

WJFF Radio Catskill Board of Trustees

[Approved, June 17, 2015]

Wednesday, May 20, 2015
Callicoon Town Hall
Jeffersonville, NY

Trustees Present: John Bachman, Barbara Demarest, John Gordon, Kevin Gref, Lawrence Grosberg, Sonja Hedlund, Ken Hilton, Anne Larsen, Midge Maroni, Patricia Pomeroy, Martin Springhetti.

Trustees Absent: Tasa Faronii-Butler.

Note: Joel Sanchez resigned from the Board on April 19 via email to Sonja Hedlund, Board President. Mike Fisher resigned from the Board on May 11 via email. Three of the fifteen Board seats are vacant; A quorum of the Board remains 8 trustees.

Also present: Adam Weinreich, General Manager and several members of the public.

1. Call to Order

A regular meeting of WJFF's Board of Trustees was called to order by Sonja Hedlund at 6:36 p.m. A quorum of the Board was established.

2. Public Comment

A request was made by a member of the public to add a Public Comment period at the end of the meeting.

A motion was made by Ken Hilton to add a Public Comment period toward the end of the meeting, allowing three minutes maximum per person for comments. Seconded by Lawrence Grosberg. All in favor; none opposed. Motion carried.

3. Revisions to Agenda

The discussion of the Diversity Policy was moved ahead in the agenda to immediately follow the executive session.

Anne Larsen requested that discussion of email communication be added to the agenda.

4. Executive Session

A motion was made by Patricia Pomeroy to enter closed executive session to consider the purchase of property as well as to consider matters related to individual employees. Seconded by Ken Hilton. All in favor; none opposed. Motion carried; The Board of Trustees entered executive session at 6:47 p.m.

A motion was made by Midge Maroni to exit closed executive session. Seconded by Barbara Demarest. All in favor; none opposed. Motion carried; the Board of Trustees re-entered open session at 7:59 p.m.

A motion was made by Patricia Pomeroy to present a written offer to purchase a specific parcel of property on Elk Point Rd. in the Town of Liberty. Seconded by Martin Springhetti. All in favor; none opposed. Motion carried.

A motion was made by Patricia Pomeroy to apply for an equity line of credit to provide funds for the tower projects against a property owned by Radio Catskill up to the maximum amount the bank will allow and to make that application to three banks in the region--First National Bank of Jeffersonville, Catskill-Hudson Bank, and National Bank of Delaware County--in order to determine their rates and availability. Seconded by Martin Springhetti. All in favor; none opposed. Motion carried.

A motion was made by Patricia Pomeroy to apply for a grant through the New York State Grants Gateway Empire State Development for the tower project by July 31, 2015 and to allow the Transmitter Site Advisory Committee to pursue other sources of grant funding such as the Sullivan County Industrial Development Association. Seconded by John Bachman. All in favor; none opposed.

A motion was made by Patricia Pomeroy to allow a member of the Transmitter Site Advisory Committee to approach the Town of Liberty regarding the availability of building permits to erect a tower under the category "Permitted Uses: Essential Services" of the town's zoning law. Seconded by Ken Hilton. All in favor; none opposed. Motion carried.

A motion was made by Patricia Pomeroy to authorize Adam Weinreich to explore a written rental option agreement for a temporary location for our broadcast transmitting antenna, should it be needed. Seconded by Anne Larsen. All in favor; none opposed. Motion carried.

A motion was made by Anne Larsen stating that, on the advise of our accountant, the Personnel Committee recommends WJFF Radio Catskill will establish a 403b retirement plan for full-time employees; The Personnel Committee further recommends that WJFF Radio Catskill match employee contributions up to 1.5% of the gross salary to this 403b in 2015; In relation to retroactive retirement payments for prior fiscal years 2013 and 2014, the Personnel Committee recommends that a one time payment equal to 1.5% of gross salary during this period be paid to each full-time employee. Seconded by Patricia Pomeroy. Opposed by Barbara Demarest; All others voted in favor. Motion carried.

5. Diversity Statement and Policy

Motion: A motion was made by Martin Springhetti that the Diversity Statement and Policy be amended to include only the first seven paragraphs, ending with word "criteria". Seconded by John Bachman

Discussion: *The argument was made that the sections being removed are part of the CPB requirement. In favor of the motion, it was argued that the sections being removed are not policy.*

Vote: *John Gordon, Lawrence Grosberg, Patricia Pomeroy, Martin Springhetti, Ken Hilton, Barbara Demarest, and John Bachman voted in favor; Anne Larsen, Kevin Gref, Midge Maroni, and Sonja Hedlund opposed. Motion carried.*

Motion: *A motion was made by Anne Larsen stating that, in compliance with CPB Community Service Grant requirements, the Board of Trustees approve the elements of the Diversity Statement and Policy removed in the previous motion as a document titled "Diversity Implementation and Annual Goals." Seconded by Midge Maroni.*

***Vote: Martin Springhetti abstained; All other trustees voted in favor; none opposed.
Motion carried.***

6. General Manager's Report

[See attached report.]

