
 - b. The FY20 budget includes projected revenue of \$6,637,493. This assumes growth of 6% in underwriting, 9% in membership, 15% in grants and 34% in major gifts.
 - i. For context, Stephen presented a chart showing historical revenue (from FY15-FY18) vs. proposed FY20 goals and projections for FY21 and FY22 based on the strategic plan.
 - c. Budgeted expenses for FY20 total \$6,911,635. Salary expenses are projected to increase by 7% over last fiscal, which includes a cost of living increase (staff 2%, managers 1%), the addition of new positions approved within year one of the strategic plan, and filling vacancies.
 - d. The proposed budget reflects reduced variable expenses as well as reductions in other categories including programming, travel and development, parking, consulting and legal expenses.
 - e. This budget includes expenses and revenues for the first year of the newly approved strategic plan:
 - i. We have secured a grant for the research aspects in the strategic plan, including a digital analysis and implementation, three years of D,E,&I work, and market/audience research.
 - ii. Investments in growth are included in the FY20 budget: an additional development officer, part-time human relations specialist, and contract work for the digitization of the WUOL music library.
 - f. The FY20 budget includes a projected \$319,142 draw from reserve accounts, which will be a decrease from \$550,000 in FY19. The market has performed well and we have earned back our investment to keep the account stable despite these draws. This plan includes a goal to eliminate the need to draw on operating reserves in FY21.

- g. Stephen briefly provided an overview of the FY20-22 outlook in the three-year budget:
 - i. Aggressive revenue projections. Average over 3 years: Underwriting growth of 5%, membership 10%, major gifts 26%. Grants vary by landscape and programs. We are adding a goal to create new revenue streams and increase them each year.
 - ii. We will learn a lot from our research and experimentation in FY20. We want to know how many people we can serve, how well we can serve them, and what that means for LPM operationally.
- h. Stephen then took questions and comments:
 - i. Todd charged the finance committee to propose a policy to the board for use of the reserve fund going forward.
 - ii. Gill asked if LPM should consider investing in linked, mission-centric startups – which might be high-risk but include a local investment/impact.
 - iii. Gail mentioned that it takes a while to show big increases in major gifts. She mentioned that Stephen and Ellen have done a great job cultivating new major gifts. She also mentioned that we need to leverage the grant we received for our strategic plan work. It sends a powerful message, and is a down payment on the future of the organization. Donors will be happy to hear about it.
 - iv. On behalf of the finance committee, Abby asked for a motion to approve the budget, knowing we would modify future years based on what we learn in FY20. Gail seconded the motion and all voted in favor.

III. Finance Update: Abby Shue

- a. Abby provided an update on where we stand with financials compared to projections at the end of April:
 - i. Underwriting and membership are a bit behind.
 - ii. Did not see the success in the April membership drive we had hoped — something we learned many peer stations (and other nonprofits) also experienced.
- b. We continue to overperform in grant revenue.
- c. Our cash position is stable and the Finance Committee has asked for regular reporting regarding cash flow in FY20.

IV. Development Committee: Gail Becker

- a. We are currently 82% toward our FY19 major gifts goal, counting 56 major donors. We have \$65,000 left to raise before June 30. We have some big asks out but probably won't meet our ambitious goal.
- b. We mentioned the efforts to include membership more in tabling and outreach events. 13 new members signed up at the May After Hours at the Speed.
- c. We hosted Jeremy Hobson from *Here & Now* in the studios with members last week and will host NPR's Howard Berkes for a luncheon on Thursday focused on KyCIR. We also have the June 8th *Live From Here* event on the horizon – lots of opportunities for donor stewardship and cultivation.
- d. We are also working on adding non-board volunteers to the development committee and will soon begin reaching out to make invitations.

V. Diversity, Inclusion & Community Engagement Report: Tyler Allen

- a. DE&I is a central part of the strategic plan. We now have funding through the grant mentioned earlier. We're excited to start and will have updates in the next meeting.

VI. Board Leadership & Governance: Andrew Simon

- a. We have several members up for re-election: Gail, Tyler, Andrew, John. Andrew sought comments and/or a motion to re-elect these members who we'll consider as a slate.
 - i. Heather made motion, Gill seconded. All voted in favor and Gail, Tyler, Andrew and John were all re-elected for another term.
 - b. We still have outstanding items related to the conflict of interest policy. Tom Williams and Andrew are meeting next week, so please stay tuned.
 - c. Andrew also welcomed Gill back, now that his leave of absence has concluded, for one meeting (since he is retiring at the close of FY19).
- VII. Other Business: Todd referred to the proposed process (drafted by Andrew and Ann) in the packet for formalizing the President's review process.
- a. Todd asked Stephen to provide a self-assessment of his performance over the last year on these proposed tenets (which have just been established). He also asked Stephen to present a set of goals for the coming year.
 - b. Todd asked for a motion from the floor to adopt the policy, which was reviewed in great detail by the Executive Committee in a special session.
 - i. Gail made a motion to approve the policy. Her motion was seconded by Keith and all voted in favor. With none opposed, the policy was therefore adopted.
 - c. Stephen presented his assessment and goals, and suggested he use the tenets in the policy to provide a framework for his regular board updates.
 - d. Todd asked the Board to consider these goals as well as metrics for these goals and to send thoughts to Stephen.
 - e. Before moving the Board into executive session to review the Executive Committee's recommendation for Stephen's FY20 compensation, Todd thanked two retiring Board members:
 - i. Thanks to Gill Holland for nine years of Board service. His creativity has resulted in many iterations of what we provide the community. He is leaving us in a position of strength, poised to explore how much further we can go. We greatly appreciate his thought leadership and partnership.
 - ii. Nichelle, who has been a great facilitator of our partnerships with youth in the community, could not attend today but we also thank her for her service.
- VIII. Other Business: Eric reminded the group of the July 23 Board Retreat at the Speed Museum. Brenda, Linda, and Ann cannot attend. Bob Taylor has agreed to facilitate.
- IX. Todd moved the meeting to Executive Session at 5:08 pm.
- X. Todd reopened the meeting to the public at 5:25 pm, thanking the Board for his tenure as Chair being longer than originally planned. He looks forward to "handing the reigns" to Eric.

The meeting was adjourned the meeting at 5:26 pm.