A motion was made by Ken Hilton to authorize the General Manager to apply grant opportunities which he feels will help further the station's mission, seeking board approval if significant impact on station resources will be necessary to apply or participate in the grant. Seconded by Martin Springhetti. All in favor; none opposed. Motion carried.

A motion was made by Ken Hilton to create a policy that specifies how bequest and end-of-life gifts are handled by WJFF. Seconded by Patricia Pomeroy. All in favor; none opposed. Motion carried.

A motion was made by Ken Hilton to authorize the General Manager to inform and update the public on the status of WJFF's tower/transmitter situation through print, online and social media with respect being paid to sensitive and confidential information. Seconded by Patricia Pomeroy.

Discussion: Concern was raised that sensitive and confidential information be respected. It was also asserted that no calls to action be asserted.

Result: Following the discussion Ken Hilton withdrew the motion as unnecessary. No vote was taken.

7. Committee Reports

A. Transmitter Site Advisory Committee

Sonja Hedlund reported on the activities of the Transmitter Site Advisory Committee. No deadline for needing to leave the County's tower has been issued. Alternative locations on the tower are being pursued as a way to extend our stay on the tower.

B. Nominating and Governance Committee

Midge Maroni reported that the Nominating and Governance Committee has been interviewing potential candidates for the Board Election. Eleven candidates have been interviewed and a "rubric" had been agreed upon for evaluating candidates. A list of candidates was presented to the Board. [See attached report.]

Discussion followed regarding the process of electing incumbents versus new candidates. Some trustees spoke in favor of separate vote for incumbent trustees. Others spoke in favor of voting for all in candidates, including incumbents, in a single election.

Motion: A motion was made by Midge Maroni to present a ballot of 10 candidates, based on the ranking of the Nominating Committee, and that each Trustee would vote for 5 candidates. Whichever candidates receive a majority vote would be elected; if less than 5 candidates receive majority votes then a second vote would be held. Seconded by Sonja Hedlund.

Discussion: *In opposition to the motion, concern was raised that the process does not adequately value continuity and experience; the suggested was made that the names be presented alphabetically rather than in order of ranking.*

Vote: *Midge Maroni, Sonja Hedlund, Anne Larsen, Kevin Gref voted in favor; Barbara Demarest, John Bachman, Lawrence Grosberg, Patricia Pomeroy, Martin Springhetti, John Gordon, and Ken Hilton opposed. Motion failed to carry.*

Motion: *A Motion was made by Lawrence Grosberg that the election take place in two stages with the first being an up or down vote on the incumbent trustees followed by another vote to fill the remaining seats with the candidates being presented alphabetically; Whoever receives a majority vote would get elected; Voting would be repeated and second and third time as necessary until other slots are filled.*

Discussion: *Concern was expressed that the proposed process would be undemocratic. Various options were discussed.*

Vote: *Lawrence Grosberg; John Gordon, Martin Springhetti, Ken Hilton voted in favor; Anne Larsen, Kevin Gref, Midge Maroni, Sonja Hedlund, Barbara Demarest and John Bachman opposed; Patricia Pomeroy abstained. Motion failed to carry.*

A motion was made by Barbara Demarest that there be a ballot with 10 names, presented alphabetically with an asterisk by the names of the incumbent candidates; a second vote would be taken if necessary. Seconded by Sonja Hedlund. All in favor; none opposed. Motion carried.

C. Facilities Committee

[See attached report.]

D. Finance Committee

[See attached report.]

E. Personnel Committee

[See attached report.]

Anne Larsen raised an issue, omitted from the circulated report, regarding the posting of committee minutes on the WJFF website as some committee's post their minutes and others do not. Discussion followed on the subject.

Motion: *A motion was made by Anne Larsen to adopt the following policy regarding staff bonuses:*

“Bonuses to WJFF employees are considered part of the overall compensation received by an employee. Bonuses are a discretionary add-on to regular salary, dependent upon budget limitations and provided in recognition of an employee's extra-efforts or exceptional performance. They are not automatic, nor do they carry over from year to year.

“Bonuses require a Board vote authorizing them, separate and distinct from a vote to approve the budget. Exempted from this requirement are minor bonuses (\$250 or below) paid to contractors or others providing services to WJFF.

“Bonuses must be tracked in the station’s bookkeeping system as “bonus” payments separate from regular salary payments. Information about bonuses paid in any fiscal year must be reported to the station accountant for appropriate reporting.”

Seconded by Sonja Hedlund. All in favor; none opposed. Motion carried.

F. Development and Community Outreach Committee
No report was given.

8. Public Comment

One commenter suggested that two tower space rental options be developed.

9. Adjournment

A motion to adjourn was made by Barbara Demarest. Seconded by Anne Larsen. All in favor; none opposed. Motion carried; meeting adjourned at 10:14 p.m.

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WJFF Diversity Statement and Policy

Name: WJFF Diversity Statement and Policy__

Goal: These Diversity documents have been created to comply with Corporation for Public Broadcasting (CPB) requirements, as found in the CPB document CSG Transparency and Diversity Eligibility Policies, July 30, 2014. The “Diversity Statement” and “Diversity Policy” are an amplification of the station’s “Equal Employment Policy” as found in the governance document, WJFF Employee Policies and Procedures, revised February, 2003.

Definitions:

Diversity is the multiplicity of people, cultures and ideas that contribute to the richness and variety of life.

Diversity Statement

WJFF-Radio Catskill knows that a diverse workforce, management team, governing body, and Community Advisory Board contribute greatly to our knowledge and understanding of the diverse communities of the Catskills, Northeastern Pennsylvania, Upper Delaware and Mid-Hudson River Valleys, and to our ability to deliver content and services that will help us attract, grow and engage audiences and help them to achieve their full potential. We endeavor to recruit from a broad pool of candidates enabling us to hire and promote qualified candidates with a variety of cultural and ethnic backgrounds, personal experiences and characteristics, and talents that reasonably reflect the diverse needs and interests of the communities served by WJFF-Radio Catskill.

Diversity Policy

WJFF-Radio Catskill is committed to diversity in its workforce, boards, and volunteers. In the course of its pursuit of exploring and celebrating its community’s cultural heritage, WJFF is committed to programming and event scheduling designed to appeal to and be informative to the region’s demographic spectrum which includes individuals who come from rural and urban communities, multi-generations, many viewpoints, and includes residents of various national and geographic origin, religions, physical ability, sexual orientation, languages, and socioeconomic background.

WJFF strives to ensure that its staff, board of directors and community advisory board are reflective of the diverse population we serve. Additionally, the Corporation for Public Broadcasting’s (CPB) “Diversity Edibility Criteria” require public media organizations to adopt formal goals for diversity and to report annually on steps taken to work toward those goals. These actions are required for all stations receiving Community Service Grants funds (CSG).

To that end, WJFF has set the following diversity goals:

- To recruit and retain a diverse workforce that is representative of our service area.
- To provide equal opportunity in employment.
- To educate our management and staff annually in best practices for maintaining an inclusive and diverse environment for all persons.

- To seek candidates for WJFF's Community Advisory Board who represent the geographically and demographically diverse composition of the many communities we serve.
- To seek diverse candidates for our Board of Directors through the Nominating Committee process.
- To assist in developing a more diverse future workforce with professional skills in the broadcasting/media industry by recruiting diverse candidates for WJFF's internship opportunities and/or by participating in minority or other diversity job fairs.

WJFF-Radio Catskill will continue to explore new opportunities for achieving and promoting this diversity and to monitor and evaluate our success. WJFF-Radio Catskill will adopt methods designed to consistently meet the standards of federal and state law, WJFF's "Equal Employment Policy," and the Corporation for Public Broadcasting's Diversity Eligibility Criteria.

The current makeup of WJFF staff and board includes:

Paid professional staff

Full-time: 2 men

Part-time: 1 woman

All Caucasian

Board of Trustees: 15 individuals, 9 men and 6 women. One trustee is African-American; one trustee is Latino; one is LGBT.

Volunteer Staff: nearly 100 individuals representing 3 generations and several ethnic and socioeconomic backgrounds from within the WJFF broadcast area.

Community Advisory Board: 13 members, 7 women and 6 men. Three are African American; two are Latino, one is a native Egyptian.

Diversity plans in the past two years:

In the past two years WJFF has almost entirely re-populated its board with special attention being paid to trustees representing a variety of diverse backgrounds. At a meeting on July 2014, the Board voted to have the Nominating Committee examine the composition of the Board in relation to geographic and demographic distribution to determine if action is needed to diversify even further prior to the next annual election.

The Community Advisory Board has been expanded to a total of 13 members who better represent the ethnic and demographic profile of the WJFF Community. The Board liaison to this group has reached out to African American, Latino and otherwise diverse members of our community, actively recruiting in order to ensure a diverse CAB.

Diversity plans in the coming period include:

In the coming year, the WJFF Board will actively work to recruit more women, to provide gender balance. It will also work to attract more Board and staff candidates that provide increased ethnic diversity. Specific steps that will be taken to achieve these goals:

1. Include qualified diverse candidates in any slate of candidates for governing boards that the

Grantee controls. Make diversity a heavily weighted criterion in recruitment and selection. In the coming year, the WJFF Board will aim to give priority in its selection of new Board members to residents in the two most heavily populated areas of its listening area that represent the greatest diversity: Monticello and Liberty.

2. Include individuals representing diverse groups in internships or work-study programs designed to provide meaningful professional level experience in order to reflect the diversity of the communities we serve and to further public broadcasting's commitment to education. In the coming year, WJFF will reach out to local schools and SUNY Sullivan Community College in this effort.

For further information, see the Annual Diversity Report on the WJFF-Radio Catskill website: wjffradio.org

General Manager's Report 2015-05-20

Spring Gathering Pledge Drive:

Tally sheet ~\$42,750.
New Sound Supporters: 28 - \$442/mo
Total Sound Supporters: 140 - \$2341/mo
New Members: 46
Total Members: 1,193

Jazz in the City Event:

Ticket Sales: \$5,622
Sponsorships: \$2,550
Raffle Sales: \$1,345
Venue expense: \$4,409
Band expense: \$500
Net: \$4,608

Master Calendar:

Online at <http://www.wjffradio.org/wjff/files/2015WJFFCalendar.doc>
Lists all upcoming events, meetings, pledge drives, etc. Board and Staff only.

Upcoming events:

Auction: May 30th, Jeffersonville Fire Hall
“Something for Everyone” **Donations still needed**, setup crew still needed. Email/call to participate.

Soundings print issue:

Mailed 3215 copies to anyone who donated since 2006.
Total cost print/ship: \$1,743.49
Total volunteer hours: untracked but extremely substantial

Volunteer Coordinator:

After speaking with accountant, determined V.C. hours must be cut to below 30 for the purpose of avoiding a potential lawsuit. VC has been working as Membership Coordinator since 2013 and has also been assisting the manager with office and event management. Presently working to assemble an accurate job description for V.C. Total hours forecast to reach over 30/week. Addition of fulltime Program Director did not alleviate work from GM or VC positions and some tasks got “lost in the shuffle.” VC has been compensated for prior overtime hours worked. Recommend requiring a waiver from current V.C. declining health coverage until budget can be clarified.

Request evaluation of new staffing structure as soon as possible.

Technology Challenges:

Station's computer network is falling into disrepair. In talks with IT manager at Casino/Raceway who has expressed interest in volunteering to straighten us out. Would like to pay him as an independent contractor if budget allows.

Nominating and Governance Committee Report, May 7, 8, 9, 15, 18, 2015, Greenhouse, Jeffersonville, NY, 4:30-8:45 pm; 6-9 pm; 10 am-2pm; 6-7:30pm and 5:30-6:15, respectively.

Attendance: Barbara Demarest; Sonja Hedlun; Kevin Gref; Anne Larsen; Midge Maroni; (absent, Larry Grosberg May 7, 15, 18; Barbara Demarest, unsuccessful phone participation May 15; Anne Larsen and Barb Demarest by phone, May 18)

May 7: Executive session began 6 pm and continued until about 8:30 for the purpose of interviewing 3 candidates. Open session continued for about 20 minutes with the understanding that we would reconvene May 8 and move into executive session to conduct 3 more candidate interviews. We followed the same procedure for May 9 and conducted 2 more interviews beginning around 3 pm. Again, on May 15, we met in executive session from 6-8 pm and conducted 2 more interviews. Finally, on May 18 we interview our last candidate in executive session. We then had a total of 11 candidates for trustee.

Before some interviews and following some, we conducted discussions in open session. A summary follows:

- 1) We received 11 trustee applications and interviewed all. We used the same questions for each candidate based on the questions from 2014 that John Bachman forwarded, and also incorporated suggestions/questions from Pat Pomeroy.
- 2) We agreed upon a rubric to evaluate candidates based on the applications and interviews. The names will appear on the ballot according to the average scores based on the rubric. Any tie scores will follow alphabetically. The candidates include: Mike Fisher; Nancy Green; Ken Hilton; Kit Hulit; Gloria Kuhn; Scott Lederman; Jim Lomax; Van Morrow; Thane Peterson; Gloria Simms; Martin Springhetti.
- 3) With regret and respect, the committee removed the name of Mike Fisher from the list of candidates because he recently resigned.
- 4) Balloting procedures and the list of candidates will be shared with the trustees after the June 4 Nominating and Governance meeting.
- 5) With the recent resignation of three trustees, the committee discussed the idea of a reduced board, such as 11 or 12, or continuing with higher range 14 or 15. They noted number of trustees expanded from 12 to 15 in 2014. Current trustees can express their ideas on the "vote for number" on the ballot.
Pros and cons include ideas such as: more trustees = share the work load; fewer trustees = enhances communications and reduces meeting length.
- 6) Committee noted that most candidates agreed they would like to serve WJFF as a volunteer in some capacity, if they were not elected this term as a trustee. We told candidates, "We're a working board and expect everyone to work."

Submitted by Midge Maroni
May 20, 2015

Facilities and Operations Committee Report to the 5-20-15 BoT meeting

The Committee met on May 15, 2015 at the Studio Building at 6:30 pm. In attendance were: Don Downs, Steve Richter, Martin Springhetti and John Bachman.

We first talked about mowing the lawn. We have a push mower that works. Steve R. has been bringing his personal riding mower from home on a trailer to do the major work. We would like someone to donate a used riding mower in good working condition to the station to simplify things.

The blue communication wire that connect the studio and GH had been broken by a falling branch. We made a temporary repair. A safer, more permanent routing of the wire was discussed.

The driveway to the studio is deteriorating from the freeze-thaw cycle and general use. We discussed options using cold pavement patch and modified gravel. We are also getting an estimate from a contractor to do a hot patch repair. This would be more expensive but be a more permanent repair.

We briefly discussed the lease situation and have not arrived at a motion for the BoT yet.

Jason Dole informed us that JEMS has decided to put a small flower garden under our WJFF sign on 52 and plant more flowers around the Green House. He requested that we appoint a contact person. Thank you JEMS!

Adjournment. Martin Springhetti

WJFF Treasurer's Report

May 2015

The Budget vs. Actual as of 5-5-15 is attached.

The Finance Committee has met to work on a budget revision to bring the 2015 budget to a break-even point. Attached is a spreadsheet reflecting the latest work of the committee.

The most significant revisions are

- All events (revenue as well as expense) have been incorporated into the budget. The second tab on the excel file labelled "events" shows event by event breakdowns. The projections for the Gala and the Holiday Show are ambitious and will require significant effort and support by the BOT to achieve.
- Many "nice to have" but not essential expenses have been cut significantly.
- Several items on both the income and the expense side have been revised to reflect YTD actuals.
- No expense has been included yet for tower rental pending a recommendation from the Tower Committee.

As things currently stand, we are at a budget surplus of \$13,780

The following items remain under discussion:

- Independent Contractors – Engineering We have budgeted \$5000 for Earle. In some years he has donated his services rather than billing for them. Anne suggested that Adam check on his plans for billing or donating this year. We are awaiting a reply.
- Barbara and Larry proposed cutting Legal from \$10,000 to \$5,000. Anne is opposed to cutting the item. Discussions are ongoing. YTD actual is \$4740.
- The initial budget for Office Equipment was \$2000. The committee proposed raising the budget to \$5000 to reflect the installation of the new phone system (YTD actual is \$4985). Anne suggested an increase above \$5000 to reflect needs that may arise during the remainder of the year. Adam did not think there would be additional needs, but is considering the question.

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05/05/15

Accrual Basis

Radio Catskill, Inc.
Profit & Loss Budget vs. Actual
 January through December 2015

	Jan - Dec 15	Budget
Ordinary Income/Expense		
Income		
Benefit Income		
Holiday Show	311.00	
Benefit Income - Other	4,064.90	32,500.00
Total Benefit Income	4,375.90	32,500.00
Benefit Underwriting	2,411.00	2,000.00
Business Underwriting	3,161.85	25,000.00
Car Talk Donations	2,270.87	6,000.00
Corporate Grants	0.00	2,000.00
Draw from Savings	0.00	26,200.00
Foundation Grants	1,500.00	10,000.00
Government Grants	0.00	80,000.00
Grant-YR Grant/Sullivan	0.00	2,000.00
Grants - Other	0.00	10,000.00
In-Kind Income	1,545.50	
Interest	2,220.29	5,000.00
Match	0.00	1,000.00
Members		
End of Year 2014	7,310.00	
Member(Sound Supporters)	6,750.00	15,000.00
Pledge Drive 1	18,648.87	
Pledge Drive 3	1,615.00	
Members - Other	100.00	150,000.00
Total Members	34,423.87	165,000.00
Merchandise	0.00	2,000.00
Miscellaneous		
Sale of T-Shirts etc.	1,358.00	
Miscellaneous - Other	705.00	250.00
Total Miscellaneous	2,063.00	250.00
Paid PSA	0.00	2,000.00
Professional Contribution	1,445.00	
Returned items	5.00	
Total Income	55,422.28	370,950.00
Gross Profit	55,422.28	370,950.00
Expense		
Bank Charges		
Credit Card Fees	937.94	
Bank Charges - Other	37.86	3,300.00
Total Bank Charges	975.80	3,300.00
Benefit expenses		

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Accrual Basis

Radio Catskill, Inc.
Profit & Loss Budget vs. Actual
January through December 2015

	<u>Jan - Dec 15</u>	<u>Budget</u>
25th Anni. Open House	854.01	
Messiah Community	300.00	
Benefit expenses - Other	6,953.01	6,500.00
Total Benefit expenses	8,107.02	6,500.00
Board Training	0.00	2,000.00
Bonus YE Cleaning & Sanitation	0.00	300.00
Broadcast Cable	2,219.67	
Broadcast Equipment (durable)	11,981.96	15,000.00
Broadcast Fiber Optic Cable	0.00	7,000.00
Broadcast Supplies (consumable)	473.90	2,000.00
Conference - Registratration	210.00	1,000.00
Conference - Travel	122.22	1,500.00
Donation	0.00	250.00
Donor Appreciation	0.00	1,000.00
Dues & Publications	235.00	1,500.00
Dues / Fees Programming		
APM Fees	4,479.68	
FAIR	135.00	
Ken Mills Agency	250.00	
NPR Dues	9,836.50	
PRI Dues	1,616.67	
PRI Fees	432.00	
Dues / Fees Programming - Other	0.00	48,000.00
Total Dues / Fees Programming	16,749.85	48,000.00
Engineering Services	433.50	5,000.00
Fundraising/Membership Dr	344.50	3,000.00
Honesdale Studio		
Electricity	700.00	
Rent	1,400.00	
Honesdale Studio - Other	279.80	7,000.00
Total Honesdale Studio	2,379.80	7,000.00
Household Supplies	43.16	1,000.00
In Lieu of Taxes/Jeff Hydro	503.51	1,100.00
Independent Contractors		
Accounting & Bookkeeping	1,797.15	5,000.00
Architect	2,445.00	
Auditor	0.00	8,000.00
Engineering	0.00	2,500.00
News Reporting	2,125.00	6,500.00
Underwriting	426.25	2,000.00
Youth Radio	0.00	2,000.00
Total Independent Contractors	6,793.40	26,000.00
Insurance		

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05/05/15

Accrual Basis

Radio Catskill, Inc.
Profit & Loss Budget vs. Actual
January through December 2015

	<u>Jan - Dec 15</u>	<u>Budget</u>
Health	6,761.56	14,000.00
Liability	0.00	7,000.00
Other insurance	0.00	1,100.00
Total Insurance	6,761.56	22,100.00
Internet	1,521.91	5,000.00
Legal & Professional Fees	4,740.00	10,000.00
Membership Premium Exp	0.00	2,000.00
Office Equipment	4,985.34	2,000.00
Office Supplies & Expenses	1,508.45	2,000.00
Payroll		
Company expense	3,212.98	9,000.00
Gross	42,001.16	123,000.00
NYSUI	769.42	2,200.00
Workers Compensation	1,240.53	1,500.00
Total Payroll	47,224.09	135,700.00
Pension expense	0.00	4,700.00
Postage & Shipping	577.31	1,500.00
Program Fees	10.00	
Promotion & Publicity	2,138.80	2,000.00
RE Taxes	1,280.25	3,000.00
Repairs & Maintenance		
Green House	389.23	
Repairs & Maintenance - Other	1,597.37	
Repairs & Maintenance - Other	1,981.81	10,000.00
Total Repairs & Maintenance	3,968.41	10,000.00
Sewer Tax	0.00	1,000.00
Software	0.00	3,000.00
Soundings	0.00	5,000.00
Sunshine	0.00	250.00
T-Shirts & Mugs	650.00	
Technical Training	0.00	1,000.00
Telephone	1,153.34	3,000.00
Travel		
Mileage	0.00	1,000.00
Travel - Entertainment	93.34	1,000.00
Total Travel	93.34	2,000.00
Utilities		
Electricity		
Green House	149.92	
Hydro	1,658.04	
Monticello & Tower	1,066.78	
Tower	3,873.60	

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05/05/15

Accrual Basis

Radio Catskill, Inc.
Profit & Loss Budget vs. Actual
January through December 2015

	<u>Jan - Dec 15</u>	<u>Budget</u>
Total Electricity	6,748.34	
Fuel - Green House	957.70	
Gas	2,521.60	
Water		
Green House	144.05	
Water - Other	0.00	250.00
Total Water	144.05	250.00
Utilities - Other	0.00	21,000.00
Total Utilities	10,371.69	21,250.00
Volunteer Appreciation	57.00	2,000.00
Total Expense	138,614.78	370,950.00
Net Ordinary Income	-83,192.50	0.00
Net Income	<u>-83,192.50</u>	<u>0.00</u>

The Committee has met twice since its last report to the Board. These meetings were on April 9 at 4:30pm and May 6 at 6:30pm. Four members were present at these meetings at the Green House, John Bachman, Kevin Gref, Mike Fisher and Anne Larsen. A member of the public, Steve Richter attended the April 9 meeting and trustees Sonja Hedlund (President) and Midge Maroni (Vice-President) attended the May 6 meeting.

At its April 9 meeting, the Committee reviewed the Employee Evaluation process that is a self-evaluation based on the matrix of their goals and objectives. This is preliminary to the 360 evaluation to be completed by October. The 360 will be a full scale process to include comments from a variety of WJFF constituencies. All findings will be compiled and presented to the Board to comply with the Employee Annual Review requirements.

The Committee reviewed the employee retirement plan noting that information about these accounts is still lacking. An info sheet providing background on the creation of these employee SEP-IRA plans with employer contribution, which replaced 403b plan without employer contribution in 2010, is attached to this Report.

The Committee has provided the CAB with a copy of the WJFF draft Employee Handbook, copies of all comments received, 2003 and 1998 Employee Policy, and a copy of the Lawyer's Alliance of NY Handbook, for their review.

The Committee discussed "Taking the High Road: a Guide to Effective Legal Practices for Non-Profits" that Mike had ordered. It was noted that sections pertaining to Employment-at-Will voiced similar concerns as Laurie McFadden against the possible erosion of principle of at will employment that protect the organization. Other similarities between our Handbook and "Taking the High Road" were noted. John discussed an article that came from NFCB list that explained protections for employees and stressed the need for a termination policy.

The Committee discussed the need to find the job description, ad for, hiring of, and pay info for the Volunteer Coordinator to better understand the intention for that position. Issues related to classifying an employee as part-time, while working full time hours, overtime for work over 40 hours, benefit and other issues raised by Accountant in March meeting were outlined.

A motion concerning recommendations on the retirement plan for individual employees, which was discussed in Executive Session at this meeting, was approved and will be brought to the May 20 meeting of the Board for discussion in Executive Session.

At its May 6 meeting, the Committee reviewed its progress up to date on the Employee Self-Evaluation. The timetable for full review and meeting with employees needed to be pushed back to June due to staff and Committee member absences.

The Committee decided to delay further action on the Employee Handbook until the report from the CAB was received. Efforts to solicit advice from other non-profit organizations and pro-bono legal help are ongoing.

The Committee decided to bring forward to the Board a motion concerning the Bonus Policy, approved at its February meeting, but intended to be part of the Employee Handbook. This was done, since work on the Handbook is delayed, the Bonus Policy involves discretionary expenditures, and Board is concerned with fiscal restraint.

The Committee reviewed the position of Volunteer Coordinator. This item had been on our agenda for several months, but had been delayed due to priority work on other matters. We determined that this was an hourly part-time position, that no ad existed since the current Volunteer Coordinator had been appointed without advertisement to the position by Winston Clark to replace Nick Forte. Nick Forte worked a 20 hour per week schedule, and until Winston resigned, the per-week hours for the current Volunteer Coordinator were 20 hours or less. These hours increased after his resignation and had not decreased after the hiring of a second full time employee. John pointed out that his own duties as Membership Coordinator, which had been at 8-9 hours per week, were added to Volunteer Coordinator's workload when he quit, so that would add up to 28-29 hours. We discussed that there was no job description, no letter of agreement citing annual salary and benefits, and no evaluations in the files, unlike for those people who had the full-time position.

Sonja had requested time to speak at our meeting to discuss the Accountant's advice at her Audit visit to the station earlier in the day. The Auditor repeated her advice that the Volunteer Coordinator's hours should be kept under 30 hours a week since this was a part-time position without benefits, that any emergency conditions that caused work above 40 hours needed to be paid retroactively as overtime, at time and a half, and that failure to reduce hours below 30 put the station into liability for benefit claims.

The General Manager had been at the Audit meeting where Accountant's advice was given, but had issues with complying with her guidance. It was agreed that Adam needed to be part of any discussion concerning this. It was noted he had been invited to come to tonight's meeting to do so, but had not come. The Committee agreed that it would take no action in relation to this issue at this time, and that the best path forward was for Sonja and Mike to meet with Adam, together as has been their custom, and to request that he, as the Manager, devise a solution to the problem presented by the Accountant's advice.

The Committee had requested background data, including salary data for previous Volunteer Coordinators, be provided by staff. The General Manager emailed 12 background documents to Chair on May 12, after the May meeting, which will be reviewed by Committee at its next meeting. Committee hopes to bring recommendation concerning this position to the Board by the June meeting.

Two motions will be brought to the Board at its May meeting: Bonus Policy and Employee Retirement Plan. The motion to be discussed in open session, the Bonus Policy is attached. The other motion will be brought to the meeting, for discussion in Executive Session.

Respectfully submitted,

Anne Larsen, Chair, Personnel Committee

Employee Bonus Policy

Draft approved by Personnel Committee, February 12, 2015

Recommended to Board, May 20, 2015

“Bonuses to WJFF employees are considered part of the overall compensation received by an employee. Bonuses are a discretionary add-on to regular salary, dependent upon budget limitations and provided in recognition of an employee's extra-efforts or exceptional performance. They are not automatic, nor do they carry over from year to year.

Bonuses require a Board vote authorizing them, separate and distinct from a vote to approve the budget. Exempted from this requirement are minor bonuses (\$250 or below) paid to contractors or others providing services to WJFF.

Bonuses must be tracked in the station's bookkeeping system as “bonus” payments separate from regular salary payments. Information about bonuses paid in any fiscal year must be reported to the station accountant for appropriate reporting. “

BACKGROUND:

On December 22, 2014, Adam sent an email to Barbara Demarest, Sonja Hedlund and Anne Larsen, stating that for as long as he had worked at WJFF, the staff had received a holiday bonus equal to one week's pay, and asking if he was authorized to make this payment. Barbara responded by email that she recalled the bonus given in 2013 to Adam and Andrea, but thought this was given due to extraordinary circumstances. She further answered that she believed that a bonus to the staff would need to be authorized by the Board.

Research into non-profit governance by the Personnel Committee, confirmed Barbara's assessment. Payroll records supplied by the bookkeeper show that full time staff were paid an additional one full week's salary in 2010, 2011 and 2012. A search of the Board minutes for this time period found no Board motions approving these bonuses. In the bookkeeping system, none of these payments, except for those approved by the Board in 2013 are annotated as bonuses. The bookkeeper indicated that she made these payments on the verbal instruction of Winston Clark.

The Employee Bonus Policy is brought to the Board for its approval at this time, in order to put in place a policy that requires Board approval for discretionary bonuses, and to provide clear guidelines for station management to follow.

Main Points on SEP-IRA started for WJFF employees in 2010

Information known as of January 2015

- Prior to 2010 we had 403b for nonprofits, no contribution from employer
- Our Audits continue to refer to 403b, with no employee contribution up until current
- Our accountant and auditor, did not know that we had a SEP-IRA
- Vanguard folder for 2010, when SEP-IRA was opened, is empty in file
- Records are missing regarding switch to SEP-IRA from 403b
- In 2010 checks written to Vanguard for SEP-IRA by Winston Clark, for himself and Adam, above \$1,000 with single signer, against corporate policy. (2010 Audit Management Letter noted that a "substantial deficiency" citing that this policy had been violated during time period.)
- No forms found with Board signatures to open account, though subsequently in 2011 and 2012 \$5,000 checks co-signed by Board member.
- Vanguard Account Registration Form for other accounts opened on September 27, 2010 are found, and are co-signed by Winston, Steve Van B, and Treasurer David Barnes. SEP-IRA is not on list.
- Adam Weinreich supplied quarterly reports for his account. 2010 shows \$1,485 which is listed as Traditional IRA on his records; 2011 and 2012 are listed as SEP-IRA.
- No plan document is found, setting conditions and percentages to be contributed, as mandated by IRS
- Percentage amounts differ during 4 year period between two employees, not complying with IRS regulations that they be the same percentage for all eligible employees
- WJFF Bookkeeping reports do not annotate contributions as "pension", except in case of final quarterly payment into Winston's account in 2013.
- The figures in bookkeeping system do not match those in Audit, totaling \$5,000 in both 2011 and 2012. Is this a pre-tax/post-tax issue? For Adam, actual payments into account: 2010=\$1,485 2011=\$1,667 2012=\$1,667
- Comparables show that of 4 nonprofits used for compensation determinations, only one provides employer contribution, the Wayne Public Library, up to 3% based on employee match.

Update, March 2015

- David Barnes, Treasurer at time of account opening, is contacted via email by Anne Larsen and states he has no information about it, he was not involved with opening the pension account.
- David Dann, trustee at time, is contacted via email by Anne Larsen and provides budget approval vote in 2010 listing 401k with amount listed. He also provides Finance Committee budget recommendation including 401k.
- Steve Van Benschoten, trustee at the time, is contacted via email by Barb Demarest, and states it was a managerial decision and he does not know the proportion, nor other details about the accounts. Unaware of previous 403b. "The board assumed it was contingent upon the station's annual income."

- Barbara Demarest asks Vanguard for records concerning SEP-IRA. Vanguard will not provide other records since these are employee accounts. Barb asked Adam to ask for his plan documents and records regarding start-up of account. Not yet received.
- Anne attends Pension Program at Nonprofit Summit and talks in depth with presenter from Marshall and Sterling. Major recommendation is “You need to sit down with your accountant first, sort this out, and then get advice on how to move forward.” He advises against SEP-IRA since it does not allow employee to make contributions, recommends Simple IRA instead, which allows for both. With small business such as us, he recommends non-ERISA, flexible and discretionary, to allow for modifications based on budgetary conditions.

SEP-IRA—Major points

- Only employer can contribute; no employee contributions allowed
- Must be offered to all eligible employees
- All eligible employees must be funded at the same % of salary
- Discretionary: organization can change percentage or choose not to contribute in any year
- Organizations have up until the date when organizations IRS filing is due, including extensions. If granted extension, say six month to October 15, and you file in August, you still have up until October 15 to contribute.

Additional Questions for Accountant:

-What obligation do we have for 2013 and 2014? If this is discretionary, are we free to decide that no contribution, or lower contribution be made? Or do we have to follow pattern, even if erratic?

-What about IRS reporting, do we need to regularize with IRS since differing percentages were paid?

-What should we do in future? 403b, 401k, SEP-IRA, Simple IRA advantages/disadvantages
3/13/15

Accountant answers:

There is no obligation, since there are no plan documents or Board votes. If Board determines it wants to pay retroactive, it is free to determine %. She advises no more contributions to SEP-IRA, with any retroactive funds paid separately, as bonus

Station needs legal advice on how to regularize the payments into SEP-IRA for past years, since did not meet requirements for equal percentages for all full-time employees. This may have impact on IRS tax reporting for these periods, for employee salaries.

Advises that we return to 403b, which is intended for non-profits. We can make employer match for employee contributions, which encourages employee saving for retirement. Their firm does not provide services in pension management, but she thinks we should get a fund manager to help us set one up, and take payroll deductions.

